

## With Iraq And Mosul, Will Iran Become An Oil Superpower?



The battle to retake Mosul from ISIS is being fought by a conglomerate of forces: Iraqi security forces, Kurdish Peshmerga fighters, Sunni Arab tribesmen and Shi'a militiamen.

American special forces, as well, are serving alongside Iraqi soldiers in what is described as an advisory role. Among those diverse fighters, we need to be paying more attention to the Shi'a ?militiamen? who are guided and joined by soldiers from Iran. It is important to watch Iran's growing influence in military events in northern Iraq. Among other issues, this Iranian influence in Iraq has the potential to destabilize global oil policy and the global oil market

Iraq is currently the second largest oil producer in OPEC. The latest OPEC data puts Iraqi production at 4.45 million bpd, second only to Saudi Arabia's 10.49 million bpd. Iran's production is somewhere around 3.65 million bpd. OPEC data on total proven oil reserves lists Iraq as controlling the fourth-largest reserves in OPEC. The combined power of Iran and Iraq's oil industries could nearly rival Saudi Arabia's in production capacity and total resources.

Iraq's oil fields are clustered in the south around the city of Basra, and in various northern areas. These are exactly the regions where Iran has been expanding its military and economic influence.

In southern Iraq, a traditionally majority Shi'a area, Iran's influence has grown steadily. Since 2003, Iranian militiamen have been traversing the border, insinuating themselves into Iraqi forces. According to a Washington Institute report, Iran has been gaining a steady economic foothold ? in addition to military influence ? in southern Iraq, particularly in the key oil producing city of Basra.

Now, the evidence is mounting that Iran is extending its military influence to traditionally Sunni Arab and Kurdish areas of northern Iraq. In March 2016, the U.S. State Department scoffed at the idea that Iran's Revolutionary Guard Corps (IRGC) was influencing the Shi'a militia groups engaged in the anti-ISIS campaign in northern Iraq. Since then, however, evidence of Iranian influence in these groups has grown. The Shi'a militias collectively known as the Popular Mobilization Front (PMF) are, in fact, fighting under the direction of IRGC Quds Force commander Qassem Soleimani. These militias are playing a major role in the fight against ISIS forces in the battle for Mosul, and Soleimani was reported to have visited the Mosul area just as Shi'a forces entered the fight. An Iranian media site released this photograph of him with Iranian military commanders at a site near Mosul on October 17. As Iranian backed troops control more territory in northern Iraq, Iran's influence over Iraq's policy in the region will only grow.

For global oil policy, this creates a potentially destabilizing force. It is not necessary for Iran to physically control or own the oil in either southern or northern Iraq. Nor is it necessary for Iran to physically receive the revenue from the sale of that oil. Iran would receive a huge boost by simply influencing Iraqi oil policy. If Iran can be influential enough in Iraq to determine oil strategy, the combined power of the two countries could alter the power structure within OPEC and thus become a determining factor in the global oil market.

Source : Forbes