

Why Israel will rule the new Middle East

By ARTHUR HERMAN, FOXNEWS.COM—

If you still think the future of Israel looks bleak, think again.

A few months ago it looked like the Jewish state might not survive until 2013. Rockets were raining down from Gaza; revolution was about to install one Islamicist government in Egypt, and another was poised to take over in Syria. Iran was threatening to finish what Hitler's Holocaust started, with an atomic bomb. The Obama administration seemed unwilling to stop that happening— while Israel's only alternative to nuclear annihilation was a preemptive strike that was bound to start a major shooting war in the Middle East.

Now, however, Israel's future may be brighter than ever.

Iran remains the neighborhood's unpredictable mad dog, although its nuclear bark is still far worse than its bite. But Israel itself is set to dominate the region like never before. Thanks to the industrial technological miracle known as fracking, Israel is about to become the new energy Mecca of the Middle East, and there's very little its Arab neighbors can do to stop it.

Indeed, instead of plotting Israel's destruction, its Arab neighbors could find themselves courting Tel Aviv's favor the way the United States and Europe courted OPEC in the 1970's and 1980's.

What's tilting the region's dynamics toward Israel?

For one thing, the Arab Spring has spawned a chaos and instability in every country it's touched, that's going to grind on for years to come. A new report warns that Egypt is on the verge of collapse; Israel's old adversary Syria, already is. Both are also very likely headed toward economic ruin—as has already happened to Israel's other foe, Hamas in Gaza, and could hit Iran next.

Israel is going to be the famous “still point in a turning world”—a world turning in on itself, with little or no energy to spend confronting the Jewish state. And here's where fracking comes in.

Hydraulic fracking is, of course, the technology that uses a high-pressure mixture of water, sand, and chemicals to crack open deep deposits of shale oil and natural gas. It's single-handedly revived our domestic energy industry—to the point where by 2020 we'll be the world's biggest oil producer.

What many people don't know is that the land of Israel holds almost 250 billion barrels of oil shale reserves (that's according to the World Petroleum Council). That's almost equal to Saudi Arabia's 260 billion barrels—and as conventional oil sources there and in the Persian Gulf gets harder to extract (it already's happening) and the cost goes up, Israel will be the new energy frontier of the region.

It's already happening. The fracking-savvy Canadians have joined an Israeli energy technology fund, to help companies like Israeli Energy Initiatives begin production of oil shale in reserve-rich areas like the Valley of Elah near Jerusalem; the Russians have signed a deal to help open up the vast natural gas reserves discovered in 2008 and 2009 off Israel's coast—some 16 trillion cubic feet worth.

Right now production is still tiny, but as fracking technology continues to advance Israel could soon move beyond its declared goal of energy independence, and become a major oil exporting country—including to oil-poor neighbors like Egypt and Syria and Lebanon.

The implications are nothing less than staggering.

Instead of an embattled and isolated outpost of Western democracy, Israel would look like the Middle East's new economic colossus.

Instead of shunning Israel for fear of offending oil-rich Arab states, Western Europeans could find themselves beating a path to Israel's oil shale fields—and rethinking who they want as their ally in the region, and who they don't.

That includes the United States. Fracking is changing the world's economic map; it's about to change the Middle East. It's time policy-makers caught up with reality, and realized that our relationship with Israel may be our most important bond to that region's future.

Historian Arthur Herman is the author of the just released "Freedom's Forge: How American Business Produced Victory in World War II" (Random House May 2012) and the Pulitzer Prize finalist book "Gandhi and Churchill: The Epic Rivalry That Destroyed an Empire and Forged Our Age" (Bantam, 2008).