Russian Austerity Sets In - Putin Retirement Age Pushed Back to 83

The west just doesn’t get it. Russia, that is. I feel like a failure, just to be honest. Almost a decade now my contemporaries and I have tried in vain to teach “Russia” to a curious world east of eastern Europe. And no matter what, US and UK media, academia, and thinking tanks can’t come to grips with the reality. Yes, the majority of Russians cannot think of anybody but Vladimir Putin leading them. Why, oh why, is this so hard to accept.

The newsreels are humming on the news the Duma has passed a measure 383-0 to remove the constitutional barrier to Mr. Putin staying in office beyond 2024. The story from USA Today words it:

“The proposal would allow Putin to stay in power either by scrapping Russia’s two-term limit for president or “resetting” the clock so that Putin’s four terms wouldn’t count against him.”

In fairness to all the American analysts and news people, I know they cannot fathom any society or system that does not operate exactly like the British or American political circuses. And it’s also unimaginable for them, to see who the Russian people care so little to become like the societies that have vilified and insulted them for eons of time. The United States can elect this caricature of leadership or that one, and Russians are crazy for wanting a statesman to run the show forever?
Check this my fellow Americans, and check it well. The headlines as I type this are as follows. “The stock market plunges, Vladimir Putin eyes a plan to prolong his presidency, and climate change causes a severe swarm of locusts in East Africa.” That’s from the Daily Show, and all I can say is; “Putin is the only secure thing on the planet about now. Thank goodness USA Today can get a quote right. President Putin is cited:

“The president is a guarantor of security of our state, its internal stability, and evolutionary development. We have had enough revolutions.”

He got that right. And we had enough war, economic shenanigans, coronaviruses, and disastrous detente too. Berkshire Hathaway’s CEO, Warren Buffett called the recent market shock “a one-two punch” with coronavirus and the plunge in oil prices, but nobody’s mentioning Putin tried to keep the Saudi’s in line. The fact Russia is not eaten up with COVID-19 deaths also bears mentioning here. And in the west? Well, let me quote from a stunningly candid report on The Atlantic:

“It feels like 2008 out there. And of course, it does. COVID-19, the disease caused by the coronavirus, is killing thousands of people and infecting what might end up being millions. Businesses are shuttering and failing; quarantines and travel bans are coming into place; companies are slashing earnings estimates and economists are slashing growth forecasts; millions of workers are seeing their wages evaporate, and governments are bungling their economic and public-health responses to the illness. It is bad out there. The markets reflect that.”

I hope the readers don’t mind me saying; “That’s convoluted supra-capitalistic elitist democracy for you.” Push profits to the limit, squeeze the middle and lower classes till they squeak, and then watch things fall apart at the first sign of a pandemic (some say manmade). I guess the margins just got played too hard? But we have one certainty to fall back on. Putin will put Russia first either as president or party leader, and this is what his approval rating has always rested on.

Meanwhile. BOOM! Making America great again (MAGA) based on the great shale oil boom just blew up like I said it would years ago. The Saudi-Russia friction now leads to President Donald Trump ready to roll out a federal aid package for struggling US producers. March 9 went down as the energy sector’s worst day on record, as oil prices slid 24% to more than four-year lows. Recent losses are accelerating declines in the oil patch, which has been struggling for years. Trump’s bull market just transformed into one of the biggest bears ever as trades were more than 20% below recent highs. And this is just the beginning. COVID-19 has not even peaked, and the lagging effects of the coronavirus and an oil war cannot even be estimated.

American shale oil companies are over-leveraged and debt-ridden. This puts them in a cash bind where they cannot service their debt. To make matters much worse, the average breakeven oil price in the US is in the $48 to $54 per barrel range. A sustained oil price of under $40 per barrel is going to be devastating for the industry.

Putin said it, the world should have a guarantor. Unfortunately, only Russians seem to understand how stability works.

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