



## DrumBeat: June 10, 2007

Posted by [Leanan](#) on June 10, 2007 - 9:31am

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### [Saudi Arabia: An ally we cannot afford to lose](#)

Saudi Arabia is such a key country. Strategically, it not only straddles Africa and the Middle East but it is also an important neighbour of two of the major problem countries in the region - Iraq and Iran. Saudi Arabia's importance to the oil market, with one quarter of the world's oil reserves, speaks for itself. It is also a crucial market for British defence companies. advertisement

No less important, Saudi Arabia is at the very heart of Islam - a responsibility of which the Saudis are deeply conscious. If one billion people turned in prayer towards Canterbury every day we might feel the same.

Those who think Saudi Arabia should be more democratic and that we should push them in that direction are - to use a fashionable term - delusional. Saudi society is far too complex and too fissured for that to be a viable option any time soon.

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### [Roger Bezdek on peak oil, global warming and Australia](#) (podcast)

Dr. Roger Bezdek, president of Management Information Systems Inc. and co-author of the Hirsch report and its follow up, talks with GPM's Australian correspondent Andi Hazelwood about the Hirsch report 2 and a half years on, peak oil, global warming and his upcoming Australian speaking tour.

### [Should We Globalize Labor Too?](#)

No region bought the Washington Consensus more avidly than Latin America. Yet for two decades, the growth of its per capita G.D.P. has hovered close to zero. Everyone expected the countries of the former Soviet Union to face transitional hardships, but their average economic contraction has been greater than that of the Great Depression and longer-lasting. Sub-Saharan Africa, despite decades of Western aid, has had little growth, more wars and new epidemics. Some big-name optimists remain, most notably Jeffrey D. Sachs, whose best-selling book, "The End of Poverty" (foreword by Bono), argues that the West knows how to end extreme poverty by 2025. But Pritchett is more typical of his peers when he says of the development record, "If that hasn't been sufficient to beat the hubris out of you, you haven't been paying attention."

Hey, somebody noticed: [AFL-CIO Calls on Iraq to Stop Threatening Workers in Oil Fields](#)

The AFL-CIO has called on the Iraqi Government to immediately stop using the threat of force to intimidate workers in Basra oil fields. The American labor federation issued a joint statement with the British Trade Union Congress today calling on Iraq to “pull back its security and military forces and cease its menacing threats to arrest and attack these workers immediately.” In addition, AFL-CIO President John Sweeney wrote a letter to Secretary of State Rice urging her to use diplomatic channels “to convey to the Iraqi government that military intervention is not the way to resolve this dispute.”

[Scramble to stem petrol rises](#)

STATE Treasurer Michael Aird admits petrol prices in Tasmania could skyrocket as a result of his removal of a 2c-a-litre fuel subsidy in last week's Budget.

[Parents and Health Experts Unite in Effort to Ease Pollution in Northern Italy](#)

Tommaso Abbate, 16, found that the pollution levels at night in his living room were “really high” — 200 micrograms per cubic meter at one point. His home is along a busy thoroughfare, he said, and “we always open the windows.”

During his 24 hours wearing the monitor, his average exposure was 127 micrograms per cubic meter. The World Health Organization says a safe target for such particles is 10 micrograms per cubic meter.

[Proposed ethanol plant would need water from city – lots of it](#)

A proposed ethanol plant could use up to 1.5 million gallons of water each day - about the same amount used by 20,000 city residents.

[Beauty and the plastic beast](#)

In the garage, shed or basement of nearly every gardener, you will find stacks of plastic pots. Then there are mulch bags, pesticide and fertilizer bottles, flat trays from six-packs of annuals. We think of our gardening as greening the world, but it generates an awful lot of plastic garbage.

[Full fields, empty tanks](#)

Forget about high fuel prices. As harvest nears in western Kansas, the bigger concern is

fuel supply. "I'm telling our producers to get their tanks full," said Pat Peterson, general manager of the United Plains Ag cooperative in Sharon Springs. "Supply is more important than price."

A shortage of diesel fuel supplies is the result of a combination of weather and maintenance problems at refineries and terminals in the region that have caused slowdowns in production and problems with delivery.

### [Iran threatens Gulf blitz if US hits nuclear plants](#)

IRAN has threatened to launch a missile blitz against the Gulf states and plunge the entire Middle East into war if America attacks its nuclear facilities.

Admiral Ali Shamkhani, a senior defence adviser to the supreme leader, Ayatollah Ali Khamenei, warned that Gulf states providing the US with military cooperation would be the key targets of a barrage of ballistic missiles.

### [Oil firms look East and to alternative sources of energy](#)

Rob Routs, an executive director of Royal Dutch Shell Group, the world's second largest oil firm, told me the other day that the era of "easy oil", in which exploration and production costs were relatively low, was probably over, so it's unreasonable to expect the return of low oil prices any time soon.

### [Feds OK Wells on Colorado's Roan Plateau](#)

Federal land managers on Friday authorized up to 1,570 new natural gas wells over the next 20 years on a 3,000-foot-high plateau prized for its energy reserves and its wildland qualities.

