

The Great Powers Strategy to Control Oil Regions

Hadeel Abdulkhaliq Abdulrazzaq¹, Alaa Khalil Ibraheem² and Khiam Mohammed Al Zoubi³

Abstract

Oil is considered to be one of the most important reasons that led to international conflicts and wars. Within this framework, the current research paper confirms the importance of the role that oil plays in global politics and international relations at the political and economic levels. Together with the willingness of the major powers, led by the United States of America, to go to wars, crises and turmoil at the world level to preserve their interests and goals in general and the continued entry, under conditions appropriate for their economies in particular. The present research paper comprises an introduction, a methodological framework, and major hubs that deal with the importance of oil and its position in the strategies of major powers and the importance of oil in international conflicts. Moreover, the American strategic awareness of energy security, oil prices and negative repercussions of indicators on the states economies. Ultimately, the paper ends with relevant conclusion, findings, and recommendations.

Keywords: Arab Oil, International Relations, Hard Power, International Conflicts.

INTRODUCTION

Oil posed, since its discovery, one of the main important causes of conflicts in the world and these conflicts on oil take up much space in the international conflict map over the past century. Thus, the major industrial powers rushed to search for securing oil resources by means of creating multiple strategies in order to control oil territories. Furthermore, oil forms a great importance in the international competition and its impact on international relations together with preserving states locations in dominancy and international economy and in the economic development level. Hence, it is the cause that led major industrial powers to attach a great importance to this type of energy and they strife to get much of its resources by means of making economic and investing treaties and agreements or via wars. This indicates the importance of oil exploration operations in many ways and therefore international powers have been pushed to compete to get this vital product (i.e. oil).

Significance of the Study

The significance of the study lies in the fact that oil imposed itself as a strategic commodity and then oil turned from a strategic commodity into a commodity that turned oil producing territories into strategic territories which must be secured by all means. For this reason, the American administration realized the strategic significance of Arab region with regard to the American economy. Consequently, the United States of America has made the priorities of its foreign policy was the necessity of permanent dominance over this region.

Aims of the Study

The current research paper aims to:

Highlight the role of oil in the American strategy with regard to its relation with Arab states together with the extent to which relations have changed and continued.

Know the main motives behind turmoils and tensions that began to sweep through the Arab region.

Know the role of oil in designing the foregin policy of major industrialized countries.

¹ University of Baghdad, College of Education, Ibn Rushd for Human Sciences. E-mail: hadirasola@gmail.com

² University of Baghdad, College of Education, Ibn Rushd for Human Sciences. E-mail: alakhililab89@gmail.com

³ Al Furat College University, College of Economics. E-mail: khaym1979@yahoo.com

Find out the reality the American intervention in the Arab countries.

Statement of the Problem

The ongoing research paper is concerned with studying the strategic role that is played by oil as ongoing to any international, military and political movement. This is done from the existing locations of oil and its production, reaching to its interrelated relations with the economic growth of the producing and consuming states (or countries). Consequently, it leads to the stability of the region or its turmoil.

Accordingly, the research problem is embodied in a set of questions, the most important of which are:

What is the impact of oil on international relation at the political and economic levels?

To what extent can major countries go to secure their oil interests towards the Middle East countries?

To what extent major countries go on their military operations to engage in wars, conflicts and crises in oil-rich regions?

What is the position of Arab oil in the United States strategy in light of international changes?

Hypothesis of the Study

The present research paper is based on two main hypotheses. They are:

Oil is the key driver and prime mover of all crises and international wars and if there is so much turmoil in the Middle East region, its goal will be to control oil resources.

Whenever there are increased security threats in the Arab regions, the American interest in the Arab oil will increase.

RESEARCH METHODOLOGY

In this research, the researcher uses descriptive –analytical approach in answering the research questions and testing hypotheses in order to analyze data and drawing up conclusion.

