



Saudi Aramco Board of Directors Chair Letter

DEAR DELEGATES

Welcome to the Saudi Aramco Board of Directors (Aramco) at CNYMUN 2026! Considering the current global environment, diplomacy and collaboration have become incredibly important skills. Your chairs look forward to a productive committee based on one of the most pertinent issues facing the world today in terms of energy security and geopolitical negotiations. Chairing Aramco this year will be Connor Burke, Sabah Ghanim, and Alex Ovadia.

ABOUT THE CHAIRS:

Sabah Ghanim is a Senior at Jamesville-DeWitt High School and has been in the Model United Nations since his sophomore year. Outside of MUN, you would somehow find Sabah engaging in some political debate on the street, especially because politics is his passion. Sabah loves to read and learn about history in his spare time, as well as being physically active, whether that's in Soccer, Basketball, or running. Sabah is also the Vice President of MUN at Jamesville-DeWitt and the Board of Education representative at his school district. Sabah cannot be more excited to listen to the amazing delegates of CNYMUN, as well as to hear productive debate regarding Saudi Aramco.

Connor Burke is a senior at Fayetteville Manlius High School and has been a part of CNYMUN since his freshman year. Coming back to MUN as a sophomore, he also attended UNAR in addition to CNYMUN as a delegate. This makes for his 5th conference, with more soon to come. Outside of MUN, you can find Connor rowing with the rest of the FM crew team or participating in the FM Mock Trial team, preparing for "court." Connor also enjoys playing video games, hanging out with friends, and participating in Civil Air Patrol, the USAF Auxiliary.

Alex Ovadia is a senior at Fayetteville Manlius High School, and this is his first year chairing CNYMUN. Outside of MUN, Alex runs track in the winter and spring, as well as regularly volunteering in the city of Syracuse. He spends whatever time he can get watching films, and loves to travel as well. Alex is looking forward to this year's CNYMUN conference

and can't wait to hear the productive discussion that takes place.

ABOUT THE COMMITTEE

Aramco was founded in 1933 following a deal by the Saudi government to allow oil exploration rights to the modern-day company of Chevron.¹ This deal proved to be revolutionary to the oil industry as it laid the foundation for what is now the most profitable and valuable energy company in the world.² While studying the history of Aramco, one must remember that it was originally an American company, the California Arabian Standard Oil Company (CASOC), until 1944. The name Aramco came along in 1944 in order to reflect the origins of the business operations in Arabia with American investments.³ The final rebranding of Aramco came in 1988 when the Saudi Government was able to take full control of the company and buy out all American investors, renaming the company as Saudi Aramco since then.⁴

Saudi Arabia is an absolute monarchy with King Salman Bin Abdulaziz Al Saud, also the head of the House of Al Saud, holding supreme power over the nation. The government is led by the Prime Minister, who is appointed by the Saudi Arabian King. The current Prime Minister is Mohammed Bin Salman, the son of the king and the heir to the throne. The Prime Minister is considered the de facto ruler of Saudi Arabia and the primary figure in Saudi Politics. In due part, the Saudi government owns 98.5% of Aramco's shares through the Public Investment Fund.⁵ Saudi Arabia's government is heavily

¹Woodward, S. Nicholas. "business organization." *Encyclopedia Britannica*, 30 Sep. 2025, <https://www.britannica.com/money/business-organization>.

²Derrick, Maya. "Aramco: Behind the World's Largest Energy Company by Revenue." *Energy Digital*, Bizclik Media, 25 Feb. 2024, energydigital.com/articles/aramco-behind-the-worlds-largest-energy-company-by-revenue.

³"Our History." *Aramco.com*, Saudi Aramco, 2017, americas.aramco.com/en/about-us/our-history.

⁴Wikipedia. "Saudi Aramco." *Wikipedia*, Wikimedia Foundation, 3 Nov. 2019, en.wikipedia.org/wiki/Saudi_Aramco.

