



Giuliano Garavini. *The Rise and Fall of OPEC in the Twentieth Century.* Oxford: Oxford University Press, 2019. 448 pp. \$42.95, cloth, ISBN 978-0-19-883283-6.

Reviewed by David Wight (University of North Carolina Greensboro)

Published on H-Environment (May, 2022)

Commissioned by Daniella McCahey (Texas Tech University)

David Wight on Giuliano Garavini, *The Rise and Fall of OPEC in the Twentieth Century*

“Most people have entrenched ideas about petroleum,” Giuliano Garavini argues in the opening of his latest book, *The Rise and Fall of OPEC in the Twentieth Century* (p. 1). Whether celebrating or condemning the fossil fuel, both average consumers and academic specialists widely understand oil to be a natural resource of outsized significance in modern life, perhaps the single most important raw material to shape the course of human and environmental history during the twentieth century. Yet “rather than debating the positive or negative connotations of the advent of petroleum as a key global energy source,” in this book Garavini instead tries, “from the peculiar vantage point of a ‘diplomatic historian,’ to see how the twentieth century looks like [*sic*] when viewed from the perspective of the landlords that rule over the most productive oil regions in the world” (p. 4). In this, Garavini admirably succeeds, as he fruitfully reframes the history of oil and the Organization of the Petroleum Exporting Countries (OPEC).

In studying the impact of OPEC on the history of the twentieth century, Garavini’s main arguments are twofold. First, he links the rise of OPEC to broader Third Worldist efforts to restructure global political and economic orders that regularly

disadvantaged the Global South. Garavini highlights that OPEC was one of the first international organizations of the Global South, with its 1960 founding predating that of other key forums for Third Worldism like the Non-Aligned Movement and the United Nations Conference for Trade and Development. Furthermore, OPEC members played an outsized role in these organizations and elsewhere in setting the agenda and providing a model for how the Global South might obtain more favorable terms of trade for the sale of their natural resources to the more industrialized countries.

Second, Garavini argues that the member states of OPEC have been underappreciated for their historical role in framing petroleum as an environmental issue. He demonstrates how the elites and workers of OPEC regularly resisted efforts within the global economy to determine the value of oil strictly in market terms of supply and demand, arguing instead that the exhaustible nature of the resource and its environmental costs to producers and the larger world should be factored into the sale price of petroleum.

Many broad histories of the oil industry, both positive and negative, have approached the topic with a strong bias toward Western perspectives.

Daniel Yergin's classic book on the history of petroleum, *The Prize* (1991), for example, while rich in historical detail and analysis, is often dismissive of the anti-imperialist perspectives of individuals from the Global South. Garavini, in contrast, offers a sweeping narrative of the history of oil firmly within the perspective of the major oil exporters of the Third World. And while previous histories of OPEC have been written, most of these are now decades old, and Garavini claims that none "has been published by a professional historian or is based on in-depth archival research" before his own book (p. 8).

Garavini does rely heavily on the scholarship of other historians to develop his wide-ranging and synthetic analysis. This is in part a testament to the growth of publications in recent years on international environmental and political economy histories of the twentieth century that focus on the Global South. Garavini builds upon this scholarship with his own globe-trotting research, gathering and analyzing materials from government and oil industry-related archives in Algeria, Austria, France, Italy, the Netherlands, the United Kingdom, the United States, and Venezuela. The most notable primary source collection, however, is the heretofore unpublished minutes of the OPEC Conferences from 1960 to 1986, which Garavini has donated to the library at New York University Abu Dhabi for other researchers to access as well.

The first third of the book outlines the origins and rise of OPEC through the 1960s. Garavini begins with the birth of the petrostate, a country whose petroleum exports compose a disproportionately large share of its economy and government funding. As a petrostate is defined by both the geological coincidence of large oil deposits and a relatively small economy, petrostates have, unsurprisingly, originated exclusively in the Global South. Garavini identifies Venezuela as the first petrostate, reaching such status by the 1930s. Due to its comparatively long standing as a sovereign nation and major oil exporter, during the 1950s

and 1960s Venezuela led the effort to organize emerging petrostates like Iran, Iraq, Kuwait, and Saudi Arabia into a collective organization, OPEC, with the aim of wresting control of oil industries in the Global South away from the oligopoly of Western multinational petroleum companies and toward host governments. Venezuela likewise played an early role in advancing arguments about the need to reform the global trade of oil to ensure greater economic and environmental equity for exporting countries.

