

One economist's 'radical idea' to solve the biggest energy crisis in history: a reverse OPEC

[Sasha Rogelberg](#)

The world is facing the largest energy crisis in modern history—and the U.S. may be the country with the most power to do something about it. Oil exports are projected to slow [by 1.5 million barrels per day](#) in the second quarter of 2026, leaving Pakistan, Indonesia, and the Philippines [within days](#) of running out of gasoline and crude oil. The International Energy Agency warned last month that Europe has "[maybe six weeks or so \(of\) jet fuel left](#)," which would force airlines to cancel flights or hike fares.

For University of Massachusetts Amherst economist Gregor Semieniuk, the crisis makes a compelling case for the U.S. to lead a departure from the free-market philosophy that has governed oil distribution for more than 40 years.

"People on Wall Street and commodity traders will tell you that if you interfere, it's going to make things worse; you will have shortages," he told *Fortune*. "That may all be true ... But this is the biggest energy crisis the world has experienced in modern times—even larger than in the '70s in terms of quantity. Maybe it's time for a different approach in such an emergency."

A 'radical idea' with historical roots

Semieniuk suggested a potential easing of the oil shock could come from a "radical idea" compared to how the market currently functions. He and his UMass colleague and economist Isabella Weber developed what amounts to a reverse OPEC: a buyers' coalition in which oil-importing nations would collectively corner the market and press exporters like the U.S. to sell at

more affordable prices, rather than allowing a bidding war to drive costs out of reach for poorer countries. A price ceiling on oil would inhibit that bidding war and curb inflation.

The concept would invert the dynamic that the world has accepted for 65 years. OPEC was itself considered a radical intervention when it was founded in 1960—a cartel of producing nations that coordinated supply to wrest price control away from Western oil companies and consuming nations.

Semieniuk's proposal is the mirror image: consuming nations wresting price control back.

To be precise, OPEC controls production volumes, while this buyers' club would control purchase price. The closest institutional precedent is the International Energy Agency itself, founded in 1974 explicitly as a consuming-nations counterweight to OPEC. The IEA's coordinated strategic reserve releases, already deployed at record scale in 2026, are a form of collective buyer-side intervention. Semieniuk and Weber's proposal would add a price ceiling on top of that existing architecture.

In 1981, President Ronald Reagan removed price controls on oil, a reversal of 1970s-era regulations following the oil shocks. The creation of West Texas Intermediate (WTI) futures two years later shifted the pricing of oil from not just a commodity, but also as an asset, weakening the power of Organization of the Petroleum Exporting Countries (OPEC) created two decades prior and establishing greater independence for the U.S.'s oil production. That framework—built explicitly has governed global oil for four decades.

Proponents of today's free trade-leaning oil market have argued it's an efficient system: Prices aren't artificially determined, and it encourages less wasteful production and faster distribution. In nonwar times, Semieniuk argued, this may be the case, but with analysts suggesting the Strait of Hormuz will continue to be restricted [into the second half of the year](#), without a change, high-income countries will continue to outbid and price out poor countries from the market, exacerbating oil shortage in parts of the

world that critically need it, and driving up prices globally.

The mechanics, he argues, are simpler than they sound: "Countries could actually get together and say, 'Look, we know we have, we have a supply shortage, that's true. But there is a crisis, and there's a war, and there's a blockade, and so on,'" Semieniuk explained. "'Maybe the market shouldn't be the only mechanism by which we respond to this unprecedented crisis. Maybe governments should have a more active say in that.'"

Changing global framework

Though free trade dynamics have been at play in oil markets for decades, there's been a shift over the past decade or so toward a mentality that trade is a "zero sum game," according to Eswar Prasad, a Cornell University economics and trade policy professor. Today's energy market dynamics mirror the pandemic-era distribution of vaccines, where wealthy countries stockpiled vaccines and personal protective equipment, while poorer nations were left with a dearth of supplies, Prasad noted. As the global economy rebounded from the pandemic, Russia's invasion of the Ukraine led to international sanctions that once again priced lower-income countries out of natural gas markets, causing shortage and blackouts.



"Economics, domestic politics, and geopolitics have gotten stuck in this negative feedback loop where they sort of bring out the worst in each other," Prasad told *Fortune*. "And what we're seeing now is a perfect example of that phenomenon."

This has not always been the case, even in the 21st century, Prasad noted. Following the 2007 global financial crisis, the G20 [agreed to lower interest rates and participate in currency swap lines](#) with the U.S. Federal Reserve to give international players access to dollars at the foundation of international transactions, though its efforts weren't a panacea for total financial recovery.

But supercharged by the Trump administration's advocacy of trade surpluses and tariffs, the U.S. has adopted the ethos that globalization is better for other countries than the U.S., Prasad argued. He said as a result, the U.S. in particular has been pushing allies away, in some cases to the deficit of other countries, or in the case of rising oil prices, sometimes itself.

The U.S.'s role in oil market interventions

As a wealthy country and net exporter of oil, the U.S. is poised to lead the charge of interventions to redistribute global oil, should it want to, Semieniuk said. The U.S. could lead the coalition of buyers, should oil exporters also participate. The U.S. achieved a record energy [surplus of 9.3 quadrillion British thermal units](#) in 2024, mostly as a result of oil and natural gas exports, creating an annualized energy trade surplus close to \$100 billion.

With so much cash, the U.S. could also implement an excess profit tax, Semieniuk argued, noting oil companies like [ExxonMobil](#) and [Chevron](#) [continue to be profitable](#), though less so than last year, and anticipate greater profits as oil prices rise. Democratic Sen. Bernie Sanders [introduced legislation](#) in 2022 to impose a 95% "windfall tax" on companies making more than \$500 million in annual revenue, resurrecting a similar tax put in place during World War II to ensure private companies could not benefit from the war.

"The U.S. is not the most affected country, except for the prices, but at least there are no shortages. We don't have to worry whether tractors can still bring in the harvest and things like that," Semieniuk said. "Things are a lot more dire in other countries right now."

These excess profit taxes are not always as efficacious as proponents hope for. Between 2022 and 2024, the European Union raised about \$26 billion through a windfall tax, [far below](#) the \$140 billion in project revenue for these initiatives.

Against that backdrop, Semieniuk's suggestion is pointed: OPEC has spent 65 years proving that a cartel of nations can reshape global energy markets. His question is whether the consuming world has the political will to do the same.

"I think now maybe is the time to think about creative solutions and ways to alleviate suffering for ordinary people," he said.

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