⁵Frazee, Gretchen. "What Americans Should Know about Saudi Aramco's IPO." *PBS NewsHour*, Public Broadcast Service, 11 Dec. 2019, www.pbs.org/newshour/economy/making-sense/what-americans-should-know-about-saudi-aramcos-ipo.

dependent on the income generated through Aramco, which accounts for nearly 40% of the Nation's GDP.⁶

Saudi Aramco's operation is unique among traditional corporations. Typically, a public company has a board of directors to provide strategic oversight and corporate governance to the company's organization. The board of directors would typically hold significant power and would be overseen by the shareholders. However, Aramco is an exception in that it has a supreme council. It is the top decision-making body of the company, led by the Prime Minister and Crown Prince of Saudi Arabia, Mohammed Bin Salman.⁷ This Supreme Council is responsible for overseeing the company's strategic direction and operations. In May of 2015, the Supreme Council was created, with Salman appointed as its head. This council was responsible for the country's energy policy, which is crucial for Saudi Vision 2030.⁸

Your topics for the Saudi Aramco Board of Directors at CNYMUN 2026 will be:

1. Using embargoes to further Saudi Arabian Foreign Policy Interests
2. Saudi Aramco investment in developing countries.

ABOUT THE CONFERENCE:

Following CNYMUN tradition, the debate will be conducted in Harvard style, meaning delegates will not be allowed to use pre-written clauses and/or resolutions during the committee. Doing so will make a delegate ineligible for awards.

To be eligible for awards, delegates must submit a 1-2 page position paper via email that addresses both topics before the start of the conference. Position papers should outline the stance of your delegation

and display an understanding of the topics, demonstrating research and knowledge of your organization's goals. When deciding on awards, the chairs will look favorably upon delegates who have put significant effort towards research/preparation, collaborate with other delegates during committee sessions, stay within their nation's policies, and get their voice heard without being overbearing.

Furthermore, CNYMUN has implemented a tiered structure of committees to ensure similar experience levels for all committee members. The Saudi Aramco Board of Directors is designated as an **advanced** committee, and we would like the debate to reflect that. In turn, the 'Best New Delegate' award will not be offered to any delegates in this committee.

Additionally, note that for award purposes, there will be no bias for or against members and observer delegates.

We understand that the topics presented in this committee involve very recent and polarizing events. However, delegates are expected to voice their perspectives solely based on country policy. Discussions of particular issues must be handled with extreme seriousness and without the implementation of personal beliefs or biases.

We also recognize that topics concerning regional conflict within the Middle East consist of constantly developing situations.

Please share position papers before the conference begins. Our emails are listed below for you to contact your chairs about any research, position papers, committee inquiries, or other questions. We also encourage you to scan our lengthy delegate preparation resources and award structure on www.cnymun.org. We wish you luck and look forward to what CNYMUN 2026 will bring!

Sabah Ghanim
26sghanim@jd.cnyric.org
Connor Burke
26tburke@fmschools.org
Alex Ovadia
26aovadia@fmschools.org

⁶Kte'pi, Bill. "Saudi Arabia's Energy Production | EBSCO." *EBSCO Information Services, Inc.*, 2022, www.ebsco.com/research-starters/power-and-energy/saudi-arabi-as-energy-production.

⁷Reuters Staff. "Saudi Aramco Gets New Supreme Council Headed by Deputy Crown Prince - Statement." *Reuters*, 1 May 2015, www.reuters.com/article/business/energy/saudi-aramco-gets-new-supreme-council-headed-by-deputy-crown-prince-statement-idUSL5N0XS0LR/.

⁸Saudi Vision 2030. "Saudi Vision 2030." *Vision2030.Gov.sa*, 2024, www.vision2030.gov.sa/en.

