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Summer Playlist 2025 | Episode 3
Jeff Currie, Chief Strategy Officer of Energy Pathways, Carlyle

On our third installment of *Summer Playlist 2025*, we welcome Jeff Currie back into the SmarterMarkets™ studio. Jeff is Chief Strategy Officer of Energy Pathways at Carlyle. David Greely sits down with Jeff to discuss the implications of the breakdown of the world order that has defined the post-World War II era – implications Jeff lays out in his new paper, [The New Martial Plan](#), the sequel to [The New Joule Order](#). Together, they discuss how the quest for security is becoming the paramount force reshaping geopolitics, energy, and investment.

Jeff Currie (00s):

When you look at United States, China, Russia, they are all trying to coerce some part of the world to join them. If it's us, it is Greenland or you know, potentially Canada or you have China with Taiwan or Russia with Ukraine, Europe as a waiting list of people wanting in countries wanting to join it. I think that right there is in a testament to the level of consent that they have created. And again, if I am looking at a place to allocate capital, it starts to look pretty attractive.

Announcer (34s):

Welcome to SmarterMarkets, a weekly podcast featuring the icons and entrepreneurs of technology, commodities, and finance ranting on the inadequacies of our systems and riffing on ideas for how to solve them. Together we examine the questions: are we facing a crisis of information or a crisis of trust, and will building Smarter Markets be the antidote?

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David Greely (01m 23s):

Welcome back to Summer Playlist 2025 on SmarterMarkets. I am Dave Greely, Chief Economist at Abaxx Technologies. Our guest today is Jeff Currie, Chief Strategy Officer of Energy Pathways at Carlyle. We will be discussing the implications of the breakdown of the world order that has defined the post-World War II era implications. He lays out in his new paper, the New Martial Plan, the sequel to the New Joule Order. We will be discussing how the quest for security is becoming the paramount force reshaping geopolitics, energy, and investment. Hello Jeff, welcome back to SmarterMarkets.

Jeff Currie (02m 03s):

Hey Dave, it's great to be here.

David Greely (02m 05s):

Well it's great to have you. You know we have a lot to talk about today. You have got a new paper out and I wanted to dive into that with you and always love having you back because you are always thinking deeply about the long-term interplay between geopolitics, energy investment and how about each of these sets the reality that shapes how the others will evolve. And I know in recent years you have been thinking a lot about the role of security and how the need for it has become really the paramount force shaping events. You wrote about this first in The New Joule Order and now you've just released a new paper titled The New Martial Plan. Where Martial for our listeners is a play on words with it being spelled M-A-R-T-I-A-L as in related to war, not M-A-R-S-H-A-L-L as in the European Recovery Program. Proposed by Secretary of State George C. Marshall following the Second World War.

David Greely (03m 03s):

And that's a critical distinction because you are really thinking about a fundamental change in the world order that defined the post-World War II era, which as you have written about that was a world in which the western world was largely safe. Capital was abundant markets, boom, trade, globalized and supply chain stretched around the world and the stability was predicated on a security and financial order underwritten by the United States, which now appears to be ending with the US retreating Russia becoming more aggressive and advancing. And in a sense like the progression that we saw in the decades following the second World War is now being

reversed. And so the question is, where does that leave Europe and that's a question you address in your paper. So let's start there Jeff. Where does that leave Europe?

Jeff Currie (04m 01s):

In a very existential situation, they have to change us is retreating, Russia is advancing and Europe is waking up. I want to start with a point that you mentioned is the importance of security as a theme both politically as well as from a financial investment perspective and the one thing that I have really began to appreciate in doing research and energy is the importance of the ordering of security affordability and the environment and one of the key conclusions we came to is whenever an investor or a politician puts the environment over security or affordability, you end up with bad outcomes because you are not acting rationally and you are not allocating capital in the most efficient way. In contrast, if you put security above affordability in the environment, you end up with really good environmental outcomes. Case in point, France, France has the lowest carbon footprint of any country, industrialized country in the world.

