

A Follow-up on Cherchez la Flamme

October 2022

From the mouth of Mr. Anthony Blinken, we heard that the U.S. is talking now of substituting entirely for Russian natural gas exports to Europe.

However, there exist some incontrovertible **HARD FACTS**:

1. The U.S. has **12,600** billion cubic meters (BCM) of natural gas reserves;
2. Russia has **37,400** BCM of natural gas reserves;
3. U.S. production in 2021 was **934.2** BCM per year;
4. Russian production in 2021 was **701.7** BCM per year;
5. In 2021 U.S. exports to Europe were **30.8** BCM;
6. In 2021 Russian exports to Europe were **184.4** BCM;
7. For the U.S. to substitute for Russia, U.S. exports need to grow **600%** overnight, from **30.8** to **215.2** BCM per year;
8. U.S. production would need to grow **20%** overnight from **934.2** to **1,118.6** BCM per year;
9. U.S. domestic natural gas prices would likely increase at least **300%** (three-hundred per cent) or more because of the exacerbated demand for exports;
10. As a consequence, U.S. consumers would foot the bill for the natural gas exporters colossal profits;
11. In 2021, U.S. natural gas reserves would have lasted **13.8** years, until **2035**;
12. If the U.S. substitutes for Russia, U.S. natural gas reserves will last only **11.3** years, until **2032**;
13. In 2021, Russian natural gas reserves would have lasted **58.6** years, until **2080**;
14. If Russia stops exporting gas to Europe her natural gas reserves will last **72** years, until **2093**.

In other words, in 2032 the U.S. would be left with only its windmills and solar panels on which to shed some tears, while Russia (and Iran) would dictate the price of natural gas until at least the end of the century.

Luckily for everybody, the happy realistic alternative is that the U.S. will be unable to substitute for Russia, so Europeans will have to find some other source very quickly, while the U.S. will keep its reserves for its own people.

However, there is no other ready source, so I would bet that before long the pipelines will be repaired (which is not such a big deal despite the alarmist reports of those who have never seen a pipeline), Europe and Russia will resume their lucrative trade after a number of current European and U.S. politicians will have been exiled on a rail, copiously tarred and feathered, the U.S. will be left brooding on the other side of the ocean, and all parties will concur to blame a newfound but convenient scapegoat in the guise of Mr. Zelensky.

Hopefully, the new leaders will have graduated from elementary school, unlike their predecessors.

Meanwhile, China will take control of Taiwan after some bloodless blockade and everybody will find that after all it wasn't such a catastrophe, in the same fashion that Hong Kong and Macau never went bankrupt, far from it, after China took over some 25 years ago.