TOPIC 1: USING EMBARGOS TO FURTHER SAUDI ARABIAN FOREIGN POLICY INTERESTS

As of 2019, Mohammed Bin Salman is no longer the head of the Supreme Council. However, he was appointed to serve as the Chairman of the Public Investment Fund (PIF), the second largest shareholder of the Aramco Corporation. As the son of King Salman, Mohammad Bin Salman's position as the Crown Prince and Prime Minister allows him to control the Saudi Arabian Government, the largest shareholder.⁹ While Saudi Arabia is an absolute monarchy, raw power over the government remains in the hands of Mohammad Bin Salman, as the de facto ruler. As the future heir to the King's throne, Mohammad Bin Salman practices leading and developing his own network, in preparation for transitioning to his future position as the King. This is why other nations are very conscious when dealing with Mohammad Bin Salman, as he controls the largest oil-exporting organization, and often uses tactics of intimidation in his navigation of foreign relations.¹⁰

Historically, the Saudi government has taken steps to combat nations and organizations that do not align with its views on oil sanctions. As seen famously in 1973, oil sanctions were imposed on the United States. During the Yom Kippur War, under the reign of King Faisal, the Kingdom of Saudi Arabia implemented heavy embargoes on the United States due to its support of Israel against the Arab forces. Nations like Iran and Russia, which are rivals to the Saudi government, found themselves removed from the business of Aramco. Even internally, the Royal Family has issued arrests for suspected terrorism on financial advisors who have raised concerns about the government's plans, like Vision 2030.¹¹ There are more sophisticated ways to pressure entire nations and blocs into submission while not overstepping

international law. International laws related to the World Trade Organization and UN Charter Article 41, are being pushed to the limit with economic sanctions. With some of the alliances built by Aramco, like the Organization of Petroleum Exporting Countries (OPEC), the company is able to do anything from lowering the price to blacklisting any nation. This is why pressure from the Saudi Government can be a major reason for allowing national politics to interfere with their business strategy. With Saudi Aramco being the most valuable and important energy company in the world, it raises questions regarding whether the benefits of trade and partnership should be extended to any nation, regardless of political affairs concerning Saudi Arabia. While Aramco is on the Saudi Stock Exchange (Tadawul) and can be publicly traded, the majority of its company shares are not available.¹² This evidently demonstrates the Saudi government's near-complete control over Aramco, imposing pressure on the company to align with national politics.

While possessing the second-largest oil reserve in the world, following Venezuela, Saudi Arabia's main rival in the region remains the heavily sanctioned Iran. With the third largest oil reserve on the planet,¹³ Iran is an oil-producing power house amidst sanctions. However, Iran's oil production is not as powerful as that of Saudi Arabia due to a lack of foreign investment, along with international sanctions. Still, Iran is a powerful country, wielding a preeminent tool, the Strait of Hormuz. The Strait of Hormuz is one of the world's most important trade routes. It is particularly crucial for its storage of petroleum and natural gas. The narrow waterway accounts for around 20-25% of the world's daily supply of oil that flows through Asian markets. According to the U.S Energy Administration, the Strait is the most important oil chokepoint.¹⁴ Located

⁹“Aramco's IPO and Bin Salman's Fiscal Takeover.” *Carnegie Endowment for International Peace*, 2019, carnegieendowment.org/sada/2019/12/aramcos-ipo-and-bin-salmans-fiscal-takeover?lang=en.

¹⁰Madawi al-Rasheed. “Why the U.S. Can't Control MBS.” *Foreign Affairs*, Foreign Affairs Magazine, 5 Nov. 2018, www.foreignaffairs.com/articles/saudi-arabia/2018-11-05/why-us-cant-control-mbs.

¹¹ Woertz, Eckart. “Aramco Goes Public: The Saudi Diversification Conundrum.” *Www.giga-Hamburg.de*, 5 Nov. 2019, www.giga-hamburg.de/en/publications/giga-focus/aramco-goes-public-the-saudi-diversification-conundrum.

¹²Turak, Natasha. “Saudi Aramco to Reportedly Sell \$10 Billion to \$20 Billion Worth of Shares in New Offering.” *CNBC*, 29 May 2024, www.cnbc.com/2024/05/29/saudi-aramco-to-sell-stock-in-new-offering-report.html

¹³Sarah Rudge. “Energy, Oil & Gas Magazine.” *Energy, Oil & Gas Magazine*, 25 June 2025, energy-oil-gas.com/news/6-countries-with-the-largest-crude-oil-reserves-in-the-world/.