Firstly, the Importance of Oil in the Global Economy

The shape of the oil market has been well-defined since its discovery in 1859, and to this day, it remains one of the most significant factors influencing the global economy. This energy source has played a substantial role in global economic activity, especially during the modern technological era, and even when oil prices soared following the oil embargo of 1973, major industrial nations realized the possibility of oil-producing countries controlling prices. These countries attempted to find alternatives for obtaining oil at reasonable prices, but they could not achieve this because it was merely a propaganda tactic.

And based on these considerations, the global interest in oil became increasingly significant, being seen as the lifeblood of industrial and military machinery, aircraft, and ships. Oil has become an attractive sector for international investment, representing a fundamental pillar of many countries' economies. Additionally, the political importance of oil has grown due to its utilization in various industries to generate vast profits and personal gains. This made oil a source of contention among nations. Major oil companies employed their influence in this arena and negotiated with each other to set prices and markets among their consuming companies, considering oil as the most crucial factor in the global economic mix.

Secondly, the Position of Arab Oil in the Strategies of Major Powers

The issue of oil in strategic thought has sparked a lot of commitments, debates, and has been a subject of intense international political discourse. Oil is a crucial element, as confirmed by historical facts, and has been one of the most vital factors influencing global policy since its discovery and refinement, through the outbreak of the First and Second World Wars.

Oil has been a vital tool for control and monopolistic policies, particularly during the Cold War era between the major global powers.

Global Impact of Arab Oil (1): Studies confirm that oil is a leading factor in the global power equation through the following considerations:

Diversifying Energy Sources: As oil is a key component of the modern industrial civilization.

Control over European and Asian Consumption: A strategy to leverage oil imports to benefit American needs.

The proven oil reserves in the Arab world are approximately 415 billion barrels, which constitutes about 65.7% of the world's proven crude oil reserves, estimated at about 704 billion and 522 million barrels. Based on this data, Arab oil holds significant importance in global economic dynamics. The following table shows the percentage of oil reserves in each Arab country:

Table (1): Percentage of World Oil Reserves in each country of Arab Countries

Country	World oil reserves	Country	World Oil reserves
Saudi Arabia	22.1%	Qatar	1.12%
Kuwait	7.55%	Oman	0.41%
Algeria	90.0%	Sudan	0.37%
Iraq	11.8%	Egypt	0.27%
Libya	3.05%	Yemen	0.22%
UAE	7.21%	Syria	0.18%

(Note: The original text indicates that a table would follow, but no specific data or table format is provided to include in this translation.)

(Note: The percentages provided appear to have some inconsistencies and unusual values which may need verification or correction. The table reflects the data as presented in the original text.)

Among the most significant advantages of Arab oil are its ease of extraction and the low number of dry wells in the Arab region, its unique strategic geographical location, as well as the proximity of Arab oil fields to maritime areas and the density of Arab oil reserves. According to the statistics of the Organization of Arab Petroleum Exporting Countries (OAPEC), Arab oil reserves account for approximately 58% of the world's proven oil reserves. The total estimated reserves of crude oil in Arab countries are about 683.66 billion barrels.

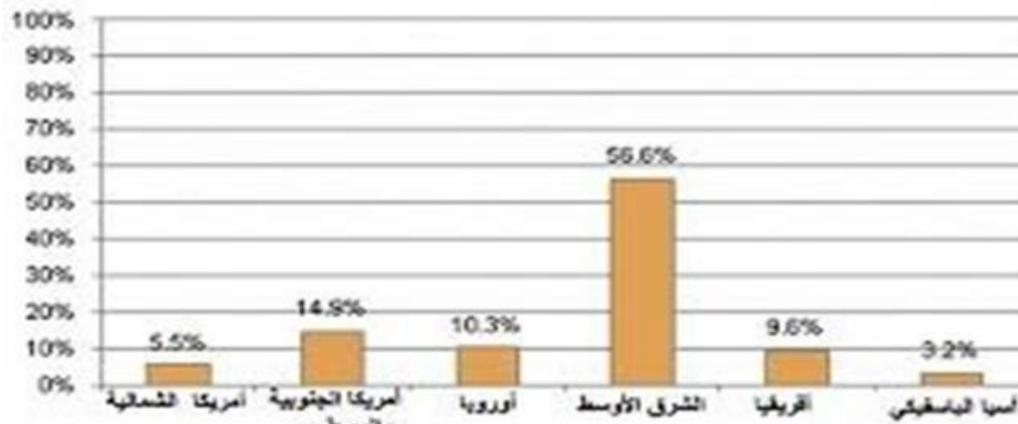


Figure (1) Percentage of Distributing World Oil Reserves

Thirdly, Oil and its Role in International Disputes

The surge in demand for primary pilgrimage reserves has become a significant factor in shaping the foreign policies of major oil-holding nations, leading to tensions among stakeholders and oil-holding nations in Asia and beyond.

