

Industrial policy in the middle east and north africa

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Therefore, it is worthwhile to research now, so as to prepare for changes: Why is the Middle East so dependent on oil? What is a good measure of oil dependency? What will the Middle East, in general, do as oil begins to run out? In particular, what will Kuwait's response be?

First, I want to identify the likely date of peak oil. Peak oil is defined as the point where oil production is maximized. Peak oil does not mean that oil has run out, but it does mean that all subsequent attempts to get it will be more and more expensive, raising the price of oil ever and ever higher.

Second, I want to determine the economic mix of the Middle East in terms of imports and exports, as well as look at the history of the Middle East to determine what has historically made it so oil-dependent.

Third, I will perform the same analysis for Kuwait.

Finally, using these analyses, I will determine how the Middle East and Kuwait may respond to peak oil based on the timetable and economic mix available.