



DrumBeat: March 31, 2007

Posted by [Leanan](#) on March 31, 2007 - 9:09am

Topic: [Miscellaneous](#)

[James Howard Kunstler: Remarks to the Commonwealth Club of California](#) (transcript and audio)

Two years ago in my book, *The Long Emergency*, I wrote that our nation was sleepwalking into an era of unprecedented hardship and disorder – largely due to the end of reliably cheap and abundant oil. We're still blindly following that path into a dangerous future, lost in dark raptures of infotainment, diverted by inane preoccupations with sex and celebrity, made frantic by incessant motoring.

The coming age of energy scarcity will change everything about how we live in this country. It will ignite more desperate contests between nations for the remaining oil and natural gas around the world. It will alter the fundamental terms of industrial economies. It will ramify and amplify many of the problems presented by climate change. It will require us to behave differently. But we are not paying attention.

[Cost, consumption of gas both up](#) - *Pump prices not fueling change in driving habits*

"Sometimes when the price of something goes up, demand does not go down because it *can't* go down," said Charles Langley, who oversees gasoline monitoring for UCAN. "If the price of strawberries goes up, you don't have to buy strawberries, but you can't get to work on a tank of strawberries. No matter what, you need the gas."

[Norway Oil Chief Outlines Industry Challenges](#)

Vold noted that Norway is already facing a challenge in stemming the slide in its global oil exporting rank, despite investment highs of around NOK100 billion a year.

"I will not refer to Norway as a net oil exporter in third place globally, it's probably fourth or fifth now," Vold said.

[Opec doesn't need to act on oil prices, Qatar says](#)

Opec, producer of 40% of the world's oil, doesn't need to take action after crude prices reached a six-month high amid a dispute between Iran and the UK over the detention of

15 British servicemen, Qatar has said.

[The Dirt on Coal](#)

The peak of world production is only ten to fifteen years away.

The peak of U.S. production is in the past.

Reserves have been overstated by as much as 90%.

There are serious implications for our entire way of life.

And the media are still reporting that there will be abundant supplies for another 150 years, 200 years, or more.

I'm talking about oil, right?

Nope.

I'm talking about coal.

[Oil-enriched Arab Investors Turning Away from U.S Dollar & U.S. Investments](#)

Three articles from Reuters (below) report that investors from the oil rich Gulf Arab nations are “eager” to diversify away from the U.S. currency. Reuters reports movement to the Euro and Asia “to invest windfall oil revenue, eager to ride the rise of China and India.” On Monday, Reuters reported that the Dubai International Financial Centre Authority said “More Gulf economies will move away from a dollar currency peg and shift foreign exchange reserves away from dollar to other currencies.”

[Bolivian Senate Approves Gas Nationalization Contracts](#)

Bolivia's Senate on Friday approved nearly all the energy nationalization contracts signed months ago with foreign oil companies, clearing up errors that had delayed the deals' implementation.

[Europe Must Hurry To Secure Energy Supplies](#)

The European Union has said diversifying energy supplies and transit routes is one of its most urgent priorities. However, analysts say the EU needs to act fast if it wants to secure direct access to Central Asian oil and gas -- and warn that Russia is purposely attempting to undermine some of the EU's key initiatives.

[Peru Energy Minister: China Oil Co Finds Crude in Northern Jungle](#)

Peru's Energy and Mines Minister Juan Valdivia said late Thursday that a unit of the China National Petroleum Corp. has discovered crude oil in the northern jungle region.

[Togo requires financial fund to solve energy crisis](#)

The resolution of Togo's energy crisis requires an investment of approximately 10 billion CFA francs (20 million U.S. dollars), a Togolese energy and mines ministry official said on Friday.

[Will the growing of fuel crops result in higher food costs?](#)

If farmers turn their relatively unprofitable wheat fields over to the production of sugar beet, for instance, then there will inevitably be a shortage of wheat leading, ultimately, to higher prices for bread. Some may argue that higher bread prices may be the price that we simply have to pay in order to combat global warming. This problem is perhaps best seen in Mexico where corn and, consequently, bread prices are at a ten year high due to the cheap surplus corn normally "dumped" on the Mexican market by US farmers disappearing as more and more US grown corn is converted into profitable ethanol production.

[Growing Fuel](#)

An ethanol-fueled boom in prices will prompt American farmers to plant the most corn since the year the Allies invaded Normandy, but surging demand could mean consumers still may pay more for everything from chicken to cough syrup.