The Role of Supply in International Disputes

Supply shortages have become one of the primary reasons for the eruption of conflicts in Eurasia and Asia, particularly because the global supply chain for supply does not adequately meet the demands of rapidly developing economies, especially those in the rapidly growing Asian and Eurasian regions. Given the fluctuating demand and the vulnerability of the American supply chain, the global demand for oil is projected to increase

by up to 5% during the first quarter of 2025, with estimates reaching as high as 10 billion cubic meters annually by 2025. Moreover, the rising reliance on oil for natural gas extraction, accounting for approximately 57% of global oil demand currently, is expected to exacerbate supply shortages and result in steep price hikes, potentially prompting major oil-holding nations to reconsider their supply strategies.

The role of Oil in Western intervention in Arab Countries

The control of the countries has become a haven for western powers seeking to assert their hegemony and exploit the economic potential and market opportunities available in the Arab world while ignoring the national sovereignty and realizing the strategic importance of controlling the region without resorting to direct military intervention. This includes using oil as a tool of pressure in diplomatic crises and conflicts with the West. Therefore, the dependency on oil is the main driver for the perpetuation of the imbalance of power in the Arab world and as a necessity for survival as a basic premise for the preservation of colonial hegemony over the Arab region, the exploitation of natural resources and reliance on oil and gas revenues, and in securing pipelines to transport oil to Western ports.

Fourthly, the Role of International Powers in the Energy Oil Dynamics in the Middle East

The Middle East region is highly dependent on fossil fuel resources in the global economy, with the region holding about 48.1% of global proven oil reserves and crucial natural gas reserves. The Middle East occupies a strategic position in the global energy landscape, serving as a key player for major powers. The region's significance and influence deepen with the continuous demand for energy resources in the world, especially considering the reliance on fossil fuels in the global economy. Recent events have further highlighted the strategic importance of the Middle East in the energy sector.

The American energy policies and the pre-agreement situation are shaping the global energy landscape. The major powers recognize that the Middle East's oil needs represent the second largest global energy demand after possessing over 119 billion barrels of crude oil reserves. The crude oil suction production reached 5.5 million barrels per day in 2022, contributing significantly to the global production increase by 3.8%. However, the growth trend faced decline in 2023 due to various factors, notably the American shift towards energy independence following the repercussions of conflicts affecting the energy infrastructure, such as refining and suction sectors. Consequently, the major powers are looking to reshuffle the Middle East's energy dynamics to serve their strategic interests, particularly economic ones, aiming to reduce reliance on resources from Russia, China, Europe, Japan, and South Korea. This realignment ties into the hegemonic strategies pursued by the American administration, characterized by a mix of coercion and diplomacy, as controlling the Middle East's energy means control over global power dynamics with significant implications for European and Japanese energy security.

Fifthly, the U.S. Strategic Perception of Energy Security

The U.S. Strategic Energy Policy revolves around securing energy supplies. It is concerned with ensuring the smooth functioning of markets that have become volatile due to disruptive events, such as those involving the cold chain, and it aims to safeguard energy sources and prevent disruptions caused by geopolitical tensions. In light of American power dynamics, energy security plays a crucial role in shaping foreign policy decisions. With the current complex and uncertain geopolitical landscape, ensuring energy self-sufficiency has become a paramount concern to mitigate risks associated with volatile global energy markets.

