

The Geopolitics of Natural Gas in Middle East

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Abstract

Natural gas has been the fastest component of the world primary energy consumption over the last decade and the growth of this energy carrier is expected to continue in the next decades. The reason is that it is environmentally attractive. It emits less green house gases compared to both oil and coal.

Increasing penetration of natural gas in the energy consumption mix will lead to more gas import by major gas consuming countries which do not have enough gas reserves. The gas import to consumption ratio was 23% in the world and 60% in the European region, more than 30% in Asia and near 18% in the North America region in 2002.

The role of world gas-owner countries that are mainly placed in CIS and the Middle East region, with regard to these realities, will increase in order to meet energy and gas supply security of major consuming countries.

The studies have shown that the Middle East gas export has considerably increased during the decade 1992-2002. The gas export to net production ratio increased from 10% at the beginning of this decade to 15% in 2002.

From the standpoint of geo-economic and geo-politics, Middle East as the second largest gas-owner reserves will have a special importance during the next decades. Geographic distance between Middle East and major gas consuming regions (Asia, Europe and North America), political characteristic of some countries of this region and the resulting economic and politic relations of these countries with major gas consuming countries are important factors that influence gas supply security, which must be met by this region. On the other hand, the gas demand from this region is affected by these factors.

Economic and political stability are other important factors for gas supply security that will be met by Middle East. Each exogenous factor, which affects economic and political security of one or some of the Middle East countries, will have direct effects on long-term energy and gas supply of Middle East. Therefore Middle East gas supply security has always been crucially dependant on the security in this region, such security can mainly be achieved through suitable and logical economic and political relationship between the Middle East and major energy and gas consuming countries.