¹⁴U.S. Energy Information Administration. “The Strait of Hormuz Is the World's Most Important Oil Transit Chokepoint - U.S. Energy Information Administration (EIA).” *Www.eia.gov*, 21 Nov. 2023, www.eia.gov/todayaboutenergy/detail.php?id=61002.

just south of the mainland of Iran, the Strait of Hormuz is defenseless to the Iranian Navy; any decision to close the strait would result in severe global economic crashes. Nations like Kuwait, Bahrain, Qatar, and Iraq, therefore, depend on the Strait for their economic trade and oil transportation. This geographical perk makes Iran a formidable rival even to the largest oil company in the world. In addition to Iran's strategic position geographically, delegates should begin to recognize the mechanisms that are responsible for the governing of global oil markets and the use of embargos beyond the Saudi actions. Saudi Arabia wields significant power in OPEC+, which is a coalition of oil-producing nations, including Russia. That power in OPEC+ allows for the Saudi government to use its oil as a method of economic pressure similar to an embargo. By reducing the global oil supply, Saudi Arabia and its partners are able to drive up the prices, creating economic pressure on countries that often rely heavily on imported oil for energy. On the other hand, maintaining or increasing output of oil can stabilize prices and benefit any nation that allies with the Saudi government. This influence over the oil market allows Saudi Arabia to be capable of exerting influence over political opponents without resorting to formal sanctions. Delegates should consider how these decisions can shape international behavior, test alliances and impact the global market.

As Aramco's influence continues to grow over political and economic opponents, it is increasingly important to regulate how it exercises its influence over them. With this taken into consideration, the delegates of Saudi Aramco are expected to collectively create resolutions to respect the sovereignty of all nations while still factoring in their self-interests. At the same time, delegates are expected to be able to explore the tensions between using embargos as leverage and the broader effects that they create. Any regulation that is imposed could ripple across the global energy market, driving up energy prices, oil prices, and impacting the global economy. For instance, embargos often impact the global south importers, limiting essential access to fuel and disrupting international trade. Humanitarian aid that is important for many nations might also be impacted by embargoes directly. The rise of fuel prices would cause trucks, which most humanitarian

aid is transported by, to not reach those in need. The rise in fuel prices due to embargoes makes transporting aid more expensive than it already is, limiting the amount of aid that can be delivered. Observing nations represent the voices of other governments affected by change and their people. With both of these thoughts taken into consideration, the delegates of the Saudi Aramco are expected to collectively create resolutions to forming diplomatic relations while abiding by individual country policy will be crucial in resolving the issues regarding the global implications of Saudi Aramco.

QUESTIONS TO CONSIDER:

1. Should the Kingdom of Saudi Arabia be allowed to control the production and business of Aramco?
2. Can nations that aren't aligned with Saudi Arabia and its allies conduct business with Aramco?
3. Should monarchs of the house of Al Saud be allowed to create a "Supreme Council" in which they decide the direction of the company?
4. How can the closing of the Strait of Hormuz impact your nation's economy?

HELPFUL SOURCES:

The political implications of transforming Saudi and Iranian oil economies

www.brookings.edu/articles/the-political-implications-of-transforming-saudi-and-iranian-oil-economies/

Persian Gulf oil producers face hard choices if Strait of Hormuz is closed

www.spglobal.com/commodity-insights/en/news-research/latest-news/shipping/062425-persian-gulf-oil-producers-face-hard-choices-if-strait-of-hormuz-is-closed

