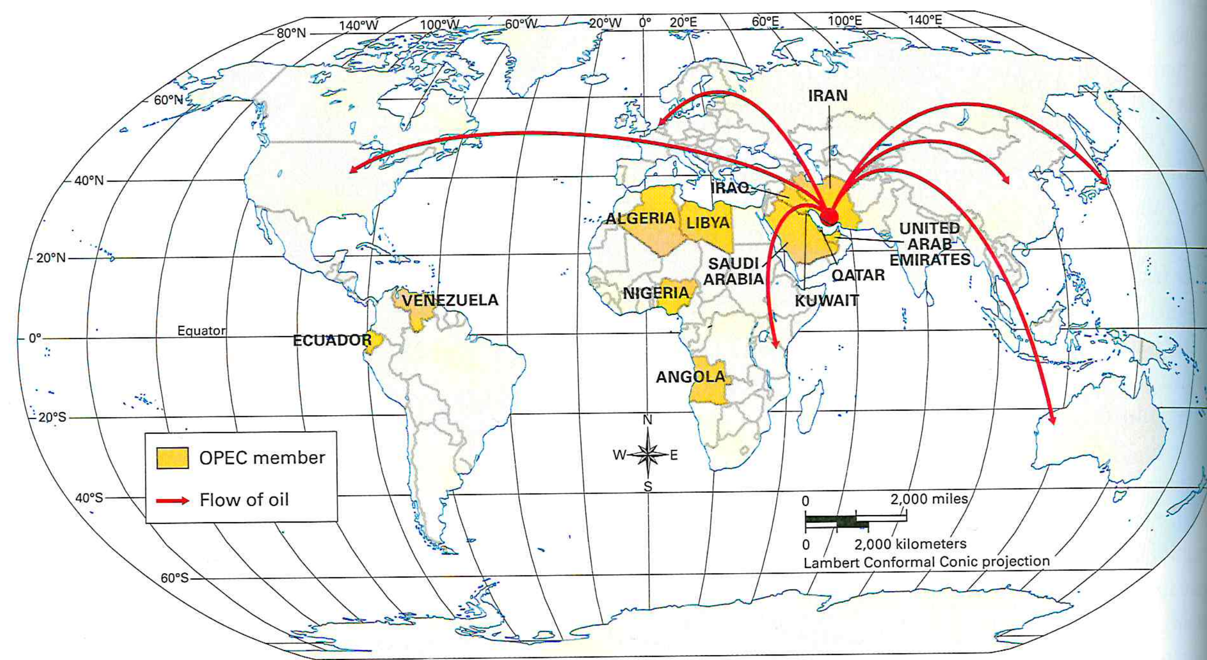
Oil Flows from Southwest Asia



OPEC and Oil Flow

This map shows the members of OPEC, the Organization of the Petroleum Exporting Countries. It also shows where the oil-exporting countries of Southwest Asia send their oil. The United States alone uses one quarter of the world's oil. That's an average of three gallons of oil per person every day.

24.5 The Price and Flow of Oil

Thick black smoke filled the sky, darkening what had been a bright, sunny day. Kuwait's oil fields were on fire. The year was 1991, and Ir had invaded Kuwait in an effort to take over its oil reserves. This inv led to a conflict known as the Persian Gulf War. When the war end retreating Iraqi troops torched some of Kuwait's oil wells.

The Persian Gulf War was one of many conflicts over oil in Sou west Asia. These conflicts have involved both oil-exporting countrie and oil-importing countries.

Oil-Exporting Countries: Working to Control the Price of Oil oil-exporting countries depend on oil sales to support their econom Therefore, one of their goals is to have a steady supply of oil flowing of their countries. In return for their oil, they expect a steady flow of money to come back into their countries.

To ensure a steady supply of oil and a steady income, several oil-exporting countries formed the Organization of the Petroleum Expor Countries (OPEC) in 1960. In 2009, OPEC had 12 member countrie members were Southwest Asian countries, but the organization incl six oil producers from outside the region: Algeria, Angola, Ecuador, L Nigeria, and Venezuela. Meanwhile, not all of the Southwest Asian producers belong to OPEC. Bahrain, Yemen, Oman, and Syria have joined the organization.

OPEC wants oil prices to be steady—not too high and not too l If too much oil is offered for sale, there will be less competition am buyers to purchase the oil they need. As a result, prices will drop to On the other hand, if too little oil is offered for sale, there will be m competition between buyers, causing prices to rise too high. In orde keep prices steady, OPEC members have agreed to regulate how m oil they will sell.