Jeff Currie (05m 23s):

And it didn't get there because it wanted to save the climate. It did it through investment in nuclear power capacity in the seventies and eighties. Why did it do it? Energy security China. China has cutting edge nuclear power technologies, solar, wind, EVs, batteries, the list goes on. It made those decisions in 2000 along before it was ever concerned about the environment. It did it based upon energy security. And now I want to go back to Europe more broadly. So let's take that lesson of security over affordability, over the environment. Now let's re-label them using Maslow's hierarchies of needs, fear, greed, compassion and when we look at what Europe did over the last call at 30 or 40 years, particularly since the fall of the Berlin wall, is it prioritized compassion above everything else, why Americans took care of the fear and they took care of the greed to low interest rates.

Jeff Currie (06m 31s):

So the Europeans entirely focused, particularly the Germans, primarily on compassion. And when we think about what this did is it created a misallocation of capital and when we look at what's happening right now we are unwinding that misallocation of capital as fear goes back to the top of the list and so we think about fear driving everything it goes, go back to, you know, where does this leave Europe? It leaves Europe in a very fearful situation, the US is retreating, Russia is becoming more aggressive and so that fear now is what brought them the ability to release the debt break in Germany. They are now doing things that needed to have been done a while ago. So it's not a real positive message from a moral perspective, but from efficiency and economic perspective you end up with better outcomes and one of the key messages we said in The New Martial Plan was soldiers and weapons are how battles are what wars are won with supply chains and capital and when capital is being efficiently deployed in a key point here.

Jeff Currie (07m 50s):

And we have a picture in the paper of the, the bone yard outside of Tucson, Arizona where all of these weapons rust, ultimately you want them rusty, you want them to have been at a deterrence and that's ultimately the real victory of the United States is that bone yard. It just sits there because it acted as a deterrent but you know, you, and I'll probably get into it, the benefits to the United States of all that investment, all that r and d, Silicon Valley internet GPSI will probably talk a lot about it later on but I think you get the point. So bottom line, where does this leave Europe in a situation where fear has now been elevated above? Yeah, greed and compassion and hopefully God willing that, you know, we don't see any hostilities ever, but that deterrence will have huge positive benefits.

David Greely (08m 43s):

Yeah, so definitely want to get to these larger issues about investment and what Europe will be doing next. I wanted to ask you first though, sticking more to the narrower topic of energy. Now we have a situation where Europe must look to itself for its own security. It's being less underwritten by the US than in the past and as you discussed with France and China in The New Joule Order, you discussed how securities driving the energy mix and the types of energy investments being made as Europe switches from that focus on compassion to focus on security. How do you see that impacting energy investment in Europe and the types of energy that get invested in?

Jeff Currie (09m 29s):

Diversification of energy sources. They need to focus on a combination of renewables, natural gas, the thing about they have the renewable capacity installed, what they need are batteries and A, the ability to deliver that power when you need it, not when you produce it and I think that this will give them a lot of incentives to debottleneck the system and the other aspect is the one commodity that's oversupplied is LNG and when we think about LNG, the question is will the Chinese take it? The answer is probably not. They will

use their domestic sourced energy from coal renewables and nuclear power because they do not. The core conclusion of The New Joule Order was places like China do not want to be tied to the vagaries fossil fuel trade, particularly oil and gas Europe, however will be the biggest benefactor of that surge in LNG. So if anything, I am not talking about low prices in Europe but rather that hey the worst just probably behind us.

Jeff Currie (10m 45s):

But I want to take a step back further to the idea of energy and by the way Dave, when you read The New Martial Plan, you probably recognize it as the revenge of the old economy story because it essentially is the same thing because when we think about energy investment in Europe, throw in, I like to call the acronym for it is MITE in Europe and it's manufacturing defense, which is the M, the I is infrastructure investment and the T is technology like drones and the E is energy. You need all these adjacent energy infrastructure investments to be able to accommodate that and so it's a broader old economy, tangible good old fashioned type of asset investments that you are going to see and energy is just a broader portion of it. So I would expect it to be energy helpful to Europe suggesting that maybe the worst is behind us.

