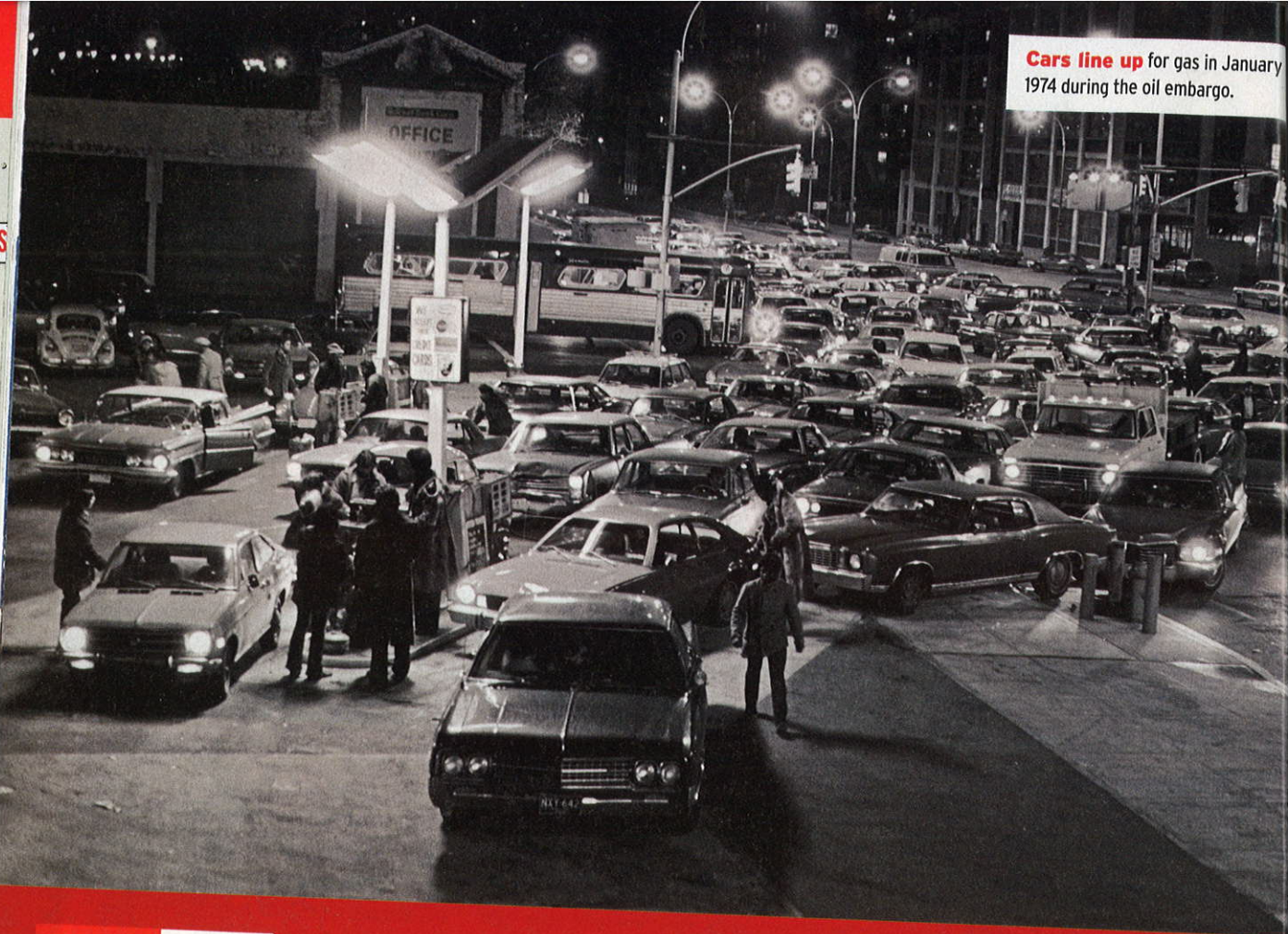


Cars line up for gas in January 1974 during the oil embargo.



TIMES PAST

1973

Sorry, No Gas

The Arab oil embargo 40 years ago awakened America to the dangers of dependence on foreign oil

BY SAM ROBERTS

Gasoline shortages touched off panic buying. Some filling stations rationed their gas or sold only by appointment. Many closed entirely, leaving the dwindling number that stayed open with lines that snaked for a mile or more. Tempers flared, and near riots erupted.

