

On the Publication of *The Oil Crisis in the 21st Century: The Future of Daily Life and the Economy* (Iwanami Shinsho)

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On October 20, my latest book, *The Oil Crisis in the 21st Century: The Future of Daily Life and the Economy*, was published by *Iwanami Shoten* as part of the prestigious *Iwanami Shinsho* series. Following the U.S.-Israeli military strikes against Iran that commenced on February 28, 2026, Iran moved to impose a de facto closure of the Strait of Hormuz, the vital artery through which energy exports from the Middle East flow to global markets. Against the backdrop of the unprecedented disruption in energy supplies that ensued, this book examines from multiple perspectives the new oil crisis of the 21st century, which I refer to throughout the volume as the “Strait of Hormuz (SOH) Crisis.”

There is no doubt that the outbreak of the SOH Crisis and its far-reaching consequences, which quickly became matters of profound concern both in Japan and internationally, provided the primary motivation and impetus for writing this book. However, the objective of the volume is not to offer a detailed situational analysis of the military and geopolitical developments surrounding the crisis, nor to provide forecasts regarding energy prices or future energy supply-demand dynamics.

Naturally, in the process of writing, every effort was made to incorporate and update important developments and information related to the SOH Crisis up until the manuscript’s finalization on September 25. Even so, the purpose of the book is not simply to describe the crisis itself. Rather, it seeks to utilize the SOH Crisis as a “living case study” through which to explore the fundamental nature of an oil crisis in the 21st century.

This perspective is symbolically reflected in the book’s subtitle, *The Future of Daily Life and the Economy*. Throughout my career as an energy researcher, I have primarily focused on analytical work concerning energy security, energy geopolitics, and the international energy order/governance. It goes without saying that these analytical perspectives also form an important foundation of this book, and I have attempted to interpret the current oil crisis through these lenses.

At the same time, however, the book places particular emphasis on a different but equally critical question: how sharp increases in petroleum product prices and disruptions in supply during the SOH Crisis can profoundly affect the everyday lives of citizens and the functioning of the economy. Drawing upon the realities of petroleum consumption in Japan, I examine the extent to which petroleum products

and petrochemical materials have become deeply embedded in modern life and economic activity, and consequently how price surges and supply insecurities can generate serious societal and economic challenges.

In pursuing this line of inquiry, I came to regard the examination of these issues as indispensable to understanding the true nature of today's oil crisis. It also provided me personally with a valuable opportunity to gain new insights and perspectives.

Accordingly, one may say that this book seeks, as comprehensively and objectively as possible, to investigate the essence of the "oil crisis of the 21st century" while placing the impacts on daily life and economic activity at the center of its analysis. The discussion is presented in a manner intended to be accessible to a broad readership. To this end, the volume is organized as follows:

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The Introduction provides a concise overview of what occurred during the SOH Crisis from the perspectives of international politics, geopolitics, and global energy developments. It identifies at the outset the fundamental issues that constitute the central theme of the book.

Chapter 1 begins with the observation that the importance of oil was rediscovered amid the sharp rise in petroleum prices and growing supply uncertainties brought about by the SOH Crisis. The first half of

the chapter explains the extensive role petroleum plays in daily life and economic activity, including the widespread use of petroleum and petrochemical products. The latter half examines the various pathways through which oil influences both society and the economy.

Chapter 2 provides essential background knowledge that readers may find useful in understanding the discussions in this book. Sixteen fundamental topics are presented in a concise and accessible manner, including “What Is Crude Oil?”, “Global Oil Reserves,” “Oil Production,” “Major Producing Countries,” “The Shale Revolution,” “Transportation of Crude Oil,” “Oil Refining” and others.

Chapter 3 first reviews the historical evolution of the international oil market and examines major episodes of oil supply disruption. It then analyzes the conditions under which supply disruptions develop into severe crises, identifying the principal factors that have shaped past outcomes. Using Japan’s experiences as a practical case study, the chapter categorizes crisis-response strategies into three broad groups: (1) measures to reduce oil imports, (2) measures to ensure stable oil imports, and (3) emergency measures designed to cope with actual supply disruptions.

Chapter 4 examines how stability has been maintained in the oil market under “normal market conditions”, that is, in the absence of major supply disruptions. Particular attention is devoted to the management of spare oil production capacity in the international oil market, as well as to the role historically played by the United States and how that role has evolved over time.

Chapter 5 discusses the risks and vulnerabilities associated with dependence on Middle Eastern oil, which the SOH Crisis once again highlighted as a critical energy security challenge. It also addresses the more fundamental question of why both the world and Japan continue to depend heavily on Middle Eastern oil resources. Furthermore, viewed through the lens of contemporary structural issues, including unequal wealth distribution and widening income disparities, the chapter reassesses the adverse consequences of oil supply disruptions. Beyond oil and the Middle East, the chapter also considers the growing complexity of energy security challenges arising from issues such as maintaining stable electricity supplies amid the rapid expansion of generative AI and data centers, as well as China’s dominance in critical clean-energy supply chains, including rare earth elements.

Chapter 6 explores the future of oil in light of its continuing significance in the contemporary world. The prospect that oil demand may decline substantially as countries pursue carbon neutrality has attracted considerable attention, and the occurrence of the SOH Crisis has further encouraged arguments that strengthened energy security considerations could reshape the future of oil. Nevertheless, after examining the realities surrounding global energy systems, the chapter argues that oil will remain an indispensable energy source for the foreseeable future and that ensuring its stable supply will continue

to be of paramount importance.

Finally, Chapter 7 presents a comprehensive examination of the strategies Japan should adopt to secure stable oil supplies in the aftermath of the vulnerabilities exposed by the SOH Crisis. The chapter emphasizes not only the importance of immediate crisis-response measures but also the necessity of medium- to long-term structural reforms in the nation's energy supply-demand balance. In addition, it argues that Japan must develop an international energy strategy grounded in a broad global perspective. Should this book contribute, even in some small way, to meeting public interest in energy issues that profoundly affect daily life and economic activity, and serve as one gateway to a deeper understanding of the true nature of oil crises, it would represent a source of immense satisfaction and gratification for the author.

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