

## Abstract

It is clear to all, that Petroleum has a fundamental importance on all the international, regional and national levels on one hand, and on the economic and political levels on the other hand .

On the international level, petroleum is considered as the most important commodities, it is the main energy source, distinguished with the relative availability and the easy transforming and distribution. It has a great effect on the prices of the other commodities, the local and the imported, in the international market. For the regional level, Middle East, especially the Arab Gulf, the center of petroleum where it has the highest rate of it, most the global oil reserves concentrated in this area, so the area occupies a great deal of the international attention, where all its economic, political and social changes are taken under the consideration of the Great powers.

On the national level, petroleum is the main resource of the governmental budget and the fundamental element in establishing the monetary reserves of the foreign currencies. In addition, the petroleum profits are the basic elements of the economic development in Iraq, to establish the infrastructures and the social services institutions such especially in the fields of education and health. The rate of the gross local production is defined by the rates of these profits, this is expressed by a direct relation between the changes of the gross local production rates and the petroleum production rate and profits. Moreover it fulfills the local consumption needs for fuel and energy.

Oil is closely connected with the international policies and the disagreement that result from them and that might developed into economic and military wars to secure the this resource.

The international market of this commodity is characterized with special characteristics; it occasionally witnessed rapped developments as it subjects to the economic and political effects, the difficulty of explaining the producers and consumers economic behaviors due to the multi effecting factors. Some interesting changes had