These were just some of the most jarring effects of the oil embargo imposed 40 years ago by Arab members of OPEC (Organization of Petroleum Exporting Countries), a cartel that controlled the price and supply of oil. Accustomed to a cheap and bountiful supply of oil,

Americans were awakened to a hard truth: Everyday life in the U.S. (and other industrialized nations) was incredibly dependent on the rich oil reserves of the Middle East—a region that was as volatile and unpredictable then as it is today.

The embargo—in response to America's support for its ally Israel—lasted five months but had long-lasting implications. It prompted the U.S. to seek alternative energy sources and to rethink its relationship with the Middle East.

"The 1973 oil crisis impressed upon the United States just how critical the Persian Gulf is to American and global security," says Steve A. Yetiv, a political

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President Nixon's Energy Speech
WWW.UPFRONTMAGAZINE.COM

OPEC leaders meeting in Abu Dhabi, the United Arab Emirates



Oil shortages forced gas stations around the U.S. to close.



science professor at Old Dominion University in Virginia. “It was an economic shot that motivated the West to develop protection against major oil crises.”

Even before the 1973 oil crisis, Americans were learning that energy supplies were not unlimited. U.S. oil production had peaked in 1970, and President Richard Nixon warned that domestic sources of energy were drying up. But middle-class Americans had embraced their suburban lifestyles, heating and air-conditioning their sprawling homes and driving big gas-guzzling cars to work, school, and the mall. Though the U.S. made up 6 percent of the world’s population, it was consuming 33 percent of the world’s energy.

Then, on Oct. 6, 1973, Egypt and Syria led other Arab nations in an attack on Israel that’s known as the Yom Kippur War because it began on the holiest day of the Jewish calendar. The Arab nations were determined to regain the Golan Heights in Syria, the Sinai Peninsula in Egypt, and other territories lost to Israel during the Six Day War in 1967. The U.S., an ally of Israel since its founding in 1948, supplied Israel’s military with cargo planes, tanks, and intelligence, helping turn the tide of the Yom Kippur War in Israel’s favor.

On October 17, the Arab members of OPEC retaliated. They announced that they would cut petroleum exports to the U.S.—which they deemed a “principal hostile country”—until Israel withdrew to its pre-1967 borders. They later broadened the embargo to other nations that supported Israel, including Britain and Japan. (OPEC’s non-Arab members did not participate in the embargo.)

Damage Control

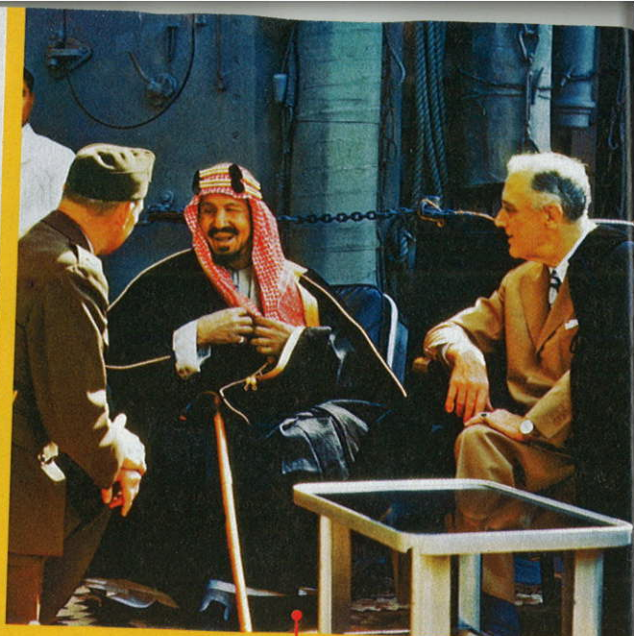
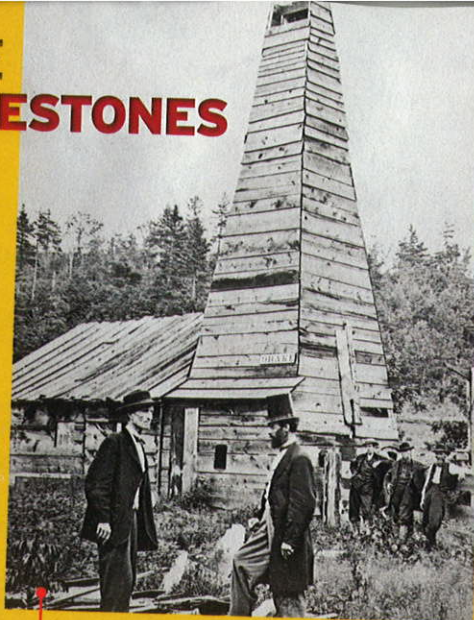
American consumers felt the effects of the embargo immediately. The price of gasoline doubled, then quadrupled (from about 25 cents a gallon for regular gas to more than \$1). Long lines sent some frustrated drivers over the edge.