### [Fortune hunters eye Western Sahara oil riches](#)

Following pressure from the UN and pro-Sahrawi activists, most serious oil companies pulled out of Moroccan-occupied Western Sahara. But now, a new group of fortune hunters is eying great financial opportunities in the probably oil-rich territory, ignoring international law. Investors from Ireland, Saudi Arabia, South Africa, the US and Sweden hide behind a jungle of interwoven small companies.

### [Suncor Energy reports oil sands production numbers for May 2007](#)

Suncor Energy Inc. reported today that production at its oil sands facility during May

averaged approximately 270,000 barrels per day (bpd). Year-to-date oil sands production at the end of May averaged approximately 246,000 bpd.

Production began to ramp down during the end of May, as the oil sands facility prepared for a 50-day shutdown of one of its two upgraders. The shutdown, which is being completed to tie-in new facilities related to a planned expansion, will impact production rates during June and July. Suncor is targeting average oil sands production of 255,000 to 265,000 bpd in 2007. This production target was revised on April 26, 2007 from an original target of 260,000 to 270,000 bpd.

### [Cyclists peel off clothes to push pedaling, protest pump](#)

Hundreds of naked cyclists, some sporting strategically-placed body paint, toured the streets of London and other cities around the world Saturday to protest oil dependency and the car culture.

### [Saudi Aramco to Glitz Up 75th Anniversary](#)

Preliminary plans include staging a number of high-profile, world-class events and programs here and around the world. Specific events throughout the Kingdom during the anniversary year to mark the historic signing of the original Concession Agreement between the Kingdom and Standard Oil of California on May 29, 1933, will be announced as the countdown approaches. Activities will involve employees, retirees, company partners, among others.

### [Saudi-Indonesia Panel to Discuss Cooperation](#)

Saudi Arabia and Indonesia have forged closer relations in different sectors. The two countries are working on a proposal to set up a joint refinery project in Indonesia, according to a recent report. Jakarta is preparing the project proposal for a new Saudi-Indonesian refinery, which will be submitted to Saudi Aramco soon.

### [EU and Turkey focus on energy cooperation](#)

The European Union and Turkey are spotlighting their strategic energy cooperation in a bid to keep the lights on in Ankara's troubled bid for EU membership.

They staged a conference last week to underline the candidate state's growing importance as an energy bridge between Europe, the Middle East and the Caspian basin.

### [Maldives - Drivers' Strike: How The Government Made New Enemies](#)

Malé drivers went on strike for three days last week in protest at the rising cost of fuel. For three days they peacefully occupied a platform in a constant vigil.

#### [Pakistan: Teargassing by police as riots continue](#)

While a large part of the city was severely crippled by an acute electricity outage on Saturday, people in at least two major commercial areas staged violent protests against the power crisis.

The protestors in main Saddar and Clifton areas, consisting mainly of traders and shopkeepers, vented their anger and resentment against prolonged power breakdowns during business hours, which was severely affecting their daily business.

#### [Edwards touches on health care, Iraq in Exeter](#)

Edwards said that people tend to think of issues facing the country, such as the war in Iraq, the energy crisis and health care, separately. But, he said, if people thought of them together and how each affects the other, they could find a solution.

For example, the use of alternative forms of energy would lessen the country's reliance on foreign oil to survive.

"If we reduce demand, the prices are going to go down," he said, adding, "These things are like dominoes, each influences the next."

#### [The Great Biofuel Hoax: Touted by Politicians and Industry, "Green" Energy Comes with a High Price Tag](#)

Myths of abundance divert attention from powerful economic interests that benefit from this biofuels transition, avoiding discussion of the growing price that citizens of the global South are beginning to pay to maintain the consumptive oil-based lifestyle of the North. Biofuel mania obscures the profound consequences of the industrial transformation of our food and fuel systems — the agro-fuels transition.

#### [California's power play: Is renewable energy enough?](#)

Stephen del Cardayre hopes to help solve the Earth's most challenging problem by studying some of its tiniest inhabitants.

He and his colleagues at San Carlos clean-energy start-up LS9 are on the hunt for a microbe in plant bacteria that could become a renewable fuel for California's cars - the state's single largest source of the pollution that causes global warming.

But even del Cardayre, as passionate and committed as he is, working for a company fueled by millions of dollars in venture capital and at the epicenter of Silicon Valley's fast-growing clean-technology industry, offers a sober assessment of the state's ambitious goals to fight global warming.

"There is definitely not a silver bullet," del Cardayre said.

### [Producing green power, greenbacks](#)

Methane gas generated by, among other things, rotten oranges from the garbage of homes in Southwestern Ohio, moldy grapes from Northern Kentucky and smelly scraps from last weekend's barbecues in Southeastern Indiana - will be recycled and readied for natural-gas pipelines at the largest recovery plant of its kind in the world.

### [Kuwait seeks probe into rise in oil production costs](#)

A parliamentary committee has asked Kuwait's Audit Bureau to investigate why the cost of oil production has tripled over the past six fiscal years, the head of the committee said Saturday.