[Could Nabors Profit Warning Signal Trend?](#)

Nabors Industries on Thursday became the second major U.S. oilfield contractor to signal that weaker drilling activity in North America will be cutting into its profit. And it may not be the last, analysts said.

[Quiet desperation](#)

"I think the suburban model is being driven by selfishness," Brown says. "Everyone feels entitled to their own home, to a front and backyard. This is my SUV and I'm burning as much gas as I want. There's some ignorance, but a lot of selfishness — a lot of selfishness. And this model's not going to be destroyed by writing articles in *Atlantic Monthly* or doing docs. The model's going to be destroyed when either there's no gas or it's too expensive to drive in from Oakville twice a day, five times a week. It is better

downtown," he adds. "It is."

[Uncertainty Haunts GAO Peak Oil Report](#)

It is a dark and stormy night...

A semi-truck hauling gasoline races along a twisting mountain road shrouded in a thick gauze of fog. The truck's lights penetrate only yards ahead, yet the driver races on, shifting gears and picking up speed. He's got a life to lead and a warm bed ahead.

Yet somewhere out there on Route 666, the bridge across Campbell's Gorge is unfinished, the spans still incomplete. Disaster looms and although the driver has been warned, he is too preoccupied with the road immediately visible in his headlights to care about some remote and distant threat.

[Glenmore's plan for new wind turbines generates controversy](#)

After nine years, the Wisconsin Public Service Corp. wind turbines in the Zirbels' fields are still getting mixed reviews, but some of the worst fears expressed at the time have not panned out, Sandi Zirbel said.

[ASU offers new Alternative Energy Technologies program](#)

As many across the globe scramble to develop efficient, inexpensive sources of alternative energy, Arizona State University is developing new degree programs to educate students to be future leaders in this arena.

[International and Corporate Leaders Discuss Climate Change, Profitability of Reducing Carbon Emissions](#)

The Climate Group will host a briefing on the economics of climate change featuring Sir Nicholas Stern – head of UK Government Economic Service and former Chief Economist of The World Bank – followed by a discussion with a select group of prominent business leaders and members of the McKinsey Global Institute. The event is the first opportunity for U.S. business leaders to engage in a private briefing with Sir Nicholas, author of the Stern Review on the Economics of Climate Change.

[Evergreen mill may test hydrogen technology](#)

The proposed project would gasify fine wood residue to create a gas of carbon monoxide and hydrogen, which it would burn in place of natural gas. Since the mill is one of the largest users of natural gas in the county, the replacement fuel could reduce costs

significantly and shield the operation from fluctuating gas prices.

[Plan for big offshore wind farm passes hurdle](#)

BOSTON - A controversial plan to build the first large U.S. offshore wind-power farm won approval from Massachusetts authorities on Friday but still must clear federal regulatory hurdles.

[First Reserve earmarks \\$780 mln for alt energy](#)

First Reserve Corp. positions itself in the mushrooming, world of private equity as an investor in energy firms tied to the massive oil, coal and gas business.

But now in its latest fund of \$7.8 billion, ranked as the richest energy investment pool to date, the Greenwich, Conn.-based private equity firm set aside \$780 million for investments in alternative energy.

[Residents encouraged to take part in power discount plan](#)

Southern California Edison is encouraging customers to enroll in its Summer Discount Plan now so that they can be eligible for bill credits during the summer months, June through September, in return for allowing SCE to interrupt their air conditioner during powersupply emergencies.

[No Unleaded Gasoline At Calhan Filling Stations](#)

A Loaf & Jug and a smaller locally-owned station are affected. A clerk at the Loaf & Jug says she doesn't know why a tanker hasn't arrived to refill the station's tanks, but that it's part of an apparent gas shortage which has affected other stations. She also says she doesn't know when the station will get more fuel.

The manager of the locally-owned station says she ran out because of extra business from customers who couldn't fill up at the Loaf & Jug, but she expects a delivery on Monday.

[Alternative Energy's "Cover" Moment?](#)

This morning, as CNBC devoted wall-to-wall coverage to the corn-crop report, stirring old memories of Trading Places, a couple of anchors astutely wondered if all the unusual attention being paid to this typically mundane report wasn't a sign of some kind of top in ethanol.

It's something Energy Roundup's been wondering, too. We suggested in our latest post that the ethanol boom was unlikely to end soon; but, given Energy Roundup's forecasting record, that means there's a 50/50 chance that the ethanol boom will end very soon, indeed.