The second third of the book looks at OPEC at its zenith during the long 1970s, when a tight global supply of petroleum enabled OPEC members to take direct control over their oil industries, dramatically increase oil prices, and earn unprecedented numbers of petrodollars. Here, the minutes of the OPEC Conferences reveal that Iran privately and repeatedly pressed environmentalist arguments in an effort to persuade other OPEC members, especially price moderates like Saudi Arabia, to jointly agree to higher oil prices, a rationale it had presented publicly in Western media. This section of the book also highlights the concerted efforts of Algeria to link OPEC's success to broader Third World efforts to enact a more equitable transfer of wealth and technology from the Global North to the Global South, a vision for the future it termed the New International Economic Order.

The final third of the book charts the fall of OPEC's influence during the 1980s and 1990s. The organization's decline owed in part to greater global energy efficiency and diversity of sources; new outputs of oil from non-OPEC sources, particularly from Great Britain and Norway in the North Sea, are emphasized. OPEC also suffered from heightened divisions due to the total war between Iran and Iraq from 1980 to 1988. The minutes of the OPEC Conferences capture the impacts of that war on Saudi Arabia's failed effort to achieve shared cutbacks in oil exports among OPEC members, resulting in rising global oil supply and correlated dropping petroleum prices. By the 1990s,

Saudi Arabia found itself forced to borrow money to keep its economy afloat, Venezuela was racked by internal conflict over whether to privatize its oil industry, and Iran, Iraq, and Kuwait were all devastated by war. The collapse of OPEC's influence, Garavini laments, removed a major force endeavoring to incorporate global economic and environmental equity into the valuation of oil, corresponding with an increasingly neoliberal world.

One quibble with the book is Garavini's contention that for the citizens of the countries that gave birth to OPEC, "it is safe to say that most of them did not share cultural identities, political models, or international alliances;" they united in an effort to seize greater control over the global oil economy in spite of the lack of common cultural or political ties (p. 7). Garavini is certainly correct to highlight that both OPEC's founders and later members were a heterodox group in terms of system of government, Cold War orientation, religion, and ethnic and national identity. Yet as Garavini demonstrates in his book, the members of OPEC all hailed from the Third World and worked together with the aim of ending the Global North's disproportionate economic power and achieving a more equitable world for the Global South. While Garavini does not frame the matter as such, these efforts and goals were at the heart of Third Worldism, the political and cultural ideology that was widely shared among the citizens of OPEC's members, providing a basis of common identity and purpose that enabled OPEC's successes despite the many other divisions between its constituent countries.

This point, however, only underscores the richness of Garavini's book; it delivers even more than it claims to offer. Garavini does not deny that oil and the wealth derived from it have sometimes facilitated destructive decisions by the members of OPEC. But he balances this common narrative of dysfunctional petrostates with a well-researched and -reasoned historical account demonstrating that petrostates have also been unsung

champions of redressing global economic inequality and environmental degradation. *The Rise and Fall of OPEC* is required reading for anyone who wants to understand the global impacts of oil and the role of the Global South in shaping its use during the twentieth century.

David M. Wight is the author of Oil Money: Middle East Petrodollars and the Transformation of US Empire, 1967–1988 (Cornell University Press, 2021). He is a previous Ernest May Fellow in History and Policy at the Belfer Center for Science and International Affairs at Harvard University and US Foreign Policy and International Security Fellow at the Dickey Center for International Understanding at Dartmouth College. He is currently a visiting assistant professor at the Department of History at the University of North Carolina at Greensboro.

If there is additional discussion of this review, you may access it through the network, at <https://networks.h-net.org/h-environment>

Citation: David Wight. Review of Garavini, Giuliano. *The Rise and Fall of OPEC in the Twentieth Century*. H-Environment, H-Net Reviews. May, 2022.

URL: <https://www.h-net.org/reviews/showrev.php?id=57377>



This work is licensed under a Creative Commons Attribution-Noncommercial-No Derivative Works 3.0 United States License.