



DrumBeat: July 19, 2007

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Topic: [Miscellaneous](#)

[In Case You Don't Have Enough to Worry About Already](#)

Dr. David Goodstein, a physics professor at Caltech and one of the presenters at the summit, lays out our future pretty convincingly. His book, *Out of Gas: The End of the Age of Oil*, goes into even more detail.

“Our civilization might very well collapse because it’s so dependent on oil,” Goodstein said at the presentation.

...As if that weren’t enough, I also spoke to physicist and engineer Dr. Paul MacReady, founder of Aerovironment (www.avinc.com). MacReady is the guy who did the GM Sunraycer and Impact electric cars and the Gossamers Albatross and Condor airplanes and who is currently working on any number of projects involving extraordinarily efficient ways to use sunlight to power airplanes. Four of his planes are in the Smithsonian.

Of the many points MacReady made, the one that hit me hardest was this: The current human population of the earth is 6.5 billion and is expected to go up to 9 billion by 2050.

“Our planet can sustain maybe 2 billion,” MacReady said.

So we have 4.5 billion too many guys walking around right now, and we’re making more of them every day. And every single one of them is going to want a BMW and a stucco house.

[Pipeline attacks still not solved](#)

Four explosions in the Bajío, a central region that's the stronghold of the ruling conservative National Action Party and a major manufacturing zone, disrupted the flow of natural gas between Mexico City and Guadalajara, the country's two biggest cities, and paralyzed pipelines in Veracruz and Guanajuato states.

General Motors and Nissan are said to have lost millions of dollars in production at their plants in the region.

But as the investigation into the bombings July 5 and July 10 drags on, the mystery only grows.

[Bombs put Kirkuk in line as next hotbed](#)

The oil-rich northern region of Iraq has enjoyed comparative calm since the toppling of Saddam's Hussein's government. But Kirkuk province, which had been viewed by many as a model for the rest of the country, may be turning into the next hotbed of sectarian slaughter.

Three bombings, including an enormous suicide truck blast, killed more than 80 people Monday in the city of Kirkuk, the deadliest attacks yet in an area of rising ethnic tensions among Arabs, Turkomans and Kurds.

[India eyes military favors for Myanmar oil](#)

It appears that India is not going to make it easy for China to extend its influence in Myanmar to get a share of that country's rich gas resources. While recent oil negotiations have faltered between India and Myanmar, increased military cooperation might be New Delhi's second-best option to obtain favor and influence in the secretive Southeast Asian country.

[CNPC and Turkmenistan Sign New Gas Cooperation Agreement](#)

Witnessed by Chinese President Hu Jintao and the visiting Turkmenistan President Gurbanguly Berdymukhammedov, China National Petroleum Corporation signed the Amudariya River right shore gas production sharing contract and gas sales & purchase agreement with The State Agency For Management And Use Of Hydrocarbon Resources, Turkmengas, in Beijing.

[Japan's nuclear plans in disarray](#)

Reports of radiation leakages at a nuclear power plant after the Niigata earthquake on Monday have raised widespread public alarm and dealt a devastating blow to the Japanese government's plans to boost the nuclear-power industry, both domestically and abroad.

"The problems now being reported from the Kashiwazaki-Kariwa nuclear plant are deeply alarming. They prove that Japan is not prepared for a nuclear-power disaster, especially during an earthquake, and can never be," said Professor Hiroaki Koide, a nuclear-safety specialist at Kyoto University.

[Russia plans big nuclear expansion](#)

Before the Chernobyl accident threw everything atomic into disrepute, Soviet economic planners dreamed of mobile nuclear power stations that would light up remote Arctic towns.

Public antipathy and economic woes shelved those dreams for two decades. But now, under direct orders from the Kremlin, ambitious Soviet-era expansion plans are being dusted off and rapidly implemented – including the first-ever floating atomic power station, set to begin operations in the frigid White Sea by 2010.

[Oil executives sound alarm about fuel use](#)

When executives from the world's largest oil companies say we need to cut back on our consumption, it should serve as the ultimate wake-up call about a looming energy crunch.

[Gasoline demand stays hot: Record fuel use causes concerns to reverberate](#)

Motorists may gripe about the price at the gas pump, shake their fists at the oil companies, even dial up their members of Congress — but they're still filling their tanks at record levels.

[Dingell's energy bill blind spot](#)

A MILLION YEARS of compression and heat may someday convert Rep. John D. Dingell (D-Mich.) into petroleum, just as it did the other dinosaurs. Unfortunately, by then there may be no humans left to pump a few gallons of Dingell into their Hummers, because the climate change he is so gleefully ignoring may have rendered us extinct.

[New Energy Guidelines For PCs Aim To Cut Energy Use By 60%](#)

On Friday, the Environmental Protection Agency's Energy Star Program will release more stringent requirements for PC manufacturers, aimed at potentially cutting energy use by 60%. For consumers, that could mean savings of anywhere from tens of dollars to \$100 a year on electricity bills.