David Greely (11m 46s):

And moving beyond energy. You know this REM militarization of Europe will require tremendous investment. I believe you estimate that this could create up to 14 trillion in spending. How will this change Europe and the broader European investment landscape?

Jeff Currie (12m 04s):

I think we're in the middle or in the beginning, the early innings of a capital rotation towards Europe. Dave, I know you and I lived through two of these capital rotations. One in 02, 03 when all the money left Silicon Valley and went to the bricks and then again in 14 and 15 when it left the bricks and went back to Silicon Valley and these were violent re-pricing and the movement in currencies were substantial and I think we are already beginning to witness that and you know, when we look at the movement in the euro flirting with 1.18 right now and it was parity, well six months ago almost at parity, which just shows you the magnitude of the shift that's already underway right now. But let's put that 14 trillion into context first. Worst case scenario, it's 4 trillion. Best case scenario it's 14 trillion. If they did everything they said they would do, just to put that in perspective, the China boom in the two thousands, oh two to 12 was a \$10 trillion boom.

Jeff Currie (13m 11s):

Put that in current dollars at somewhere around 15.8 or 16 trillion. So it's in the ballpark. So this is meaningful to Europe and here is, you asked me what is the most meaningful thing to Europe it's the impact that it's going to have on technology. A lot of people ask, why doesn't Europe have a Silicon Valley? Why doesn't it have a mag seven? It doesn't have a mag seven and it doesn't have a Silicon Valley because it's never had a military industrial complex and I think that's key here and they just put it in perspective how important the military spend is technological innovation. Which two countries now spend more money on R and D than any other ones. Number one is Israel and number two is Korea. Those two countries create some of the most innovative tech technology and this is not foreign to Europe.

Jeff Currie (14m 11s):

Long before Apple, there was a company called Nokia that did mobile phones and when we look at Nokia and Samsung, which dominated mobile phones in the beginning one, do the two have in common, what does Finland and Korea have in common the two most dangerous borders in the world. They needed to police them with infantry people up and down there and they had to develop communications like mobile phones to deal with it. As a result, Nokia and Samsung dominated this space and why did Nokia ultimately fade and disappear is after the fall of the Berlin wall and the peace dividend Europe quit spending on R&D particularly Finland on R&D investment and as a result they lost that cutting edge. So when we think about the US in the benefits, let me even point this out. Take Silicon Valley, why is Silicon Valley called Silicon Valley because the US military needed a new substance that they could build chips out of that wouldn't melt in the B70 bomber. In the minuteman missiles and that led to the innovation of silicon and it was, you know, was it Fairchild semiconductors and these were all, you know, military funded investments in the beginning. So you asked me what is the potential benefit for Europe? It's enormous here, particularly on the technology side, an area where they have been lacking for many years. So this is a huge shift.

David Greely (15m 46s):

I find it a really intriguing idea, right because over the past few years with the focus on net zero, I think a lot of people have become, have developed an understanding that government spending can be a force for doing R&D for helping new industry scale, driving down

the cost basis. We saw that in renewables and I think now you are saying we will probably see it more widespread as this increased military spending in Europe is going to have to probably scale a number of industries there. Are there certain areas that you think in particular will benefit from this spending and kind of the, the driving down the cost of new technology?

Jeff Currie (16m 35s):

My immediate answer is we don't know. I mean you couldn't have predicted GPS and you could not have predicted the internet in AI in the 50. So I want to first say we don't know, but the obvious answer looking at, you know, the success that Ukraine has had in their recent campaign is most likely be cyber security drones and things of that nature that are going to be where most of that investment has taken place. I think when we look at the standard aircraft carrier or that type of investment, it's pretty clear you don't do that anymore. But things like drones and cyber related security type investments are going to be where, so in other words, Europe's in a position to even be able to leapfrog the Americans to modern warfare technology. So again, I love to be able to have the crystal ball to tell you exactly what technologies will be dominate here, but I think that's part of the excitement about it. We don't know what the obvious areas are going to be in drones and cyber security.

