



Jerry Got It Right: George C. and Joe B. Got It Wrong 05/12/2022

In a famous Seinfeld episode, George Costanza complains that nothing he does turns out right. Every decision he makes turns out wrong. The Wall Street Journal in an editorial yesterday captures this brilliantly.

President Biden refuses to own up to anything that has gone wrong. He conveniently blames Covid and Putin for inflation and the high price of gasoline and diesel. As I wrote a couple of months ago, he is betting on the short-term memory of the voters. He omits the fact that gasoline prices were up over \$1/gallon and inflation was running 7% before Russia invaded the Ukraine.

In the Seinfeld episode, Jerry tells George that if everything you do turns out wrong **just do the opposite**. If inflation is defined as too much money chasing too few goods, then this is not the time to be spending more. If you want more oil from domestic producers, you take the leases they are holding and **expedite the permitting process. You don't slow it down**. If you want to sustain and grow production, you offer more leases and work with the industry. You don't do what they did yesterday and cancel two major lease sales.

If you want more oil from OPEC (read Saudi Arabia) you don't tell the Crown Prince (in your first week on the job) who is running the country that you don't speak to him, you speak only to the King. You don't threaten anti-OPEC legislation, NOPEC, and you don't get involved in a hare-brained scheme in Europe to form some buyer's cartel. This will certainly get the juices flowing and make OPEC want to produce more. **Right? No wrong, wrong, wrong.**



Mister President, you can have a very successful next two years,
just do the **opposite**.