[Dubai Crude Output Dpwnn Rapidly As Govt Moves To Crimp Decline](#)

Production of Dubai's crude oil has fallen as much as a third in the past two years and is a fraction of that recorded in some government statements, company documents show, undermining the already fragile position of one of the world's top three oil price reference points.

Current output in the booming Persian Gulf sheikdom, one of seven semi-autonomous enclaves in the United Arab Emirates, is some two-thirds below the figure released by the national government, according to calculations by Dow Jones Newswires using data from the previous operators of the fields. It has fallen as much as a third in the past two years.

The Dubai government took over operating the oil fields in April from a joint-venture led by ConocoPhillips Corp. (COP), which has since complained of poor financial returns due to the structure of the previous operating agreement.

[Money Alert for Mexican State Oil](#)

Mexican oil company Petroleos Mexicanos (PEMEX) faces a paradoxical financial situation with extraordinary profits but a future of great debt, PEMEX General Director Jesus Reyes confirmed on Wednesday.

[Tokyo Electric Shares Drop to 9-Month Low After Quake](#)

Shares of Tokyo Electric Power Co. dropped to a nine-month low on concern the company's nuclear facility in central Japan, the world's biggest, may be shut for a year after an earthquake caused radioactive leaks.

[Fatih Birol interview in Le Monde full translation](#)

This interview was first brought to anglophone readers in a partial translation by Jerome a Paris and has been widely reported. This is the first full translation to hand.

[US Econ Adviser Urges Russia to Spur Foreign Oil, Gas Investment](#)

A top adviser on foreign economic policy to U.S. Secretary of State Condoleezza Rice encouraged Russia Wednesday to give foreign companies a bigger role in developing its vast but remote oil and gas reserves in the Arctic and Eastern Siberia.

[Singing the nation electric, Part 1: Fuels and Electrical Use](#)

Let's assume that we will eventually live in a world without fossil fuels, that is, without petroleum, coal, or natural gas. Will we all starve to death or devolve into roving bands of barbarians? If business as usual continues indefinitely, those outcomes are definitely possible, but let us further assume that reason will prevail and we all agree to restructure society so that it could get along without fossil fuels. What would we need to do?

[Report Pooh-Poohs Corn Biofuels](#)

Corn is not a viable biofuel source, says a new report released today by Food & Water Watch, the Network for New Energy Choices, and the Vermont Law School Institute for Energy and the Environment. The report claims that the corn ethanol refinery industry will not significantly offset U.S. fossil fuel consumption without unacceptable environmental and economic consequences.

[Russia and Natural Gas](#)

It seems like the French and British will always find something to tussle over. Out of their colonies in Africa and the Middle East, now the two European giants are fighting for favor with Russia. France is winning.

It involves intrigue worthy of Tolstoy, but with key elements unique to our age of fossil fuel scarcity.

[Robert Putnam: Capital ideas](#)

With great trepidation, he has just published his first, much awaited, paper on his five-year study of social capital in the US - the biggest survey of its kind - which concludes that ethnic diversity does reduce social capital. He found that the higher the diversity in a neighbourhood, the lower the levels of trust, political participation and happiness between and within the ethnic groups, and he called it "hunkering". But what has prompted criticism is not his analysis of hunkering, which the right has seized upon with delight, but his optimistic assertion that this is a short-term problem that, with "intelligence and creativity", can be overcome.

[A box to make biofuel from car fumes](#)

The world's richest corporations and finest minds spend billions trying to solve the problem of carbon emissions, but three fishing buddies in North Wales believe they have cracked it.

They have developed a box which they say can be fixed underneath a car in place of the exhaust to trap the greenhouse gases blamed for global warming—including carbon dioxide and nitrous oxide—and emit mostly water vapor.

[Washington urges Opec to raise production](#)

Crude oil prices yesterday jumped more than \$1 a barrel after an unexpected drop in

US crude and products inventories and strong demand growth.

The inventories decline, which suggests a tightening of the crude oil market, came as the US government yesterday asked the Organisation of the Petroleum Exporting Countries to raise its production.

[EIA's Caruso: OPEC Needs to Up Production for 2nd Half 2007](#)

OPEC should increase crude production in the second half of the year, the head of the U.S. Energy Information Administration Guy Caruso said Wednesday.

He warned that inaction by the Organization of Petroleum Exporting Countries could cause global and U.S. inventories to fall too low.

[Ghana: Load shedding may outlive September deadline](#)

Deputy Energy Minister, K.T. Hammond, has cast the first official stone, conceding rather grudgingly that government's September end deadline to get the energy crisis over with, may not be met.

[Crisis-hit Zimbabwe scraps fuel scheme](#)

Zimbabwe has scrapped a scheme allowing fuel purchases with foreign currency, removing one of the few remaining ways for people to acquire petrol in a country struggling with a crumbling economy.