David Greely (17m 37s):

And another really intriguing idea I think that comes out is you are seeing Europe's apparent weakness, its regulation, its bureaucracy could become a competitive advantage because capital likes areas with strong rule of law and certainly a lot of the tariffs in the US that's become a little bit more of a deterrent for some foreign investors, non-US investors investing in the United States. What do you think Europe needs to do though to turn this perceived weakness into a strength?

Jeff Currie (18m 14s):

I don't think it needs to do much and I think that, let's go back to what Europe had to do over the course of the last 75 years, is it had to create consent and protect the individual, protect the smaller countries from big companies and from other states. So it created an environment that everybody had to consent to and so when we do that joke, US is a superpower of innovation. China is a superpower of manufacturing and Europe is a superpower of regulation. Well that regulatory environment has a lot of benefits to it. It protects the individuals and I think the proof in the pudding of that, let, let's just go over some big macro statistics first, Europe has the best GDP or debt to GDP ratio of any industrialized area around the world. I mean the US is at 125, you have China near 300 and you have got Germany sitting there in the 60s.

Jeff Currie (19m 19s):

That's huge. So that's benefit number one. Benefit number two is that you look at income inequality. The US has backed to the highest levels since the 1930s when tariffs were at these levels. Europe has got income in wealth equality again, people are relatively happy and then let's look at producer and consumer surplus. The US is dealing with crippling market concentration. Europe actually has consumer surplus. That's what they had to achieve with all that. So that source will look like a pretty attractive place to begin to invest in and I think as you hit the head on the nail is capital is attracted to the rule of law and you know, I think the rule of law is, is critical here and the last point I want to make on this is when you look at United States, China, Russia, they are all trying to coerce some part of the world to join them. You know, if it's the US it's Greenland or you know potentially Canada or you have China with Taiwan or Russia with Ukraine, Europe as a waiting list of people wanting in countries wanting to join it. I think that right there is an a testament to the level of consent that they have created and again, if I'm looking at a place to allocate capital starts pretty attractive.

David Greely (20m 48s):

And I wanted to ask, when you think about the 14 trillion, where does it come from? How do you see Europe financing this level of spending? If you go back to the US in the eighties, a lot of that was deficit financing. How do you see Europe handling that?

Jeff Currie (21m 03s):

Well, let's just start with the obvious place. They got \$8 trillion sitting in US equity markets and \$2 trillion sitting in US government bond markets. Pull that 2 trillion out, bring it home. There is your bond market that you need to get to go pay for this. Not only you can take some out of the equity. And I think this goes to a broader point with the United States, it's fear is its own looming battle with its bond market. Because you got to ask who is that marginal buyer of a US treasury now? Not China. China, I think we talked about that two years ago David. China has backed out buying US treasuries after the US sees essential bank assets of Russia. Japan in the last six months has stopped buying Germany is gonna stop by. So you really have to ask who is that marginal buyer of a US treasury Now is it a domestic consumer? I mean, so the implications here are pretty significant for us yields potentially. But I think that, you know, they

answer your question, the resources are out there. The question is the willingness and the ability to bring reshore back into Europe to help pay for some of these things.

David Greely (22m 13s):

Yeah. As you have mentioned reshoring and R&D, obviously there is also been a lot of antagonism between the universities and the United States and the administration. I am curious, this is a little bit outside your area, but have you seen or do you see European universities potentially trying to also attract the foreign students and the, the future R&D talent in this world? We're moving into the, under this New Martial Plan.