In the context of the global energy outlook, demand for oil has risen steadily at an average rate of 1.7% annually from 2020 to 2022. Furthermore, global oil demand increased from 77 million barrels per day in 2020 to 82 million barrels per day in 2025 and is projected to reach 92 million barrels per day by the year 2030 and 107 million barrels per day by the year 2040. It is anticipated that global oil demand will continue to rise, reaching 127 million barrels per day in 2032, with the expectation that demand will increase to 102 million barrels per day in 2025.

In light of this, the strategic perception of energy security in the United States recognizes the importance of dealing with key countries such as Iran, Venezuela, and Russia in the face of rising economic pressures, which

are crucial for global energy supplies and roles in sustaining and diversifying global economies. This has led to the emergence of the concept of "Energy Dominance." It is evident that the issues related to energy supplies have become critical for the United States to maintain its strategic interests globally, prompting a search for secure sources of energy that are more abundant and less dependent on the geopolitical uncertainties surrounding American foreign relations.

The US policy toward oil-producing countries is no longer driven solely by narrow geopolitical interests, but also considers economic factors like ensuring sufficient and affordable oil supplies for the US economy. Securing global oil sources and infrastructure has become an important part of the US national energy security strategy under former President Bush, who defined energy security as a key national interest and driver of economic recovery. Asserting oversight of major oil suppliers through sanctions aims to influence the global energy market, beyond just security of supply considerations. Overall, economics now plays a more prominent role in shaping the US approach, which wants to use its influence over oil markets to maintain favorable conditions for its domestic industry and wider economy. Geopolitics and national security remain important, but are increasingly intertwined with economic priorities in this domain.

The United States has become the largest crude oil producer in the world at a record pace exceeding 12 million barrels per day, thanks to the development of advanced drilling techniques in areas such as the Permian Basin, which America relies on to steadily increase production. In the year 2019, data showed that US crude oil production surpassed that of Saudi Arabia for the first time in more than two decades, making it the largest producer globally.



Figure (2) Average of the Top Oil Producing Countries (Million Barrels daily) from Trading Economics 2019

In 2018, the United States imported 9.94 million barrels per day of crude oil from about 92 countries. Crude oil accounted for 78% of total imports. However, in the same year it exported 7.62 million barrels per day (7% of which was crude) to 192 countries. The US shale oil revolution has enabled it to steadily increase exports and reduce dependence on foreign sources. According to the U.S. Energy Information Administration, domestic production of shale oil was around 6.5 million barrels per day during 2018. On the other hand, the United States has major oil companies that control huge quantities of crude oil and natural gas production around the world.

Among the top 12 publicly traded oil companies in the world (known as "ARAMCO") that collectively produce 34.37 million barrels per day, two American companies rank sixth and ninth, ExxonMobil and Chevron, producing a combined 4.13 million barrels per day. The United States' self-sufficiency can also be seen through the strategic petroleum reserves held by major companies, which include reserves in the United States and around the world. The top 8 American companies hold approximately 44 billion barrels in their reserves.

Table (2): Oil Reserves for the Biggest American Oil Companies

Oil Reserves for the Biggest American Oil Companies		
Series	Company	Size of Reserves(Billion Barrel)
1	Exxon Mobil	24.30
2	Chevron	12.10
3	Occidental	2.80
4	Devon Energy	1.90
5	Anadarko	1.47
6	Marathon Oil	1.28
7	Falco	0.005
8	E O G R SOURCES	0.003

Even with Exxon's recent large discovery, U.S. reserves constitute only a small fraction of the world's proven oil reserves, estimated at around 1.73 trillion barrels, or less than 3% of total global proven oil reserves. However, American producers enjoy significant global influence as they control the production of around 15% of the world's oil production.

Sixthly, the Impact of the American Petroleum Market and Its Influence on Oil-Producing Countries

Oil is closely linked to political crises and emergencies, where it has become a major driver in expanding regional crises and emergencies at both economic and political levels. After World War I, oil prices reached unprecedented levels of \$122 per barrel, as the need increased to secure fuel supplies for military operations and industrial production. Oil became one of the most important military targets and a major tool in the balance of political and economic power

The United States and its allies control nearly a quarter of global oil production, making oil an important factor of its power, after establishing storage facilities for a strategic reserve sufficient for 84 days of imports. Oil exports are an essential source of income for producing countries. Thus, any imbalance or fluctuations in production and exports impacts domestic political situations in producing countries.