“She cut in line, parked her car, and blocked the pumps,” an owner of an Exxon station in Connecticut told *The New York Times* on Dec. 28, 1973. He was forced to barricade his station so only one car at a time could file in from the block-long line. “Until the police came,” he said, “everybody was honking and yelling.”

To stem the panic that overwhelmed stations around the country, the federal government restricted gas purchases

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TIMELINE OIL MILESTONES



1859 First Oil Well

Edwin Drake (*in stovepipe hat*) built the first commercial oil well, in western Pennsylvania; the great oil fields of Oklahoma, Texas, and California soon become the most important in the world.

1908 'Model T' Car

After the electric light renders oil lamps obsolete, Henry Ford's Model T, the first mass-produced car, creates a whole new market for oil.

1938 Western Discoveries

Thirty years after Great Britain makes the first oil discovery in the Middle East (in Iran), Standard Oil of California discovers oil in Saudi Arabia.

1945 The U.S. & Saudi Arabia

President Franklin D. Roosevelt (*right*) meets with the Saudi king just before the end of World War II to discuss the importance of Saudi oil to the West.

1960 OPEC

Saudi Arabia, Iran, Kuwait, and Venezuela form OPEC to control the supply and price of oil.

to odd/even days of the month, depending on the last digit on a vehicle's license plate. Christmas wasn't canceled in 1973, but it was certainly less bright, when Nixon ordered the White House Christmas tree left unlit except for a solitary star at the top. Daylight Saving Time was extended year-round to save on lighting costs, although some parents complained that their children were walking to school in the dark. NASCAR reduced race distances and cities relaxed air-pollution regulations to allow utilities to burn more-plentiful, dirtier oil. The Air Force curtailed training flights. A "Don't Be Fuelish" conservation campaign was launched.

President Nixon urged Americans to think of energy in a new way.

"This year, we will drive a little slower," Nixon said. "This year, the thermostats will be a little lower. This year, every American perhaps will sacrifice a little." But it was all for a great goal, the president said: to get the U.S. independent of imported oil by 1980.

After suffering the effects of the embargo for just three months, the U.S. took action to get Arab oil flowing again by negotiating with Arab and Israel leaders. In January 1974, Israel agreed to a partial withdrawal from the Sinai Peninsula. In

March, OPEC lifted its embargo after Israel promised to negotiate a partial withdrawal from the Golan Heights too.

Americans across the country breathed a sigh of relief at the thought of returning to normal life after five months.

"When my children would ask me to drive them to school to a basketball game, I would say 'walk the mile and a half,'" a woman told *The Times* in March 1974. "Now I drive them."

But though the crisis was over, the effects of the oil embargo were just beginning. Starting in 1974, a pipeline was built across Alaska to allow easier exploration of its oil fields (despite opposition from environmental groups). In 1975, Congress imposed the first fuel-efficiency standards for American-made automobiles. And

