



DrumBeat: October 14, 2006

Posted by [threadbot](#) on October 14, 2006 - 9:17am

Topic: [Miscellaneous](#)

[Update by Leanan on 10/14/06 at 10:04 AM EDT]

From the *New York Times*: [The Deathwatch for Cheap Oil](#)

THOSE falling prices at the gasoline pump may only be temporary. Indeed, they could signal the start of an era in which, forecasters say, “the death of cheap, abundant crude might unleash war and plunge the world into a second Great Depression.”

“Peak oil is a reality,” says Willem Kadijk, a hedge fund adviser quoted by *Bloomberg Markets* magazine. He is just one of many who believe that global oil production is now at or near its peak, and the only place to go is down.

[OPEC to cut oil output, no quota talks](#)

LAGOS (Reuters) - OPEC's planned oil output cut is a temporary response to a "catastrophic" fall in prices and not intended as a permanent re-alignment of production quotas, the group's president said on Saturday.

..."It's just the catastrophic drop. The time to do something is about now because we don't know where the floor of this drop will end. It would be foolish to wait till it gets to \$10 before we do anything because that would really kill the capacity initiatives," Daukoru said.

[Economists: Oil price slide should accelerate](#)

The current slide in crude oil prices could accelerate into a plunge to as low as \$35 per barrel next year, ConocoPhillips' chief economist, Marianne Kau, told a group of economists in Anchorage Oct. 11.

[Oil Scene](#)

Saudi Arabia, as per the survey, had to trim its output by 100,000 bpd. The *Financial Times* estimated the Saudi output cut to the order of 200,000 bpd over the last couple

of months. A senior OPEC official however, was quoted as saying the Saudi contribution to the output cut would be around 300,000 barrels per day. Varying figures of Saudi contribution indeed!

In the meantime, news poured in that Saudi Arabia kept crude supplies steady to its customers in Asia for November. However, Saudi Aramco told some of its biggest customers last Monday it would lower November supplies by about 5 percent from this month.

[Long live the Pentagon](#)

The US military oil consumption is generally regarded to be a small amount compared to the country's gigantic consumption. Since oil is and will remain a strategic vital commodity, the Pentagon does not have a luxury of turning its back to oil.

[Energy crisis is main concern for Dominican industrialists](#)

[Afghanistan: Gas, oil reserves ten times more than predicted: Survey](#)

KABUL: Mines and Mineral Minister Engineer Mohammad Ibrahim Adil said the recent surveys revealed oil and gas reserves in Afghanistan were ten times more than predicated.

[India Idles \\$4.4 Billion of Power Capacity on High Gas Prices](#)

India has idled \$4.4 billion of power capacity because utilities can't pay international prices for natural gas to fire the turbines that were built to overcome blackouts, a government official said.

[Russian energy: Europe's pride, US's envy](#)

Buried beneath the heaps of hot words on North Korea's nuclear test, the announcement in Moscow on Monday about the Shtokman natural-gas deposit off Russia's Arctic coast almost escaped attention, despite its comparable lethal fallout in world politics.

[Raymond J. Learsy: Energy Independence, Our Oil Shale Deposits, Making OPEC Obsolete](#)

[Study finds oilsands could mitigate climate change](#)

"I think what's surprising about (the report) is the emphasis that carbon capture and

storage has on the best scenario case and how Western Canada can actually help with climate change through carbon capture and storage," said Christine Schuh, Canadian climate change leader at PricewaterhouseCoopers.

[Top 3 Solar Trends](#)

[Former President Bill Clinton strongly supports California Proposition 87](#) - video.

Current [President Bush Discusses Energy at Renewable Energy Conference](#). He thinks plug-in hybrids, cellulosic ethanol and hydrogen are the answers.

[Update by Leanan on 10/14/06 at 9:35 AM EDT]

[Peak Oil Naysayers Partying On for Growth](#)

The top dogs and their less successful defenders hide behind the religion of economic growth, puffing up their chests to speak so assuredly that there can be no long-term shortage of oil or energy. They adhere to neoclassical economics that claims resources are available according to price/supply/technological factors, not based on natural limits.

The rest of the religious litany for growth relies on the unproven carrot "a rising tide lifts all boats." However, trickle down was already discredited even before Reaganism. The wasted '80s should have taught us all we needed to know. But no. Despite the worsening of key indicators as real income, energy security and environmental quality, the same people and system remain on top, screaming for more growth. Thrift and conserving are discouraged, and record indebtedness encouraged, as economists cheer on consumer buying-power as the driver behind the global economy.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](#).