

OPEC Ascendant?

Another Case of Crying Wolf

Jun 1, 1990



In-Depth Reports

A moderate run-up in oil prices in 1989 has led many oil forecasters to project large price hikes through the 1990s and a far more powerful OPEC cartel; in short another oil shock in the mid-1990s. Recent warnings from forecasters are reminiscent of the alarmist—and mistaken—predictions that followed the oil shocks of the 1970s. Examining the nature and source of past forecasting errors should aid in evaluating the plausibility of more recent oil forecasts.

In this Policy Paper, Elyahu Kanovsky challenges recent forecasts. He argues that long-term economic pressures, now operating on the world oil market, will keep prices relatively stable for the foreseeable future. Middle East oil exporters who were badly burned by the boom-bust cycle of the 1980s, he claims, are determined to ensure stable oil prices over the long term.

• 32 pages

RECOMMENDED

ARTICLES & TESTIMONY

[The Arab Approach to Mediation—Reshaping Diplomacy in a Multipolar World](#)

Spring 2024

◆
Nickolay Mladenov

(/policy-analysis/arab-approach-mediation-reshaping-diplomacy-multipolar-world)



BRIEF ANALYSIS

[Tracking Anti-U.S. Strikes in Iraq and Syria During the Gaza Crisis](#)

May 13, 2024

◆
Michael Knights,
Amir al-Kaabi,

Hamdi Malik

(/policy-analysis/tracking-anti-us-strikes-iraq-and-syria-during-gaza-crisis)

ARTICLES & TESTIMONY

On Israel, Biden Is No Reagan

May 10, 2024



Michael Singh

(/policy-analysis/israel-biden-no-reagan)

TOPICS

Energy & Economics (/policy-analysis/energy-economics)

Gulf & Energy Policy (/policy-analysis/gulf-energy-policy)

REGIONS & COUNTRIES

Gulf States (/policy-analysis/gulf-states)