And if you believe the old saw that when a trend finally makes it to popular magazine covers, the trend is very over, then things aren't looking good for alternative energy: Time, Fortune, The Atlantic Monthly and even Sports Illustrated have featured global warming and/or green technology on their covers recently.

[The Energy Report](#)

And then if oil prices continue to rise then the demand for oil might be tempered but more importantly the high prices would unleash the peak oil theorists most potent enemy; the ingenuity of the human spirit. It is that spirit that is driven by the desire to make profit that will solve peak oil and until that fine day you better be on the safe side and buy oil.

[Analysis: Nuclear-powered oil sands](#)

Nuclear companies and those mining Canada's oil sands are poised to team up to separate crude from deep Earth and pump it to the surface.

[Oil sands boom adds to worker shortage woes](#)

In labour hungry Alberta, more oil sands production is predicted through to the year 2020, a portent that may compound the province's construction industry woes.

[Declining oil pushes Mexico to rethink taxes](#)

Mexico needs better tax collection -- and fast. Production at Pemex, the state oil monopoly and biggest taxpayer, is falling. Evasion among businesses and individuals is rampant. At a time when Pacific Rim trade rivals such as China are investing in superhighways and research centers to speed economic growth, Mexico is struggling to fund basics such as sewers and police.

From financial services to alternative energy: [Former MBNA waterfront complex sold](#)

Simmons is pressing ahead in creating what he calls an "Ocean Energy Institute."

"Initially, it will not take much of the building space," he wrote. "Ideally, over time, this center will be the 'Silicon Valley' headquarters for Ocean Energy expertise and [spawn]

many growing business activities for what might become the only real way to begin weaning ourselves from what will soon become a clear peaking of global oil and gas."

[Sydney dims lights to protest emissions](#)

Australia's largest city dimmed on Saturday night as businesses and homeowners switched off the lights to draw attention to global warming.

The normally gleaming white sails of the Sydney Opera House darkened, and so did the iconic harbor bridge and chunks of the city skyline. Security and street lights, as well as those at commercial port operations, stayed on.

Throughout the city of about 4 million people, residents turned off the lights for one hour in an event organized by environmentalists and supported by Sydney city officials, the New South Wales state government and thousands of businesses.

[Netherlands To Import More Gas](#)

Declining national gas reserves are forcing the Netherlands to increase its imports. Companies and consumers will pay higher charges, Economic Affairs Minister Maria van der Hoeven has warned in a letter to parliament.

[Protests disrupting Ecuador oil flow end](#)

Protests that led the Brazilian state oil company to halt production in the Ecuadorean jungle have ended, Ecuador's Energy Ministry said late Friday.

...In a statement, the Ministry said losses from the production freeze totaled more than \$40 million, a loss of 840,000 barrels of crude.

[British oil worker abducted in Nigeria](#)

Gunmen have kidnapped a British oil worker from an offshore oil rig in southern Nigeria, officials said Saturday, the latest abduction in the impoverished region.

[Dengue surging in Mexico, Latin America](#)

The deadly hemorrhagic form of dengue fever is increasing dramatically in Mexico, and experts predict a surge throughout Latin America fueled by climate change, migration and faltering mosquito eradication efforts.

[UN experts: Europe faces global warming double whammy, but can cope](#)

Global warming will hit Europe hard but unevenly this century, causing drought, reduced harvests and deadly heatwaves in the south but inflicting more floods and severe winter storms farther north, UN experts say in a report to be unveiled next week.

In Alpine regions, reduced snow cover imperils a multi-billion-dollar ski industry while rising temperatures could wipe out up to 60 percent of plant and animal species, the Intergovernmental Panel on Climate Change (IPCC) warns.

[Abrupt climate change more common than believed](#)

It came on quickly and then lasted nearly two decades, eventually killing more than one million people and affecting 50 million more. All of this makes the Sahel drought, which first struck West Africa in the late 1960s, the most notorious example of an abrupt climatic shift during the last century.

[US/Brazil Biofuel Plans May Destroy Livelihoods, Promote Food Shortages, Warns ActionAid](#)

ActionAid urges governments to take into account that the production of such biofuels has thus far resulted in the concentration of land, resources and income into the hands of the few, the destruction of endangered rainforests, contamination of soil, air and water, and the expulsion of rural populations from their homes.



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