

Example of essay on political science

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The Arab World and Oil

Much is publicized about the Arab world and its reliance on petrodollars. Oil is regarded as the black gold, a commodity that any nation would wish to have as a resource. However, despite oil in a number of Arab countries, the economies of these countries do not seem to match those of developed countries and emerging economies such as India and China. Even after using the total GDP of all the Arab League nations, still they do not match. The Arab League is composed of 22 nations. According to 2012 estimates, the total GDP of the Arab World is \$ 2696. 356 billion or \$2. 696 trillion, with Saudi Arabia making a large part of this sum with \$727. 3 billion. This total GDP of the Arab World surpasses that of India which is \$1. 825 trillion. However, economies such as India, Italy and France have a GDP that is only slightly lower than the total GDP of the Arab World. Respectively, the three countries have GDPs of \$1. 825 trillion, \$2. 014 trillion and \$2, 609 trillion compared to the Arab World's total of \$2. 296 trillion (CIA World Factbook 1).

On the other hand, economies such as Germany, Japan, China and the United States far outdo the Arab World in terms of GDP with their respective estimates being \$3. 401 trillion, \$5. 964 billion, \$8. 227 trillion and \$15. 68 trillion. Another key observation is the disparity between the GDP of Israel and Occupied Palestine, their respective GDPs being \$240. 9 billion and \$6. 641 billion. This can be attributed to the so called ' welfare state' nature of Middle Eastern countries where there are no stringent tax measures. Other problems include war and conflict. This begs the question, who gets what from Middle East Oil? It is evident that most earnings do not actually go to

the oil producing countries but the importing ones. For example, in 2011, countries that earned most from a liter of oil include the UK (\$1. 30), Germany (\$1. 17), Italy (\$1. 07), France (\$1. 10), Japan (\$0. 64), Canada (\$0. 38), and the USA (\$0. 13). It is important to note that most of these earnings arise from industry and tax. An example is given of the United Kingdom government which earned about \$1. 30 (59%) for every liter of pump fuel sold to consumers, while oil producing countries earned only 32% of the total fuel price.

Works Cited

CIA. The World Factbook. Web. 12 Sept. 2013. [https://www. cia. gov/library/publications/the-world-factbook/index. html](https://www.cia.gov/library/publications/the-world-factbook/index.html)