Table (3): The Most Oil Consumption Countries in 2020

Country	Oil Consumption (One Thousand Barrel Daily)	Country	Oil Consumption (One Thousand Barrel Daily)
USA	20219	Saudi Arabia	2211
Japan	3790	France	1619
Canada	2665	Britain	1498
Barazil	2443	Korea	1420
Germany	2273	Spain	1244

The issue of oil became closely linked to military preparedness as a means of using hard power and force to protect strategic interests in oil-producing regions. When the Soviet Union invaded Afghanistan in 1979, US President Jimmy Carter stressed that the US would use any necessary means, including military force, to defend its vital interests in the Gulf region in a way that ensures the flow of oil. Thus, Carter became the first to promote the concept of " blood against oil " or the US's preparedness to wage wars to achieve a steady and reliable flow of oil.

With the Soviet intervention in Afghanistan, the United States shifted attention towards its strategic interests in Central Asia, after Afghanistan's location began to be seen as vital to expanding American influence, or threatening the floating oil reserves in the Persian Gulf. It transferred the issue to international forums

The Soviet invasion of Afghanistan prompted the US to focus more on its strategic interests in Central Asia. Afghanistan's location was seen as important for expanding US influence in the region. It could also potentially threaten oil reserves in the Persian Gulf. The US internationalized the issue by raising it in international forums.

The Second Gulf War provided an opportunity for the US to introduce its military forces into the Gulf region under the pretext of protecting Gulf states from external threats. Those forces still remain there. The US established military bases in Saudi Arabia, Kuwait, Qatar, and the two Emirates, in addition to deploying forces and bases in Afghanistan, Georgia, Ukraine, Turkey, Pakistan, then Djibouti, Africa and the Philippines - which are all oil-producing regions or along vital oil transport routes. In addition to the growing US involvement in regions located north of Syria controlling oil fields and pipelines.

The Second Gulf War allowed the US to station military forces in the Gulf region officially to protect Gulf states. Those forces remain. The US established bases in Gulf states as well as in other regions strategically located along oil transport routes or producing oil. These included Afghanistan, Georgia, Ukraine, Turkey, Pakistan, Djibouti, Africa, Philippines. The US also became increasingly involved in regions north of Syria controlling oil fields and pipelines.

While ensuring the security of supply routes is one factor, controlling oil resources and their transport is undoubtedly a major strategic interest for countries heavily dependent on oil imports. The Gulf region holds approximately 64% of the world's proven oil reserves. Saudi Arabia alone has an estimated 260 billion barrel reserves. Iraq has 115 billion barrels according to varying estimates. Venezuela has around 65 million barrels.

Controlling these vast oil resources, particularly for the largest importers, provides enormous economic and geopolitical leverage. This is undoubtedly a major motivation for the strong US military presence across these regions over many decades. While security is cited, dominating the oil market by controlling production and transport routes is likely the overriding strategic goal. Accessing oil supplies and enabling their profitable transport and trade generates huge wealth and power for resource-rich countries and their allies. When factoring in the US's massive oil dependence, its strategic goals around controlling global oil supplies become even clearer.

The US has less than 10 billion barrels of proven reserves and produces around 7 million bpd currently. But it needs around 17 million bpd and imported over 12 million bpd. Its demand was over 20 million bpd in 2020, far exceeding its 9 million bpd production capacity

Table (4): The Ten Largest Countries of World Oil Reserves

Country	World oil reserves Percentage	Country	World oil reserves Percentage
Venezuela	20.2%	UAE	6.8%
Saudi Arabia	17.8%	Russia	5.3%
Iran	10.4%	Libya	3.2%
Iraq	9.7%	USA	3.1%
Kuwait	6.8%	Nigeria	2.5%

Given the US imports over half of its daily oil needs, and that demand is projected to grow, it is hugely dependent on stable supplies from overseas sources like the Middle East. This makes securing the oil producing regions of the Gulf and controlling export routes through places like the Strait of Hormuz an overwhelming strategic priority. Without such control and alliances, the US economy and global standing would be severely undermined. So dominance over oil resources, beyond just security concerns, is undeniably a top geopolitical objective.

