

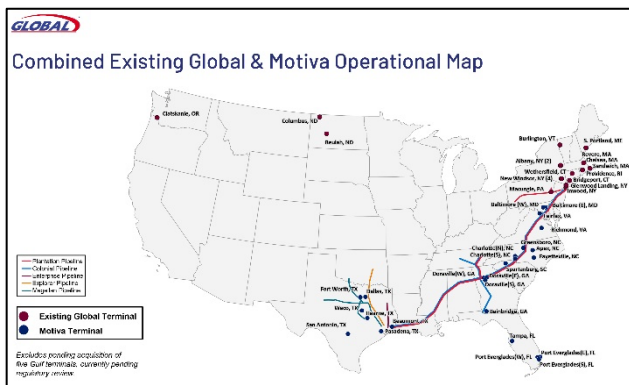
## Saudi Arabia: Economics Over Politics

November 10, 2023

I believe the Saudis want and need a long-term relationship with the U.S. They would also like a relationship with Israel. The current fighting undermines his ability to meet his economic plans for his country. I believe the UAE is in a similar situation.

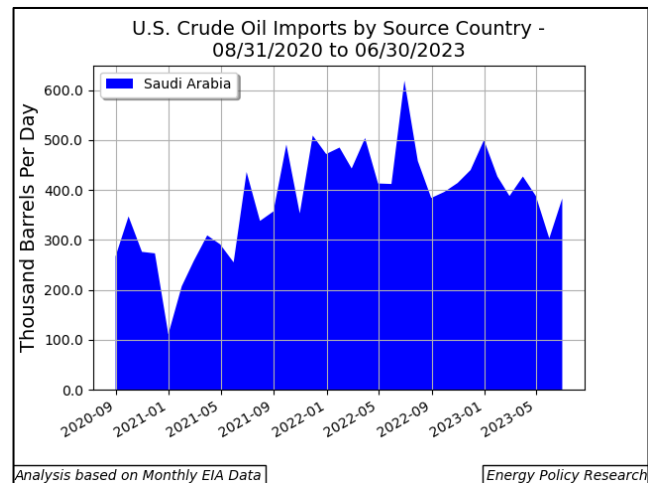
I don't believe that the Saudis can show their hand this early, but I do believe they will play an important role in phase two.

Figure 1 - (Click for larger image and story)



[Motiva, one of Saudi Aramco's U.S. subsidiaries just sold twenty-five strategically located terminals to Global Partners L.P \(Figure 1\).](#) This is a somewhat surprising move.

Figure 2



The Saudis also sell a small volume of crude oil to the U.S. (Figure 2). Does that suggest they might want to sell their large Gulf Coast refinery located at Port Arthur TX and pull out of the U.S.?

It is hard to interpret, but very interesting. The Saudis typically make decisions based on economics. Therefore, if they were pulling out of the U.S. market (other than the timing) I don't believe they would be sending any political message to the White House.

**Larry Goldstein** ([larryg@eprinc.org](mailto:larryg@eprinc.org)) is an internationally recognized authority on petroleum markets, and has extensive advisory relationships with energy companies, research institutes, and government agencies. He is a former president of the Petroleum Industry Research Foundation (PIRINC) now the Energy Policy Research Foundation (EPRINC), its successor organization, and continues to be on EPRINC's Board of Trustees. He was a founder and president of the PIRA Energy Group, a major energy consulting firm that was acquired by S&P Global in 2016.

He has testified numerous times before congressional committees and regulatory bodies and has been appointed to the National Petroleum Council (NPC) by every recent U.S. Secretary of Energy. He has briefed the Chairman of the Federal Reserve Board, senior officials at the Government Accountability Office, and a wide range of government agencies on developments in domestic and world petroleum markets. He has also served as consultant to the Iraq Coalition Provisional Authority. During the 1970s and 1980s he frequently appeared on the CBS Evening News anchored by Walter Cronkite.