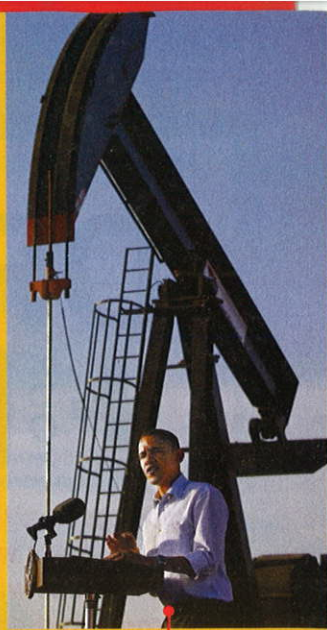
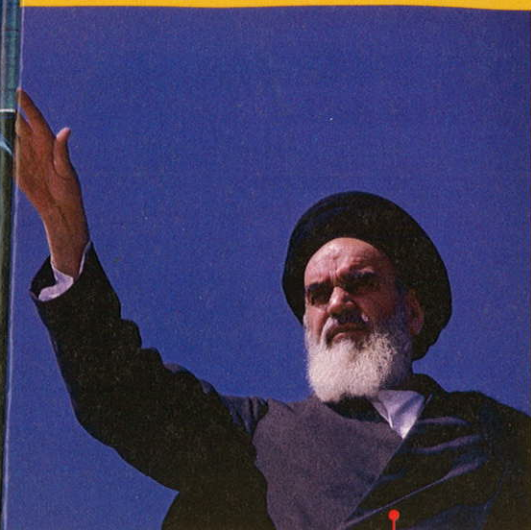
consumer attitudes changed too, as Americans began favoring smaller Japanese imports like Hondas and Toyotas—a trend that largely continues today.

America's Oil Wars

Nixon's goal of energy independence, however, remained elusive. America's continued dependence on foreign oil in the years after the 1973 embargo would have profound foreign policy implications for U.S. involvement in the Middle East.

**'This year,
every
American
will sacrifice
a little.'**

—President
Richard Nixon



1973 The Oil Embargo

1979 Iranian Revolution

The Iranian Revolution (above: Ayatollah Ruhollah Khomeini) leads to a temporary halt in Iranian oil exports—and more gas lines in the U.S.

2001 Terrorism

Al Qaeda attacks the U.S. on 9/11. Fifteen of the 19 hijackers are from Saudi Arabia, where oil revenues have been linked to terrorist funding.

2008 Supply & Demand

Increased demand for oil from developing nations like China and India drives up gas prices past \$4 a gallon in the U.S. They remain around that level today.

TODAY Energy Independence?

With increasing domestic oil production and decreasing energy consumption, the U.S. could become energy independent within the next decade.

In 1990, when Iraqi dictator Saddam Hussein invaded Kuwait to take control of Kuwait's vast oil fields, the U.S. successfully led a multinational coalition against Iraq in the Persian Gulf War.

In 2003, the U.S. went to war with Iraq a second time. Though President George W. Bush said the primary reason was to prevent Saddam from using weapons of mass destruction, many analysts believe a major factor was preventing him from controlling the region's oil.

By then, the U.S. had already invaded Afghanistan to root out Osama bin Laden and his followers in Al Qaeda, following the Sept. 11, 2001, terrorist attacks. Bin Laden had said that part of his motivation for the 9/11 attacks was his anger over America's close relations with Saudi Arabia, which has the world's largest proven oil reserves. Oil money from Saudi Arabia and elsewhere in the Middle East has long helped fund terrorist groups like Al Qaeda.

Looking back at the embargo 40 years later, Yetiv, the political science professor, says that the U.S. actually came out stronger, developing strategies that left it less vulnerable to the whims of OPEC. In 1975, a year after the embargo ended, the U.S. created the Strategic Petroleum Reserve, an emergency fuel supply maintained by the Department of Energy in the Gulf of Mexico that now has 700 million barrels of oil.

Other countries developed similar reserves to tide them over in case of a future embargo. The U.S. also began investing in renewable energies, like wind and solar power, and figuring out ways to exploit its own oil and nuclear energy sources.

A New Oil Boom

Today, new technologies like hydraulic fracturing, or "fracking," and off-shore drilling in the Gulf of Mexico and Alaska has helped create a new oil boom in the U.S. that has brought it closer than ever to achieving its goal of energy independence. Some experts think the U.S. could even surpass Saudi Arabia as the world's largest oil producer by the end of this decade (see p. 14).

But Daniel Yergin, author of *The Quest: Energy, Security, and the Remaking of the Modern World*, cautions that although the U.S. has finally come close to ending its dependence on foreign oil, that doesn't mean the Middle East will ever be insignificant to U.S. and global security.

"If there's a major disruption in the Middle East, we'll feel the shock," he says. But "fundamentally we're in a considerably better position than at the time of that crisis." •

Sam Roberts is the Urban Affairs Correspondent at *The New York Times*; additional reporting by Veronica Majerol.

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