



## DrumBeat: October 1, 2007

Posted by [Leanan](#) on October 1, 2007 - 8:58am

Topic: [Miscellaneous](#)

### [Kunstler: Two Clues for the Clueless](#)

The gravest problem this nation faces, therefore, is the inability of the American public and its leaders to confront the fact that we can't continue to live the way we do -- and, by the way, when I say "leaders," I don't restrict myself to political leaders. Our failures of leadership are comprehensive, including leadership in my nominal sector, journalism. For two weeks in a row, the price of oil on the futures markets has closed above \$80-a-barrel, and for these two weeks *The New York Times* Sunday Business Section has failed to run one story on the consequences of oil rising into this uncharted territory of high price. Are the Times editors on crack? Surely \$80-plus oil will thunder through the American economy.

### [Australia onshore oil discovery at least 120 million barrels](#)

Australian oil company Innamincka Petroleum Ltd. said Monday that drilling results show its Flax and Juniper discoveries in Australia's Cooper Basin together may be one of the country's largest onshore oil finds.

Results from its Flax East 1 well have confirmed the two fields are connected and point to "a substantial increase in the assessed inplace oil resource," the company said in a statement Monday to the Australian Securities Exchange.

### [Nigerian Leader Promises End to Niger Delta Conflict](#)

Nigerian President Umaru Yar'Adua pledged on Monday, the country's independence day, to tackle the crisis in the volatile Niger Delta, which has seen up to 200 foreigners kidnapped since the start of last year.

The oil-rich Niger Delta is awash with militants who say they want a larger say in the way their region's prized resource is used. Yar'Adua's predecessor Olusegun Obasanjo was unable to quell the violent attacks against foreign oil companies.

### [Scrambling for Kazakh oil](#)

International companies continue to jostle for position in the contest for access to Kazakhstan's diverse mineral deposits amid an ongoing dispute over the world's largest recent oil find.

### [Green campaign dents palm oil demand](#)

A campaign by environment groups against palm oil is costing the product market share in Europe, a top Malaysian palm oil industry official said on Monday.

### [Slow, Steady Liquidation of the World Oil Industry](#)

By 2011 or so, these companies, including Royal Dutch Shell Plc and BP Plc in the U.K., France's Total SA and ConocoPhillips in the U.S., will no longer be able to increase their production, says Charles Maxwell, an analyst at Weeden & Co. in Greenwich, Connecticut.

By 2014, their output will begin a long decline, says Maxwell, who has been involved in the industry for 50 years, mostly as an analyst. "They'll be in liquidation," he says.

The industry isn't finding new crude-oil reserves fast enough to keep up with world demand for gasoline and other fuels made from crude.

### [Peak Oil 10-20 Years Away, Claims World Energy Council](#)

Global proved recoverable oil reserves stood at 1.215trillion barrels (160billion tonnes) at the end of 2005, according to the World Energy Council. It says in a new report that this is 117billion barrels (11billion tonnes) higher than at the end of 2002.

However, it acknowledges that Peak Oil may be just a few years off.

### [Strength Needs Energy](#)

The real energy crisis we face today is much graver because it has ballooned into a manufacturing crisis. It is now undermining the very things that have made this country so great for so long — its economic prowess, its education system, its strong history of innovation and invention, and, last but certainly not least, its basic national-security and influence in the world.

### [Security Fears Keep Oil Prices at High Levels](#)

OPEC is trying to limit the price rise to \$80; its secretary general, Abdullah al-Badri, stated after the organization's recent ministerial meeting that "the price of \$80 is high and is not supported by the foundations of the market." This means that OPEC is uncomfortable with this high price, and there is fear that the continuing price rise will lead to new record levels every week or so. This will produce a reduction, sooner or later, in world consumption of crude oil, and an increase in the use of alternative fuels, not to speak of the negative impact on the economies of the world, and especially those of the developing countries.

### [Stellar Performance with Astrophysicist at the Helm](#)

Talisman has been in the North Sea for 11 years, and as far as Buckee is concerned, the strategic value of the province has not waned at all.

"The world consumes 30-plus billion barrels of oil a year, but is finding less than 10 billion. This is unsustainable. I do believe in the Peak Oil theory. It's obvious, which means oil prices will move higher. It also means that a premium is placed on existing fields.

"In the North Sea, we have the infrastructure and we have lots of oil in place beneath. I believe we can keep on improving the recovery factor of such fields for quite a long time yet."

### [Saudi Aramco gets three bids for \\$8 bln Ras Tanura refinery](#)

Saudi Arabian Oil Co., the world's largest oil company, has received three bids for the contract to help it build a \$8-billion refinery in eastern Saudi Arabia, according to people familiar with the plans.