Jeff Currie (22m 40s):

Yeah, the answer to that is absolutely yes. And in fact that's what got initially got me focused on this. I was at UCL University College London and they had a opening for a professorship. Associate professor had 250 applications and a large portion of them were from MIT. Now this applies to the stem, but you know, we have a really good friend who's you know, head of LSC and he is a dean there and he made a point to me their applications are up three times now. Germany is now putting money up for STEM professorships big money and their view is, hey we got the brain drain in the thirties time to take it back. This is serious and I think that when you look at the tide, the shift is the tide is moving towards this side of the Atlantic. 75 years it went one direction and I, you know, I think there is a non-trivial probability it starts to go the other direction. And if you are Germany and you going, hey that's, you are probably pretty sore about all that brain drain that happened 90 years ago. The question is how big does it become and how serious has it become? I can tell you right now just an application numbers is start is looking like it's relatively sizable.

David Greely (24m 00s):

Well I wanted to circle back because I know The New Martial Plan is a sequel to your report, The New Joule Order. So I wanted to ask you for people who are familiar with what you wrote in The New Joule Order, how has your thinking on that evolved?

Jeff Currie (24m 16s):

Just reinforced it. How important security is. And let me connect the two pieces. If we go back to 1944 in Bretton Woods, New Hampshire, when it was clear that the United States was going to be the victor of World War II, it brought all of the allied nations there and then figured out what it was going do about divon up the world and they did something that no other victor in the history of mankind had ever done before. They said we are not going to occupy any of you. Instead we're gonna give you money and developed the IMF and the World Bank, the World Bank, it was called the European Reconstruction Development Bank and the IMF was like the monetary policy. One was fiscal policy, the other one was monetary policy and that was to be done so that they would trade with the US and part of the tariffs that are being knocked down, the gap was formed and you had tariffs that were put up to protect these countries.

Jeff Currie (25m 14s):

They put all of that in place. I am not saying they were still there when Trump did what he did earlier this year, but I think the key point here is they did something really different is that they came in and guaranteed the safety of global trade. In exchange you used the dollar and by the way, here is the other, the important realization here. Before World War ii, nobody really consumed oil. Oil was not traded. It was too dangerous to trade. You wouldn't be putting ships of your most important commodity on the sea hoping they get home safely unless you had the US military out there backing it and so the way I like to describe the Bretton Woods arrangement is it was bombs, barrels and bonds. Think about the bonds were the dollar that was the heart to the system. The barrels were the blood going through the veins of the system and the bombs were the US military.

Jeff Currie (26m 12s):

That was the muscle of the system. So again, bonds, barrels, e bombs, whereas how you characterize that Bretton Wood system and so it was very unique setup that we had really never seen before and so when we think about what happened in, so we became, the world became dependent upon the oil trade. And in 1973 with the first Arab oil embargo, people go, this stuff's dangerous. We don't know if we can get it and little did the world know is by 2022 the United States would be energy independent with the shadow revolution and so what we tie it together and let's go to recent events this last weekend at between Iran and Israel and the US using the bunker bombs with the nuclear enrichment sites five years ago, 10 years ago. That was unthinkable and so when you ask really, you know what, what have I learned from that?

Jeff Currie (27m 12s):

The New Joule Order and it's connected. So The New Martial Plan was about the bombs, the new Joel order is about the barrels and our next piece is going to be about the bonds, the dollar and yeah, all three of them were critically important and I think this what happened in Iran is just a testament to how shifted the how different the world is, is that the United States 10 years ago wouldn't bombing Iran was unthinkable because what would they do if they shut the Strait of Hormuz? But Iran had no reason to shut the Strait of Hormuz because the Americans weren't scared and I think that's a real critical observation here is we are in a different world. Americans aren't scared of communists, they are not scared of Russia, they are not scared of running out of oil and that's why they are pivoting and they are focusing on places like Asia right now and in China but they're the energy story. What I learned from that, the new Joel Order, is just how tied it is to what's going on in trade and what's going on with the retrenchment of the United States from a military perspective.

David Greely (28m 21s):

Yeah, and I wanted to follow up with you on that because in a world where security's paramount and we seem to have passed peak trade, right? We have a world that seems to be deglobalization in a way. How do you see other countries and regions outside of Europe being affected by these fundamental changes in the global order?