The US has consistently sought to gain control over any major new oil discovery or reserve, no matter where it is located. Even relatively modest reserves like Sudan's 3 billion barrels prompted heavy US involvement and influence attempts there. The same narrative played out in Nigeria, Algeria, Libya and other African oil producers - the US worked diligently to secure favorable access to these resources which operate the major countries, and therefore what happened to the region of wars and crises, one of the most important reasons for it was to secure the flow of oil to those countries that drive engine economic growth in the region.

Seventhly, the Arab Oil Weapon in the American-Soviet Rivalry

As the world was moving towards two main camps, Western countries' policies towards the Arab region began to take on broader dimensions. The region must remain within the Western camp as an important strategic

base and supplier of vital oil that would fuel any future wars. There were three crucial factors that affected the development of the oil situation after World War II:

The growing interdependence in the fields of economy and trade worldwide.

Emergence of the concept of globalization.

The impact of fuel production and consumption on environmental conditions globally.

Based on that, oil became one of the key strategic elements between the two camps. The United States in its pursuit of security over Arab oil aims to ensure its national security and economic dominance over the world. As for the former Soviet Union, it previously tried to gain control over it - or at least share influence over it with the United States. Arab oil did not represent an immediate economic interest for the Soviet Union as much as preventing US control over it was a primary objective. The Soviets believed that challenging the oil interests of the United States and the West in the Arab region is the foundation upon which America's power and political influence in the region's countries is built.

Eighthly, the Impact of Oil Price Fluctuations on Economies:

The Arab region witnessed political, social and economic upheavals starting in the 1970s known as "the Arab Awakening", which led to the disruption of oil production from major producers like Libya, Syria and Yemen. The world lost around 1.6 million barrels per day of high-quality, light Libyan oil, and OPEC could not compensate the shortfall, which led to oil prices rising above \$122 per barrel. The rise in oil prices continued until 1980, when the United States and the European Union placed an embargo on importing oil from Iran following the Iranian revolution, which cut off around 1 million barrels per day from the global market. This exacerbated fears of a harsh reaction from Iran, keeping oil prices at elevated levels.

