

THE INTELLIGENCE GAPS WHERE THE SAUDIS HID THEIR OCTOBER SURPRISE

NYT has a story on Joe Biden's serial surprise as he discovered the Saudis were reneging on what the President thought was a deal to keep pumping oil.

Here's the timeline:

May: Amos Hochstein and Brett McGurk believe they make a deal for a two-part increase of production

June 2: OPEC announces the first part of production increases and Biden announces his Saudi trip

June 3: Trump travels from Mar-a-Lago to Bedminster for Saudi golf tournament

June 7: Adam Schiff and others send Biden a letter warning about Saudi Arabia

Prior to July 15: Briefings for Intelligence Committees on secret plan

July 15: Biden meets with Mohammed bin Salman

August 3: Saudis announce half of production increase promised ("the first public warning")

September 5: OPEC announced production cuts

Late September: US officials begin hearing of deep production cuts on October 5

September 24: MbS says there will be no production cuts

September 27: Abdulaziz argues cuts would impede diversification plans

September 28: Saudis inform the US they will announce production cuts

October 26: Jared Kushner speaks at Saudi

investment summit

NYT emphasizes the Saudi expression of self interest and hints at influence from Russia.

American officials say they believe that Prince Mohammed was particularly influenced by a high-level Sept. 27 meeting in which Prince Abdulaziz, the energy minister, argued that oil production cuts were needed to keep prices from plummeting to as low as \$50 per barrel. The U.S. officials said they learned Prince Abdulaziz asserted that, under such a scenario, the Saudi government would lack the resources to fund economic diversification projects at the heart of Prince Mohammed's domestic agenda.

Some U.S. officials believe that the Russians influenced the Saudi about-face, pointing to Prince Abdulaziz's strong working ties with top Russian officials close to Mr. Putin, particularly Alexander Novak, the deputy prime minister who oversees energy policy.

[snip]

On Tuesday, speaking on stage at the annual investment forum in Riyadh, Prince Abdulaziz said that the kingdom would do what was in its best interests.

"I keep listening to, 'Are you with us or against us?' Is there any room for, 'We are for Saudi Arabia and the people of Saudi Arabia'?" he said. "We will have to deliver our ambitions."

But the story focuses more on how the Americans repeatedly got caught by surprise.

The Americans came away from the summit with the belief that the agreement was on track and that Prince Mohammed was satisfied. But in Riyadh, **top Saudi**

officials were privately telling others that they had no plans for further meaningful oil production increases.

Indeed, the first public warning of this came on Aug. 3, when OPEC Plus announced a paltry bump in production for September of 100,000 barrels a day – half of what U.S. officials believed the Saudis had promised them.

American officials said they did not understand why that decision was made. Then OPEC Plus announced on Sept. 5 it would cut production by 100,000 barrels per day – retracting the increase it had announced a month earlier. After that, U.S. officials were increasingly confused and concerned about the kingdom's direction.

In late September, American officials began hearing that Saudi Arabia could get OPEC Plus to announce a deep cut to oil production at a meeting scheduled for Oct. 5. [my emphasis]

There's no comment about Trump's ongoing meetings with the Saudis as this transpired, not even the one the day after Biden announced his visit, the same day (as it happens) that Trump refused to give back all the classified documents he stole. There's no comment about MbS's repeated, publicly stated preference for Trump over Biden.

The story describes Biden's surprise as the result of wishful thinking. And the US wasn't totally surprised. They got advance warning of the October cuts with enough time to send Janet Yellen to attempt to reverse the cuts.

But as depicted, the Saudis were saying, from the start, that they intended to renege on the deal with Biden, and the US went on believing the deal would hold for months.

There is no way the US should be taken by that

much surprise: not by the Saudis, not by the Israelis, not even by the Brits. If they genuinely were this badly surprised, it would suggest significant intelligence gaps on the part of the US. The US spends billions to avoid such surprises.

One of the last times the IC had a surprise this big came when Vladimir Putin decided, after secret phone calls with Mike Flynn, not to respond to Obama's 2016 sanctions. (They quickly found an explanation for the surprising turn of events, which intelligence collection Trump's Director of National Intelligence burned years later.)

Perhaps it's the paranoia fostered by a man who repeatedly intervenes in US foreign policy to obtain personal benefit, but I can't help but notice these intelligence failures followed Trump's meeting with the Saudis in Bedminster.