

Where Are They Now.

We all know this old cliché--one begins to recall some decades old TV show or film and then this question pops up regarding those actors who played our favorite heroes and what they are doing today. The Goddess of TV, the greatest mind of our time and moral compass of civilization, Oprah, even had a show titled "[Where Are They Now?](#)" Well, folks, today, it seems, the cycle of "where are they now" shrunk dramatically from decades to years, to weeks and even hours. And that is my question: where are those [Bloomberg's, Russian liberda and other "experts" who even two days ago were spreading all kinds of BS about OPEC++ deal](#). This whole "where are they now" issue has, apart from very practical pure geopolitical and economics side, a huge academic issue--those are not "experts". Those are people who have some insights, often due to their social status, into rumors circulating on a fairly high level but have absolutely no professional apparatus to judge complex industrial processes, not to speak of a true systemic analysis. So, where are those "experts" now? Anyone cares?

Some people, however, begin to speculate if Russia and KSA are "in the same boat" in relation to US Shale oil unfolding catastrophe:

I agree, much ado about nothing since reality always trumps (pun intended) wishful thinking. As the piece continues:

Those efforts have been wildly successful by any measuring stick, and for that reason, shale will not be allowed to die no matter what Saudi Arabia and Russia dish out. But that doesn't mean that some of the weaker U.S. shale players won't wither up and die along the way, drowning in extra crude inventory and debt, saddled with inefficiencies and a business that couldn't make it at even \$50 crude, and without the lifelines of increased oil demand or stimulus money. For shale players in this category, your days are numbered—all signs point to this inevitable conclusion.

The conclusion is indeed, inevitable, and it is the fact that Trump can do whatever he wants and print as much money as he wants, US shale is dead to the level which will keep the United States a net IMPORTER, not a net exporter of oil. Of course, the issue here is what's the deal with Saudi-Russian alleged "collusion". I don't think there is any collusion at all. Remember, unlike all kinds of "experts" none of who ever worked a day in a productive capacity, I openly and readily admit that I am NOT an expert in oil industry. But I also know that in any combination of relations between Russia and Saudi Arabia, even despite Saudis' importance as a oil superpower, Saudis' status (read my latest book) is too insignificant to have a fully independent position vis-a-vis Russia. In other words, as events since [Vienna OPEC+ summit](#) demonstrate, it is legitimate at this state that Saudis do not really have much agency in these oil wars being allowed to do only what they can (oversupplying the market, thus crushing prices), while being used by Russia for a much broader set of geopolitical objectives which are simply beyond the grasp of Saudis.

This may explain the fact that starting from [Mnuchin's sudden change of MO and meeting with Russian Ambassador Antonov on March 9](#), to Trump's and Pompeo's one after another phone calls to Moscow, to suddenly "funny" issues of Russian-American cooperation in space, to discussing sanctions (why?) and investments (that is a wowsler) seems to point out to Washington having a reality dawning on them that

not only "oil market" (most of it a fraud drowned in paper derivatives) is not going to be the same but the same applies to Russian-American relations, you know "strategic stability" and all that jazz. As was stated from the very onset of this oil crisis--Russia was ready to ride this out for years, in fact Russian budget recently was recalculated to the oil price of \$20 per barrel. Yet, all this "expert" community, including people who cannot have a clue by definition (Kortunov, are you reading this) continued to deny a reality of Russia gigantic currency (and gold) reserves being engaged. Yes, Covid-19 did play a role and threw the curved ball of sorts, but it was not just for Russia, the United States had ball flying at her too. Meanwhile reality on the ground is dramatic and even Reuters can not hide it anymore:

Some even proposed that Putin is exacting a revenge on the United States from 1990s and 2000s. Possible? Possible, but how probable? Putin and his team do not seem as overcome with emotions in this matter, it is one thing to crush economies of the rabidly Russophobic Baltic states, totally another--to deal with superpower, however dysfunctional and largely ungovernable. In simpler words--we don't know the whole of a game, we observe only some partial manifestations of it and we surely do NOT have a massive and highly efficient, as events of the last 7 years demonstrated so dramatically, intelligence-analytical strategic forecasting apparatus at Putin's disposal. He knows what we don't and that makes the difference, a gigantic one. Is the United States being taught a lesson? Definitely possible, but for now I still stick to my proposition of superpowers' Noblesse Oblige because Russia is NOT interested in the US disintegrating or becoming completely ungovernable while having a vast arsenal of nuclear weapons on her territory. Yet, Saudis could be sacrificed in this game, in fact, Saudis' "cut" may happen "naturally" by the Kingdom disintegrating (which is a highly desirable outcome) and someone else taking control of oil fields, someone who is not used to driving Ferraris and living in mansions doing absolutely nothing of value. Is it possible? Absolutely, otherwise they wouldn't be desperately needing a truce:

Ah, Houthis, God bless your soul in your fair fight for freedom and democracy, wink, wink. If to remove, by force or by agreement, all those Pakistani, American, West European mercenaries from the front lines, I wonder how long will Riyadh defend itself against Houthis? But I am running ahead of myself here.