

Gas and Oil influence on global economy

Nowadays, gas and oil play the leading role in our life. It adjusts all the facets of the world's economics. It affects the public transportation, delivery, goods, food prices and society in general. Management of it is related to the higher political and economic level, that is responsible for executive processes. There should be the flexible and correspondent management of the resources in order to keep the prices well-balanced and to avoid overproduction.[\[1\]](#)



As it can be seen, the highest pick was in the period from 2010 to 2014.[\[2\]](#) Ought to notice, that there was the rapid growth of the oil's price in 2008, because of the first **US-Iraq war**. The price reached \$128 per barrel. Nevertheless, it had bottomed to \$32 by the end of the year. The starting point since 2009 was caused by Gaza War between Palestinians and Israel. Therefore, the wars play the leading role in regulation oil prices.

There are many organizations, that were created due to world's control and to get rid of monopoly of one's country. As a great example, Organization of the Petroleum Exporting Countries (OPEC), which is specialized to control oil production and its global prices. It is multinational organization of 15 nations.[\[3\]](#) All the countries, which are included to it, are the biggest producers of oil and gas. There is an obvious reason why those countries should collaborate with each others - to keep the prices for sell on average. The most recent facts say about Qatar exiting from OPEC. As it was claimed,

Qatar is going to produce more gas, than now and as a result to be the leading country on the global market. By OPEC regulations, all members are restricted to produce only a certain amount of oil/gas, that's why Qatar has to leave the organization. [4]

In addition, there were strikes with about 20,000 people due to arisen fuel taxes in France. [5] The price was just jumped up 20 per cent. The rapid growth was due to global oil prices. As previously said, it has an influence on social life:

- delivery of goods
- products (food & beverages)
- public transport

Any trade company sticks to have profit, rather loss. It's consequence of price growth: the more expensive oil, the more expensive goods and all related stuff to it.

Taking all these factors into account, it can be claimed, that oil/gas play compulsory role in society. It is useful in everyday life, but should be paid for. It affects major facets in economics, that's why it is dangerous to lose control over it. That's why OPEC was created to regulate it.

References:

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