Saudi Aramco is the House of Saud's Oil Throne

<https://brief.bismarckanalysis.com/p/saudi-Aramco-is-the-house-of-sauds>

Oil Embargo, 1973-1974

history.state.gov/milestones/1969-1976/oil-embargo

TOPIC 2: SAUDI ARAMCO INVESTMENT IN DEVELOPING COUNTRIES

Saudi Aramco supplies roughly 10% of the world's oil stockpile, which turns into petrol, diesel, and other synthetic materials.¹⁵ Oil is the most valuable liquid on Earth; it plays an imperative role in the global market and by extension, politics. Recently, Saudi Aramco secured its Initial Public Offering (IPO), allowing 1.5% of its shares to be bought and traded by foreign investors. Now, the company has the largest market cap estimation of any publicly traded company, and it's triple the size of the second-largest oil company, Exxon Mobil.¹⁶ There is also concern from within Saudi Aramco about being used in this way for Saudi Vision 2030.¹⁷ The IPO has been used as a way to not only increase funding but also transfer more power into the government's hands. This high-risk profile approach causes some concerns about whether or not the core of the oil industry is being neglected in favor of expanding and consolidating the economy. The influence of Saudi Aramco has also been changing in the Organization of Petroleum Exporting Countries (OPEC). OPEC wields significant influence in the world's economy by setting a standard price of oil that the majority of oil-exporting countries abide by.¹⁸ This position Aramco holds makes a steady supply of mass oil necessary to stay profitable as they can not only produce the largest amount of refined oil but at the cheapest price too. However, in recent years, OPEC finds itself selling more oil to Asia than Western markets, further pressuring Saudi Arabia to diversify its economy faster.

Developing nations are especially vulnerable to becoming satellites of nations that provide valuable resources to them, and it is difficult to maintain a balance between remaining autonomous while still receiving foreign aid. A satellite nation is a government, which is formally independent but is

heavily influenced or controlled politically, or economically by another nation. Satellite nations are most commonly dependent economically on trade, resources or financial aid from a more dominant country. Saudi Aramco, as one of the largest, most powerful companies globally, has the power to heavily influence such developing nations with donations. This capability, paired with a supermajority of shares controlled by the state, gives Saudi Arabia another chance to coax other countries for their support. Both Google and Facebook have been accused of unethical behavior in Africa.¹⁹ Saudi investments in East Africa have also been increasing in recent years, an expansion from 4.9 to 15.6 billion USD in energy, agriculture, and infrastructure investments.²⁰ Djibouti has become a critical hub in the flow of trade, and Guinea has also committed to years of exporting mining goods. If the same person is using state funds and companies to provide this infrastructure, then their decisions for Aramco must have discretion to verify the true intentions. African nations stand as some of the most diverse and vulnerable nations in modern times.

Presently, Saudi Aramco is anticipated to invest 10 billion USD into South Africa's petrochemical industry, of which approximately 1.5 billion USD has already been invested.²¹ This has created over half a million jobs. This is a crucial step in South Africa's plan to provide affordable and reliable electricity to its citizens. The most prominent danger isn't Aramco's current aid in the situation but its potential to control the nation as a result. An example of the power this position holds is debt-trap diplomacy, forcing the receiver to give up control of selected assets. As Saudi Arabia is projected to achieve a state of net-zero carbon emissions, Saudi Aramco is expecting South Africa to pick up its demand for

¹⁵Sarah Ridges. "Energy, Oil & Gas Magazine." *Energy, Oil & Gas Magazine*, 19 Feb. 2025, energy-oil-gas.com/news/the-10-biggest-oil-companies-powering-the-global-economy/.

¹⁶Companies Market Cap. "Companies Ranked by Market Cap." *CompaniesMarketcap.com*, 2025, companiesmarketcap.com/.

¹⁷Woertz, Eckart. "Aramco Goes Public: The Saudi Diversification Conundrum." *Www.giga-hamburg.de*, 5 Nov. 2019, www.giga-hamburg.de/en/publications/giga-focus/aramco-goes-public-the-saudi-diversification-conundrum.

¹⁸Wikipedia Contributors. "OPEC." *Wikipedia*, Wikimedia Foundation, 7 May 2019, en.wikipedia.org/wiki/OPEC.