[Kenya: State, Manufacturers Seek Deal to Avert Power Crisis](#)

In an effort to avert a possible power crisis, the Government has pledged to offer special electricity tariffs to manufacturers who shift their operations to off-peak hours.

[Executive Fuel Order Extended](#)

Commercial fuel haulers in North Dakota can continue working longer hours, and driving to South Dakota and Minnesota in search of fuel.

Governor Hoeven has extended an executive order that allows for those provisions. It's to help deal with an ongoing shortage caused by refinery problems in the Midwest.

[Report: Japan Plant Had Another Leak](#)

Japanese regulators discovered a fresh leak of radioactive material Thursday from a nuclear power plant damaged in an earthquake this week, a report said, adding to criticism of the embattled plant operator.

Nuclear inspectors probed the Kashiwazaki-Kariwa plant, which suffered a barrage of leaks and malfunctions in Monday's 6.8-magnitude quake in northwestern Japan. The plant was ordered shut down indefinitely on Wednesday.

[Ethanol stirs fear of water shortage](#)

The mass quantity of water needed for Iowa's booming ethanol industry - billions of gallons each year - has raised concerns among state officials who say laws may be needed to prevent a water shortage in the state.

[Lawmakers Propose Reform to Pemex Fiscal Regime](#)

Mexican political parties PRI, PRD, Convergencia, PT and PVEM jointly submitted a bill to congress on Tuesday for the reform of state oil company Pemex's fiscal regime.

The proposal calls for reform of Mexico's federal duties law in order to provide Pemex with more resources for reinvestment in current operations, development of new opportunities and research, according to the legislation, which was published in the congressional gazette.

[Flip in Brent structure points to drop in oil stocks](#)

Brent oil futures have shifted into backwardation, a market condition that points to expectations of a tighter supply/demand picture that could shrink plentiful crude stocks.

The return of backwardation -- where crude for nearby delivery costs more than crude further forward -- could provide a signal for OPEC that crude oil supplies are no longer as abundant, potentially paving the way for a production increase.

"With backwardation, the market is starting to price in a very large crude oil draw," said Olivier Jakob, of oil consultants Petromatrix.

Tom Whipple: [The Peak Oil Crisis: July 2007](#)

While waiting for the formal release of the of National Petroleum Council's report on the prospects for world oil and gas production, it seems like a good time to review the

general peak oil situation prior to what many believe may be difficult times later this year.

The underlying fact is that OPEC oil production and indeed total world liquid fuel production currently is about 1.2 million barrels a day lower than in July 2006. Demand from China, India, most oil exporting states, and some developed countries keeps increasing so obviously a lot of poor countries are consuming a lot less oil than they were last year.

Hardly a week goes by now without a new report some underdeveloped country is running short of gasoline, electricity, or both. Factories are being shuttered and tens, or perhaps hundreds, of thousands of workers are being laid off. Realistically, these furloughs are likely to last for a very long time.

[Oil Execs Push Doubling Of Fuel Efficiency - Serious Shortages Near On The Horizon](#)

The world is fast approaching a point where energy demand will exceed supply and the United States needs a revolution in energy efficiency and renewable energy within the next 25 years. The country should enact restrictions on carbon emissions, go way beyond the Senate's recent fuel economy standards to double the fuel efficiency of vehicles and take other dramatic steps.

[Oil-shale funding promoted](#)

Funding to develop oil shale should be increased to help meet a coming shortfall of petroleum, according to a major energy report released Wednesday.

[National Petroleum Council stresses urgency in energy report](#)

The U.S. should adopt a crash program to double automobile fuel efficiency, limit carbon emissions and push as hard as it can for bio-fuels and other energy sources over the next 25 years or risk serious shortages, says a study released Wednesday.

[National Petroleum Council hides the hard truths about energy instead of facing them](#)

"Instead of 'facing the hard truths about energy,' the NPC report hides them," said Congressman Bartlett.

"Secretary Bodman asked the right questions, but the NPC draft doesn't directly answer any of them," said Congressman Udall. "While they do have some 'hard truths' in their report, they are surrounded in a dense matrix of mumbo-jumbo and irrelevant reassurances about how large the resource endowment is."

[Florida Senator Pronounces Oil-Inventory Rider Dead](#)

A spending rider that would require a seismic inventory of eastern Gulf of Mexico oil and gas reserves is headed for the junkyard, according to Sen. Bill Nelson (D-Fla.).

[Japan quake hurt automakers, power co.](#)

The mammoth earthquake that ravaged northern Japan this week did more than take lives and trigger radioactive leaks. It nailed some of the most important industries undergirding growth in the world's second-biggest economy.

Details of the economic fallout were still emerging days after Monday's 6.8-magnitude earthquake shook the Sea of Japan coast. But early repercussions stretched from Japan's top automakers to the country's biggest power company.

[Eat a steak, warm the planet](#)

A kilogram (2.2 pounds) of beef causes more greenhouse-gas and other pollution than driving for three hours while leaving all the lights on back home, according to a Japanese study.



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