Jeff Currie (28m 43s):

This is the core of the bullish thesis that we laid out for commodities in October of 2020 and Deglobalization sat at the center of it. Now everybody is going to have to protect their own supply chains. I mean that's what, you know, we look at the world, it's getting radically more dangerous and more expensive because what were two things we could always assume that were true for the last 30, meaning you could argue 75 years the world was safe in money was cheap, both of those assumptions are out the door and the world's gonna, is getting more dangerous. You have got trade routes attacked like in the Red Sea. You have supply chains weaponized like China with the rare earth metals and wars of conquest are becoming closer and closer to home. Interest rates are rising, liquidity is being drained out of the system and you have taxes going up in the form of tariffs that makes the world more expensive and more dangerous.

Jeff Currie (29m 42s):

And the response you get for countries, not only in Europe but to the rest of the world, they got to protect their supply chains. They got to create duplicate manufacturing. They have got to make these investments in things that they previously didn't need to consider. So it raises the cost doing business, it raised the cost of capital. All of this, when we go back to our core original bull thesis in commodities that we laid out in 2020, it was predicated on three observations which are actually very similar predicated on one deglobalization to having to duplicate everything. Just as I talked about. The second one was decarbonization. And by the way, decarbonization is deglobalization because solar, wind and nuclear are things you can do at home. And then the third one was redistribution or income inequality. And by the way, what are tariffs put in place? What is deglobalization protecting your own workforce, your own manufactured labor. And so all three of these themes are pretty much tied to the same. And that's why I really go back to, I am very confident in that in the structural both thesis and commodities, because of that, every country has to start to address these issues. So I think it is broad spread, it's just not Europe that's being impacted.

David Greely (31m 01s):

I think there's a really interesting paradox here, right? Because it seems like outside the United States people are becoming much more concerned with security and realizing that they don't have that umbrella that they used to have of protection. However, as you kind of mentioned with the US being willing to drop bunker buster bombs on Iran, the US almost seems to have a certain sense of invulnerability that oh we are fine, we will be fine. We, it doesn't matter. So it seems like the US is feeling much more secure at a time when the rest of the world is feeling less. And it, it reminds me a little bit of back in the days of the financial crisis when it's, it's not doing the risky thing that hurts you, it's doing the thing you think is safe, that isn't safe, that really gets you If you are, you know, sitting from your seat in London, looking back at your home country, are there things that might blindside the US that like risks it's taking that it doesn't realize?

Jeff Currie (32m 01s):

Yeah, I think the risks are all domestic and the images of sitting here in London seeing what happened in Los Angeles two to three weeks ago were shocking to say the least and I think that when we go back to those macro observations, the US has the highest income inequalities it's had since the 1930s and 20s when terrorists were this high back then the GDP ratio, the interest payments, they are going up the US was being forced into this situation by its current situation but you know, I like to call it, you know, the looming battle with its bond market and I think, you know, know these different metrics, the cripplingly market concentration, the lack of consumer

surplus. Yeah, the list goes on and on. These are all significant issues that the US is going to need to deal with. So when I ask where is the blind spot, the blind spots domestically and I would argue, you know, people go, why now? Why is the US doing all of this now? It's because interest rates are higher, it's exposing the severity of the imbalances. We couldn't witness it before. Now we can and we begin to realize, you know, how significant the domestic issues are and so if you ask me where's the area where they could be blindsided, I would argue it's you know, the domestic issues and confident they will resolve it but they need to focus on it.

David Greely (33m 25s):

I want to follow that interest rate theme with you because in a landscape changing this fundamentally there is going to be risk, there is going to be opportunities. So I wanted to ask you more broadly, how do you see the investment landscape being reshaped and how will investors need to think differently to successfully navigate this new reality?

