

# [Saudi consumed by the united states comes from](https://assignbuster.com/saudi-consumed-by-the-united-states-comes-from/)

Saudi Arabia the largest of the Gulf countries possesses both the world’s largest oil reserves which are 25% of the worlds proven reserves, and produces the largest amount of the world’s oil. Saudi Arabia’s decision to raise or cut production almost immediately impacts world oil prices. Half of Saudi Arabia’s total oil production comes from Ghawar field.

It can be termed a contemporary energy superpower, because of the power and influence it can exert on the global oil prices. Besides its oil reserves, it boasts of natural gas as well. The Americans make up for only four percent of the world’s population, but they use 24 percent of the world’s energy. Forty percent of the energy consumed by the United States comes from oil. Ever since the discovery of oil in the Middle East in the early 1900s, petroleum politics has been an increasingly important feature of international diplomacy. This century has seen the competition among countries of the world both major and minor to lay importance on the pumping, refining, transport and use of petroleum-an increasingly scarce and vital resource.

The United Arab Emirates and Kuwait as of 2007 are almost tied for the forth largest oil reserves in the world. 94% of UAE’s oil reserves are in Abu Dhabi while most of Kuwait’s oil reserves are in the Burgan Field. Kuwait is said to have 8% of the world’s total oil reserves. The Burgan Field is the world’s second largest oil field after Saudi Arabia’s Ghawar. Bahrain’s oil sector accounts for about three fourths of government revenues. Oman is an important oil exporter although production has declined in recent years. Qatar is emerging as a major exporter of liquefied natural gas. Over the years a lot of politics have shrouded the Gulf region.

Western governments have used coups and covert actions to prevent foreign regimes from taking control of Western run oil companies in their respective countries. In 1953, Iran’s Premier Mohammed Mossadegh was overthrown by a CIA/ MI6 covert operation called operation Ajax. The idea was to prevent Mossadegh from nationalizing the Anglo-Indian oil company which later became British Petroleum. When Saddam invaded Kuwait, the world oil market went into frenzy.

The U. S and other industrialized Western nations could not risk the loss of oil from Kuwait, which is the second largest source in the Middle East, which is why they got into the war against Iraq. With oil reserves peaking and no new reserves being discovered the world’s eyes are focused as always on the gulf. It seems possible that all future wars will be fought over the rights to oil reserves.