...Al Shall Economic Consultants said in a report published Saturday that the production cost has increased from \$1.40 a barrel in 2001 to \$4.42 a barrel in 2007, growing by 18 percent annually on average.

...Al Shall attributed the rise to one of three possible reasons: that Kuwaiti oilfields have become too old thus making it difficult to control production costs; that additional unnecessary expenses are included in cost, or that the cost is being deliberately altered.

### [China May Halt Coal-to-Oil Projects](#)

China is considering halting efforts to make oil from coal due to concerns about the expense and energy demands, a state news agency on Sunday quoted an official as saying.

### [Cyber warming: PCs produce same CO2 emissions as airlines](#)

It takes around 1.8 tons of chemicals, fossil fuels and water to produce a PC, and its operation generates 0.1 tons of CO2 in a typical year. They last, on average for three years and, once junked, most are buried in landfill. The soil where they are buried can become polluted with cadmium and mercury.

### [Oil race at top of the world - As Russia pursues claim to huge Arctic reserves, U.S. is sidelined](#)



If geologists at the Russian Research Institute for Ocean Geology and Mineral Resources are right, the Kremlin could add as many as 10 billion tons of Arctic oil and natural gas to reserves that already make Russia one of the world's most formidable energy powerhouses.

The Arctic's potential storehouse of oil and gas likely won't be tapped for decades. But Moscow is looking ahead to a time when depleted oil and natural gas fields will force energy suppliers to scour for new hydrocarbon sources, even if they're under the polar ice cap.

"Experts say that after 2016, oil production will drop tremendously," said Anatoly Opekunov, the institute's deputy director. "Every country, including Russia and the U.S., is thinking about this."

### [Russia's oil, gas resources sufficient to meet growing global demand - Total head](#)

Russia's resources of hydrocarbons are large enough to meet the world's growing demand for oil and gas in 2007 to 2020, Christophe de Margerie, Total SA's head, said at the 11th International Economic Forum in St.Petersburg.

### [Oil shale — Colorado, Utah deposits rival OPEC reserve](#)

"The breakthrough is that now the oil companies have a way of getting this oil out of the ground without the massive energy and manpower costs that killed these projects in the 1970s," said Pete Stark, an analyst at IHS Inc., an Englewood, Colo., research firm. "All the shale rocks in the world are going to be revisited now to see how much oil they contain."

### [A Crude Awakening: The Oil Crash](#) (review)

Remember that scene in "Serenity" when Mal asks Wash to clarify how their ship's landing might get "interesting" and Wash replied, "Oh god, oh god, we're all gonna die?" That's kind of the feeling one gets after watching "A Crude Awakening: The Oil Crash," Basil Gelpke and Ray McCormack's documentary on our dependence on oil and the possible ramifications for when we enter the post-"peak oil" period, which may be right around the corner.

### [Changes by the barrellful](#)

Oil markets are growing increasingly complex, affected by an array of factors — from changing benchmarks to the introduction of alternative fuels — that may redefine them in coming years.

For those of us who drive, the changes are likely to mean higher gasoline prices over the long term.

"It's not been a good thing for consumers," said Ray Carbone, president of Paramount Options.

### [Oil prices may hit \\$80 a barrel](#)

Oil prices could surge to \$80 a barrel this year because of tropical storms, rising demand for gasoline and disruptions in crude supplies from Nigeria, a senior Iranian oil official said on Sunday.

### [Going underground for a greenhouse gas solution](#)

Known as the Frio Brine Project, the site is on the leading edge of Department of Energy-funded studies looking into carbon sequestration, the process of injecting CO<sub>2</sub> — a byproduct of burning fossil fuels — deep into the ground.

### [Southeast Asia battles dengue surge, climate fears](#)

Southeast Asian nations are battling a surge in dengue cases, amid signs that climate change could make 2007 the worst year on record for a disease that often gets less attention than some higher-profile health risks.

### [Senators to begin work on energy measure](#)

With consumers continuing to grumble about high gasoline prices, the Senate plans to take up an energy conservation package next week that would force automakers to churn out more fuel-efficient cars and require motorists to use more renewable fuels.

### [Swan Song for the Democrats for Supporting the Iraq War](#)

A progressive platform should also include a plan to nationalize the oil industry. The record profits from oil production should be going into infrastructure, education and alternate fuels — not fattening the foreign banks accounts of obscenely rich oil moguls. In an age of resource scarcity, we cannot allow the market to decide who will get access to the energy that everyone needs to maintain minimal standards of living.

We've already seen how big oil is willing to use our children as cannon fodder in their wars of aggression. We've also seen how much effort they put into confusing the public on crucial issues such as global warming. (They've pumped millions of dollars into bogus science and misleading public relations campaigns to keep the people from



understanding the truth about "man-made" climate change) The oil industry operates without a conscience putting its bottom line above the very survival of the species. The best thing to do is "return the favor" by seizing the industry – Hugo Chavez style – and putting it to work for the people it is supposed to serve. If the oil executives still want to continue the fight for Iraqi oil; we should provide them with sidearms and Kevlar vests and turn them loose in Baghdad. Let them fend for themselves – everyone else comes home.



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