Jeff Currie (33m 48s):

I think it's focusing on new opportunities. Let's think about these other, you know again, you and I lived through two of these big rotations, these capital rotations, the one to BRICS and the one to the Mag Seven. Mag Seven you didn't realize you were sitting on top of it until probably around 2018, I like to point out in 2011 when you can argue it really started, Exxon was the largest company in the world by a long shot in, you had this puny little company called Microsoft way down at the bottom. Nobody at the time thought Microsoft would be the dominant player that it is today, but clearly changed. But I think the key point was, it was pretty clear the China story was ending at 13-14. In fact, I remember you wrote a piece in 12, taken our views down to neutral on commodities.

Jeff Currie (34m 31s):

October 2012 it was pretty clear it was over the shale revolution was there. We knew China and the BRICS theme were no longer the dominant themes anymore. But did we understand the, the significance of what was going on in the US? We had some idea. I look back and I go, what was the capital chasing then? I would argue it was shale revolution making energy cheap. But there was also another factor that I would put in there as well about, was it Dodd-Frank? Because remember 14 and 15 when commodities were in on that huge downdraft, Dodd-Frank went into effect at the exact same time. I never thought about it time, but I look back now and I go, the US is the only country in the world actually JP Morgan and the commercial bugs in the US are the ones that create credit. They're the ones with the large balance sheets and the ability to create originate real credit.

Jeff Currie (35m 25s):

And part of that was the regulatory advantage, Dodd-Frank. It was a regulatory headache to many involvement. I don't want to be dismissive of it, but relative and of world it was a much more efficient capital structure and that's part of the reason why capital markets in the US dominated and then it funneled the capital more broadly into the mag seven. But I think when you go back to what are these fundamental triggers that occurred, you know that it was, you know, the 02-03 was simple, it was China was emitted to the WTO boom, you unleashed that labor and arbitrage into China and it was clear. But again, even then, Dave, we didn't know it was China until probably around 04-05 and then you go, okay, the most recent one to unleash Europe was releasing the debt break by the Germans. So what was it in 14, like not Frank, but I think the key message to answer your question is we knew it was changing, we knew the brick story was over, but we didn't understand what the news story is.

Jeff Currie (36m 30s):

And I think people go, hey, that the valuations of the US tech, I mean that's part of the reason why you look how well European equities have done. I think people look at it and go, hey, there is something here. But the question of it, can we paint it perfectly and define it at this point? Probably not in five years and probably know a lot more, but how to think about these transitions is might be positioned for it and I remember that 14 and 15 period, we'd come in every day, oil would be down \$2 to \$3, sometimes \$5, and in the euro would be down another 2% to 3% and the dollar was ripping to the upside and it went on for seven or eight months. Obviously it lasted for decades, but the initial transition was pretty aggressive. So we are in for something similar to that right now.

David Greely (37m 17s):

There is a new story being written, so don't stick with the old story, I think is a lesson I am taking away from you. Well I want thank you Jeff. You've given us a lot to think about. I think all of us should have The New Martial Plan and The New Joule Order on our reading list if we haven't read them already and because this is our summer playlist series, what's been a tradition, I think we have asked you this in the past as well, but we'd like to ask each of our guests what's on their personal beach reading list this summer. Hopefully we will get a little bit of time away with the family. So before you go, I wanted to ask you, what are you reading this summer, Jeff?

Jeff Currie (37m 54s):

The book titled, *When We Cease to Understand the World*, it's by Benjamin Labatut and it's about the biographies of all of the big German scientists that migrated to the US in now the 30s and the 40s and their lives post the Second World War and I think very apropos to the environment we're in right now and so I find the stories very fascinating of what they went through and it's kind of dark in some places 'cause most look at the title, but we cease to understand the world as the title. But I think it's definitely worth picking up and it's a relatively quick read.

David Greely (38m 37s):

Thanks again to Jeff Currie, Chief Strategy officer of Energy Pathways at Carlyle. We hope you enjoyed the episode. We will be back next week with another episode of Summer Playlist 2025. We hope you will join us.

Announcer (38m 52s):

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