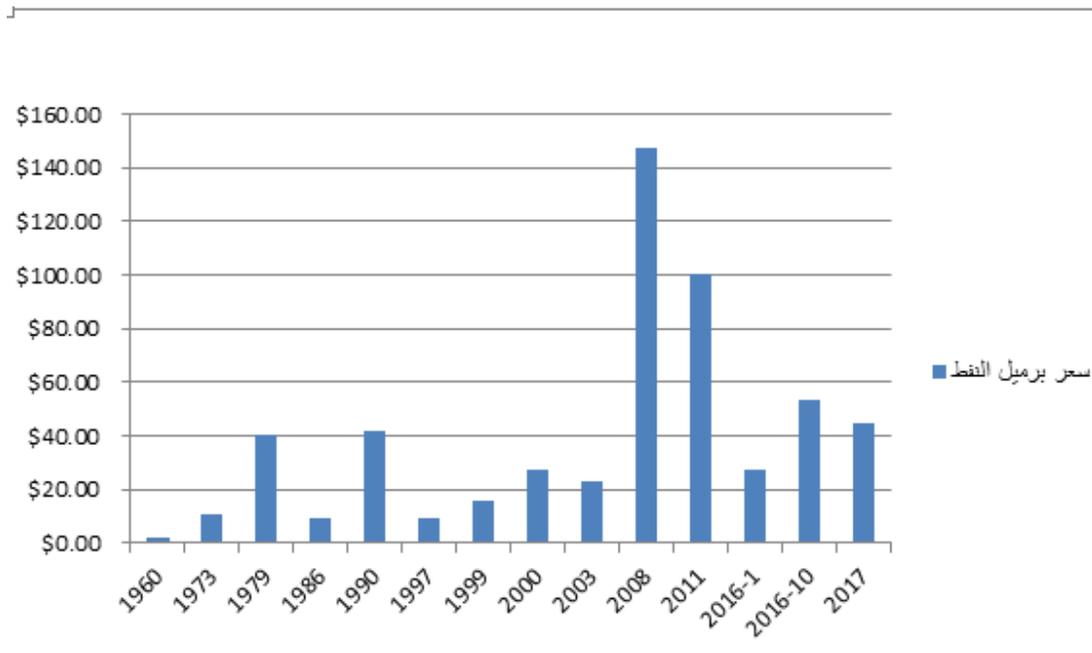


Figure (3) Prices Fluctuation since 1960 till the first quarter of 2017

We see large fluctuations in oil prices due to multiple reasons. In the 1980s, two main causes were OPEC's mismanagement of supply and the expansion of production and sales by major producers in an attempt to keep prices at elevated levels while increasing output, which led to an increase in supply in the global market and a drop in prices. Increased production from non-OPEC countries also greatly impacted the oil market and contributed to lower prices, in addition to the slowdown in the global economy. Oil prices fell to less than 12 per barrel, while some OPEC members were selling at 7. Then prices rose again due to the agreement between

Saudi Arabia and OPEC to support prices by reducing production from 17 million barrels per day to 15.8 million barrels to maintain a certain price level and avoid excess inventories.

One of the most important factors affecting oil prices is related to supply and demand. As long as these two factors - supply and demand - exist in the market, the rate of growth in supply remains stable. A stable rate of supply does not impact oil prices unless a crisis or problem arises in oil supply, whereby demand becomes greater than supply. This is when oil prices are affected. So in summary, a stable increase in supply would normally not affect prices, but an imbalance between supply and demand due to a disruption can impact prices.

The impact of OPEC policies on regional geopolitics also comes into play, especially for the largest oil producing countries in the non-aligned world or those whose policies contradict Western policies, such as supporting terrorism. For example, US sanctions have caused turmoil in oil markets sensitive to political developments by shifting oil prices in the Gulf region, including the Iran-Iraq war and Gulf wars. When there are geopolitical tensions or conflicts involving major oil producers, it directly impacts supply and creates uncertainty, which is reflected in oil price volatility. So political risk is another factor that moves oil prices beyond purely economic supply and demand dynamics.

The 1997 Asian financial crisis and the global economic crisis in 2008 also contributed to fluctuations in oil prices . There are several countries that rely heavily on oil revenues, which will face challenges in the future. Economists expect that the contradiction between rising demand and falling prices will not last long. They believe that when supply conditions deteriorate, there will be serious repercussions for countries where oil revenues represent a large portion of the economy and public budgets. Stable and high oil prices have allowed some countries to achieve significant economic growth and improvements in living standards, but a prolonged low price environment poses fiscal and economic risks.

Table (5): The Countries that their Oil is about to deplete

Country	Production (thousand barrel daily)	Reserve (Million barrel)	The rest years of production
Colombia	1005	2308	6 years
UK	879	2755	8 years
Norway	1567	5139	8 years
USA	9430	36385	10 years
Mexico	2266	9711	11 years
Indonesia	690	3230	12 years
Angola	1767	9524	14 years
Malaysia	665	3750	14 years
China	4273	25132	16 years
Brazil	2437	16186	18 years

This analysis is based on annual statistical data published by OPEC, which indicates that even some countries that currently account for a large share of oil production could face depletion of reserves in the near future. While high oil prices in the past benefited many producers, low prices pose fiscal challenges and the decline of reserves is a reminder of the finite nature of oil resources. Diversification of economies away from heavy reliance on oil exports is critical for long-term sustainability and resilience to market cycles.

To a large extent, this depends on the foreign exchange rate policies adopted by countries. For example, the sharp decline in the value of the Russian ruble helped mitigate the impact of lower oil prices and allowed more domestic spending despite high inflation. The situation is similar in China, where lower oil prices support industrial, technological and service sector growth and increased exports, strengthening the yuan's international influence as a major currency. This is akin to the positive impact stemming from the lifting of long-standing Western sanctions on Iran, which disrupted its oil-dependent economy and represented an important shock with significant effects across the region. In general, exchange rate flexibility provides an important buffer for economies during oil price slumps by making exports more competitive.