### [BP's Atlantis rig could be ready to pump early](#)

The report said testing is believed to have started on the rig, known as Atlantis, fuelling speculation it could be up and running within weeks. BP previously said Atlantis would be producing by the end of the year.

### [BP's new Angola oilfield begins production](#)

BP's new Plutonio oilfield in Angola started production this week with the first shipment expected in mid-November, trade sources said on Monday.

### [Deutsche Bank analyst downgrades ConocoPhillips to "Sell" from "Hold"](#)

A Deutsche Bank analyst downgraded ConocoPhillips to "Sell" on Monday, saying the energy company is the most exposed to the two-month downturn that typically strikes in October.

### [Cowed, Myanmar border town longs to join protests](#)

But trade has dried up and anger mounted with sky-rocketing fuel prices -- rises that sparked protests over the last few weeks in major cities and towns in Myanmar.

Shops in Tamu are open but largely empty, and food is increasingly scarce.

The town is almost deserted, with many homes shuttered. Soldiers are stationed in and around Tamu, police in plain clothes wander the streets carrying walkie-talkies.

### [Quebec slaps carbon tax on diesel fuel](#)

Quebec is increasing the tax on diesel fuel sold in the province by 0.9 cents per litre beginning today as part of its plan to tackle greenhouse gas emissions.

### [Nuclear industry pushes for early approval of new plants by warning of bottlenecks](#)

The government's plans to build up to 10 nuclear power plants in Britain over the next decade could be thwarted by a shortage of skilled project managers, industry executives have warned.

They have told ministers that the coming nuclear renaissance in Europe and in emerging economies such as Russia, China and India - driven by the need to combat global warming and reduce energy imports - could also constrain the delivery of key reactor components unless decisions are made swiftly and the planning process is speeded up.

### [D.C. region produces more carbon dioxide than many countries](#)

The Washington region, with its crawling traffic and several coal-fired power plants, produces more carbon dioxide than several medium-size European countries, according to a new study of pollution.

### [Coal fired plants, a national Catch-22](#)

About half of the nation's energy comes from coal-fired power plants.

They're the powerhouse of our power grid, but they're also a major source of the

country's air pollution.

### [GM to make Volt electric car in 2010](#)

General Motors plans to manufacture the Chevrolet Volt electric car in 2010 and will produce a Chevy version of its full-size crossover SUVs in 2011, according to a summary of the automaker's new contract with the United Auto Workers.

### [Weak dollar could prevent OPEC from new output hike: analysts](#)

The weak US dollar is slashing the value of oil revenue for the biggest crude producers, leading analysts to predict that OPEC will not rush to hike output again despite tight world energy supplies.

### [How to Address Humanity's Global Crises? Challenge Corporate Power, Embrace True Democracy](#)

The physicist, activist and author outlines the scope of the "triple threat" represented by the end of cheap oil, human-induced climate change, and resource scarcity.

### [The Shift To Alternative Fuels Is Moving Beyond Ethanol](#)

October is the time of year when we traditionally begin to see fuels like natural gas and heating oil begin to rise and rise steadily.

Actually, they're already doing just that.

And with the subprime nightmare still unraveling and consumers being stretched to the gills, higher gas and oil prices may be the straw that breaks the Dow's back, again.

### [Human Behavior, Global Warming, and the Ubiquitous Plastic Bag](#)

And the lesson for now pretty much seems to be that no matter how piddly the effort, no matter how small the bother, well, it's too much bother.

### [What I Believe](#)

I believe in peak oil and that we are now (or very soon will be) straining at the limits of production vs. consumption. I believe that much of the trouble in the world today is about securing oil reserves. Many young lives and much national treasure are being

spent in the pursuit of oil. However, I also believe that if governments would get out of the way and let energy prices rise, the free market forces can solve the problem. Newer, lighter, safer, carbon fiber hybrid vehicles with efficient diesel/electric designs can go a long way towards the solution. Along with bio fuels and renewable energy and better designs we can move towards energy independence. There will be no single big solution but thousands of small ones that will add up greatly. We will still need oil but not nearly so much if we simply unleash our individual creative powers and let the free market work. The results can be inspiring.

### [Food shock as 'agflation' sees prices rise](#)

IN THE 1970s it was "stagflation", the simultaneous combination of economic stagnation and high inflation. Now, in the noughties, we have "agflation" — price inflation of agricultural products, especially grains and related foodstuffs. Just last week, while announcing the Federal Government's aid package to drought-hit farmers, former deputy prime minister and Nationals leader John Anderson warned of a global food shock.

### [Bush struggles to stay relevant in climate debate](#)

President George W. Bush, hosting major polluting nations last week, sought to convince skeptics that he wants to help shape the next global deal on climate change, despite his long history of shunning such efforts.

But with only 15 months left in office, his chances of becoming a major player in the debate over climate change are diminishing quickly, analysts and diplomats said.



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