

Introduction difficult to
obtain oil and gas,



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Introduction

The struggle for energy ownership, control, and power among the rich states in the world is currently intensive. Examples of these energy-producing substances include oil and gas, which have become a major topic for debate all over the world.

The reason why this war is taking place could be the speed by which the scarcity of these energy substances is extending worldwide. This scarcity is also introducing a different and new world form, such that, while some nations are fighting for energy power, others are in the race trying to secure the energy. For example, states like the US and EU nations have started to be involved in discussions, with the main objective being to address international future for energy and its advantages. Indeed, debates concerning the current and future energy requirement are among the challenging issues in the contemporary world.

Some of the key supply areas for oil and gas today; and how is that geography changing

These areas are the key points in which the whole issue is surrounding.

Saudi Arabia is the largest producer of oil; the U. S comes second in production but the highest in terms of consumption (Mtsiva, 2) and China is the second highest consumer of energy after the U. S. This seems to be the initiation mark of the global race for un-renewable sources of energy (Belkin, 5). This production and consumption has however caused changes in geographical marketing and supply. For example, the U.

S market was left depending on minor oil producing companies when bigger oil companies turned their businesses abroad, looking for larger market and suitable place for their investment (Mtsiva, 3) During the times of ancient world war, most of the nations depended primarily on market capacities of private companies and international oil companies for sufficient supply of energy. However, this is not true in contemporary world because the high rates of economic growth have triggered better policymaking, especially in high population countries like India, Brazil, and China. Other major predominant suppliers of energy to the European Union (EU) nations are Russia, India, Norway, Middle East, and North Africa (Cabral, Para 4).

How do the industrial states work to secure oil and gas supplies through non-market means?

This energy business has suffered security risk and scares in major industrial states in the past. In such tense conditions, agreement on better security agenda for energy sector becomes difficult, especially when some states decide to pursue their own interests (Korrin and luft, 335).

There is a probability of energy-hungry nations to focus on their own economy, security, and environmental concerns in the process of securing energy (Korrin and luft, 357). As it has become more difficult to obtain oil and gas, countries are trying to create more energy sources other than geographical varieties (Korrin and luft, 337) Some countries like the U. S have developed a policy that aims at maintaining national security in the oil market. A national security is a form of social cost that can justify government actions in oil markets but not loan guarantees on economic grounds (Mtsiva, 78).

Moreover, a policy concerned with tax incentives has enabled reduction of tax penalties and expansion of oil and gas tax incentives (Mtsiva, 79). Some countries have tried to form collaborative partnership; for example, partnership between China and the U. S has brought a number of benefits between the two nations. Already, a ten-year plan was set up in 2007 by top government and economic officials between the two countries, that is, the U. S Department of Energy and China's National Development and Reform commission (Cabral, Para 13). In the EU nation, energy security increase has been minimized by occasional debate on liberalization and market integration in their agenda. The commission has decided on development of Europe-wide internal market for gas, network interconnection, and assessment of market (Belkin, 25)

The effect on countries supplying oil and gas — do they prosper or suffer?

Most of the countries supplying these sources of energy are countries with good economic standards like the U. S and the EU nations, although there are some countries that are still struggling in economic issues but still can supply energy. These countries have already established themselves in terms of collaborative partnership, policies transformation, and procurement of energy.

Therefore, subjectively, if a country engages with another nation in securing oil market, then that country is not suffering, as this collaboration brings a sort of socioeconomic sustenance. However, if any nation puts its concerns

alone, then eventually it will start suffering due to lack of foreign investment (Cabral, Para16).

Conclusion

The whole world's nations need to join hands together in solving this major crisis in energy market.

If each country creates policies that control its energy market in production, supply, and consumption strategies, then insecurity will definitely be eliminated in the market. The engagement in collaboration and networking is also a good idea in energy market. Nevertheless, foreign investment and interrelation between different countries helps to reduce the economic gap between the rich and poor countries.

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