The significant decrease in Iran's oil-dependent economy has had important side effects from the impact of lower oil prices during its post-sanctions opening phase, with the potential to delay some benefits. Managing the effects of exchange rate fluctuations is more difficult since neither country's currency floats freely in global markets. While currency flexibility provides benefits, full dollarization or euroization is unrealistic for their

economies and could undermine monetary policy autonomy. A managed float with intervention to smooth volatility may allow them to better weather oil price swings, without compromising important macroeconomic goals like inflation targeting. Overall it will take time for their economies to diversify away from heavy reliance on oil and build up resilience to global commodity price cycles.

CONCLUSIONS

The vital importance of oil as a primary source of wealth made it a crucial strategic commodity in wars and politics on a global scale.

Oil is one of the vital resources for preserving national security and sovereignty, and its protection may lead to the use of military force when supply is threatened.

The American military presence in the Arab region has several objectives, all of which serve the strategic goals of ensuring the United States' unilateral leadership in the world.

The importance of oil continues to increase in the present time as a vital energy resource, and the demand for it has become critical in light of ongoing economic growth in major countries like China and India, as well as the urgent need for it in the United States and the Soviet Union.

Washington's strategic objectives extend to include, in addition to oil production areas, the land and sea routes for oil transit that connect vital regions to each other, making Washington willing to engage in wars to secure access to energy sources.

Oil has been valuable in itself and has often served as a tool and means to achieve military, political, and economic objectives.

Recommendations

Oil-producing states need strategic plans to diversify their economies and reduce dependence on oil over the medium to long term through developing non-oil sectors.

Countries should utilize exchange rate tools like managed floats along with foreign reserves to smooth excess volatility in currencies and capital flows during oil price cycles.

Regional cooperation on energy policies and creation of strategic oil reserves can help mitigate geopolitical risks related to oil supply disruptions or demands of major importers.

Developing domestic downstream industries and knowledge-based sectors linked to oil can boost value added and make optimal use of human and natural resource wealth.

The American military presence in the Arab region has several objectives that all serve American strategic interests to maintain its unchallenged leadership of the world order. Therefore, all the steps taken by the United States towards the regional arrangements in the Arab world primarily aimed at achieving American interests.

The importance of oil continues to increase over time as a vital commodity for energy and its need has become urgent, especially in light of the huge growth in energy consumption in major economies like China, India and other countries. In addition to the critical need for it in the United States and European Union.

Geopolitical competition over energy resources will remain an important factor impacting international relations. While diversification of energy mixes and new technologies may mitigate risks, oil will likely retain global strategic significance well into the future.

Continued American involvement and balancing role in the region provides stability needed for reliable oil flows. But heavy reliance on outside powers comes with risks of over-reliance that could undermine independence over long term.

Striking the right balance between outside engagement and domestic economic reforms will be a key challenge for regional states going forward. While security cooperation serves immediate needs, sustained development is ultimate guarantee of stability and prosperity.

Developing the private sector's (private) role in sustainable Arab development is important for achieving self-reliance through inter-exchange between oil and non-oil economies.

It is important to rebuild the Arab home front damaged after the Gulf wars, as the West was able to take advantage of this through exerting military and economic pressures on Arab oil producers.

Cooperation and coordination between oil-producing countries is essential to exploit this huge wealth and control its global markets in a way that matches its strategic importance.

Reducing reliance on oil revenues and allocating them in foreign banks, which can be a bargaining chip and pressure tool in case of crises with major countries.

Work must be done to diversify Arab cooperation with emerging countries in other regions of the world, like Brazil and encouraging the establishment of an Arab-Russian partnership in oil and gas to benefit from its revenues at reasonable prices.

Arab countries also need to seek alternatives for development and diversification of their economies, thus securing income streams and avoiding dependence on oil depletion.

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