

Gas Prices Continue Rising, End Uncertain

by Dalton Brown, News Reporter
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Local gas prices have continued to climb in several communities around the Riverbend despite actions by the Biden administration aimed at keeping gas prices under control.

In his State of the Union address on March 1, [President Joe Biden announced](#) the United States would join its allies in releasing 60 million barrels of oil from global reserves, including 30 million barrels from the United States.

“We stand ready to do more if necessary, unified with our allies,” Biden said. “These steps will help blunt gas prices here at home.”

Since then, gas prices have increased by more than 50 cents per gallon for regular unleaded in some local communities.

Riza Demirer, a professor of Economics and Finance at SIUE, said this was a temporary measure from the start. He also said fuel prices are driven by global predictions of supply, which aren’t exactly optimistic as Ukrainian-Russian unrest continues.

“Strategic reserves are limited, and oil traders know that this temporary supply is a short-term relief and since financial markets price future expectations, it is not unexpected to see gas prices are not responding the way one would like,” Demirer said.

“The talk about sanctioning Russian oil exports has been a big blow to the global oil market as this would be a major supply shock, so all these uncertainties lead to higher oil - and so gas - prices due to negative expectations of future supply conditions,” he continued.

Demirer said he doesn’t expect gas to get any cheaper in the near future.

“I don't think prices will be going down anytime soon, at least until the uncertainty surrounding Russian sanctions are resolved,” Demirer said. “The U.S. government will have to find alternative supply markets, either from Canada or from countries like Venezuela, despite the political problems we have had with them.”

As far as what we can do to curb the economic impact on our wallets, Demirer said there aren’t many options given the global nature of the issue. In some cases, it may come down to changing our driving behavior.

“We cannot really expect much from the government in this regard,” Demirer said. “This is a global problem and we do not have much control over things other than making adjustments to our budgets and driving habits - like carpooling or being more careful with our consumption habits.”

For updates on gas prices in your community, use the [Riverbender.com Gas Map](#).