



DrumBeat: June 18, 2006

Posted by [threadbot](#) on June 18, 2006 - 9:09am

Topic: [Miscellaneous](#)

Update [2006-6-18 10:1:54 by Leanan]: From the *Wall Street Journal*: [Power shifts to nations with big oil reserves](#)

There is more to today's oil crunch than temporary jolts to supply and demand. What is also roiling the energy world is an enduring shift in the balance of power between the fuel-guzzling West and oil-rich developing countries.

Since World War II, the industrialized world has relied on stable and affordable supplies of crude to fuel economic growth. The United States, Europe and Japan together needed more oil than they could produce. The developing world had plenty of oil, but little use for it and few alternative markets. So industrialized countries tapped the cheap resources of poor ones.

Now this mutual dependency is unraveling and a new order is taking shape, turning the tables on America, its allies and other big energy consumers. Major exporting nations have concluded that they have more leverage than ever before over consuming countries.

Update [2006-6-18 10:38:34 by Leanan]: Also from the WSJ: [The fuel supply chain's weak link](#)

As the hurricane season starts, a little-understood episode from last summer — the shutdown of a massive gasoline conduit run by Colonial Pipeline Co. — underscores how vulnerable the U.S. energy network remains.

And the oil business is booming in Mississippi: [As Oil Rises in Markets, Rigs Rise in Mississippi](#).

Update [2006-6-18 11:10:3 by Leanan]: International Roundup:

[Cubans cheer promise of blackout-free summer](#)

Cuba's sweltering, mosquito-plagued summers have not been kind to its 11m inhabitants since the Soviet Union's demise. For 15 years, daily power outages left homes in the dark and without fans to battle the heat and insects, while vacationing youths made do for hours without television or music and water pumps went idle.

But in the most significant sign yet that the post-Soviet crisis may finally be coming to an end, the lights have remained on this summer because of what President Fidel Castro calls his “energy revolution”.

Said "energy revolution" involves energy efficient appliances from China and other conservation measures. It also involves lots of cheap oil courtesy of Hugo Chavez.

In Sri Lanka, people are being encouraged to [Make love, save energy](#). They want people to turn off the TV and go to bed early. TV stations are being threatened with fines for airing programming after 10pm. (No World Cup? Now that's a sacrifice.)

[Soaring oil prices hurt Thai industry.](#)

BANGKOK - Thailand's Ministry of Industry is preparing measures to assist operators of small- and medium-sized enterprises to survive, as oil prices are expected to continue rising during the third and fourth quarters of this year, a senior ministry official said Sunday.

Food, glass, and ceramics are particularly affected.

India is feeling the strain of high fuel prices, but the *Financial Express* doesn't think the problem is peak oil: [Oil: What Lies Beneath](#).

And on the climate change front:

The *Telegraph* worries that [We are cutting energy use - but it is dirtier](#). (The article also talks a bit about peak oil, and the effect of high oil prices on businesses.)

And the *Guardian* warns that [That Sinking Feeling](#) is not reserved for Venice.

The disastrous flooding that overwhelmed New Orleans after Hurricane Katrina highlighted the vulnerability of low-lying coastal cities around the world. A predicted global sea-level rise of up to 88 centimetres over the next century, due to climate change, would put many major cities at risk.



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