¹⁹Page, Tom. "Google Equiano: Internet Giant Bets Big on Africa with Latest Megaproject." *CNN*, 8 Aug. 2022, edition.cnn.com/2022/08/07/africa/google-equiano-subsea-internet-cable-west-africa-spc-intl

²⁰Sons, Sebastian. "The Gulf States Pivot to Africa: Enhancing Geoeconomic Engagement amid Times of Geopolitical Shifts." *BIC-RHR*, 19 Sept. 2025, www.bic-rhr.com/research/gulf-states-pivot-africa-enhancing-geoeconomic-engagement-amid-times-geopolitical-shifts-0. Accessed 21 Oct. 2025.

²¹"Aramco and ACWA Power to Invest in South Africa." *Ogpeafrica.com*, 2022, www.ogpeafrica.com/newsarticle.aspx?newsitem=MTMwNA==&newstitle=Aramco%20and%20ACWA%20Power%20to%20Invest%20in%20South%20Africa%20that

oil.²² Aramco has also been affected by this net-zero plan; the company itself has been expanding its reach of fossil fuels while the government is trying to diversify energy production and influence. This has created more tension between Aramco and Saudi Arabia in whether the future of Vision 2030 or Aramco should be prioritized. Many countries are also at risk of becoming dependent on Saudi oil, resulting in a hegemonic one-sided dependency.²³ This reliance can be exploited in the future by Aramco and Saudi Arabia to their advantage. This danger, which has already been avoided by developed nations relying on either renewable or green energy, isn't so easily avoidable for the Global South, as they don't have the same opportunities to invest in their futures now. The Global South also doesn't have the same efficient infrastructure to reduce greenhouse emissions as other developed countries. Burning fossil fuels is more economically efficient for nations that already have the infrastructure, means to get the fuel, and distribution networks. While using cleaner and more cost-efficient means to create electricity is a natural choice, many nations can't justify the initial cost, even if it is offset over time. South Africa's commitment to OPEC cannot be disregarded either; most nations still have to uphold policies set by nations a hundred times their size in almost every metric. This all poses an impossible question of how South Africa can develop to become a sovereign nation like Saudi Arabia instead of just a satellite of Saudi Arabia.

As Saudi Aramco continues to invest in the development of the global south's infrastructure, it's even more critical to watch how it can grow to control the distribution of services internally. Additionally, as Saudi Aramco widens its historic focus on Aramco and the oil industry towards projects like Vision 2030, how will the government mitigate tensions internally? With both of these thoughts taken into consideration, the delegates of the

Saudi Aramco are expected to collectively create resolutions to protect the sovereignty of developing countries while still letting them receive help to build themselves. Observing nations represent the voices of other governments affected by change and their people. Forming diplomatic relations while abiding by individual country policies will be crucial in resolving problems, considering the global implications of OPEC, Saudi Arabia, and Saudi Aramco on the global economic and political stages.

QUESTIONS TO CONSIDER:

1. How can previous actions taken by OPEC to influence nations' developments be prevented in the future?
2. How can the global source of energy be diversified from oil without major disruptions to the global economy?
3. How can Aramco support its allies and neighbors without imposing?

HELPFUL SOURCES:

Saudi Aramco CEO says 80% of oil demand to come from the Global South by 2050
www.spglobal.com/commodity-insights/en/news-research/latest-news/crude-oil/042924-saudi-aramco-ceo-says-80-of-oil-demand-to-come-from-global-south-by-2050

'Cartoonishly Villainous' Saudi Plot to Hook Poor Nations on Oil Exposed
www.commondreams.org/news/saudi-arabia-oil-price

Oil Embargo, 1973-1974
history.state.gov/milestones/1969-1976/oil-embargo

²²Gnana, Jennifer, and Rosemary Griffin. "Saudi Aramco CEO Says 80% of Oil Demand to Come from Global South by 2050." *S&P Global Commodity Insights*, 2024, www.spglobal.com/commodity-insights/en/news-research/latest-news/crude-oil/042924-saudi-aramco-ceo-says-80-of-oil-demand-to-come-from-global-south-by-2050.

²³<https://www.facebook.com/32109457015>. "'Cartoonishly Villainous' Saudi Plot to Hook Poor Nations on Oil Exposed | Common Dreams." *Common Dreams*, 28 Nov. 2023, www.commondreams.org/news/saudi-arabia-oil-price.