



DrumBeat: December 9, 2007

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[Tom Whipple: We Know We'll Run Out — the Big Question Is 'When?'](#)

Not only are supplies of cheap oil dwindling; the world's demand for oil is climbing rapidly. This is the primary reason we have seen the price of oil go from \$20 to nearly \$100 a barrel in this decade. Most of the increased demand is coming from China, India and other Asian countries. However, the oil exporting states such as those in the Persian Gulf, Russia and Venezuela are starting to keep an increasing share of their production for domestic use.

For the United States this is all very bad news.

[We Need To Face Prospect of Dire Effects On All Of Us](#)

When supply for oil and natural gas can no longer keep pace with demand, prices will rise and problems begin. Since oil and natural gas are the most concentrated and flexible energy resources ever found and account for two-thirds of the energy we use, the implications of them declining are ominous. There are no magic bullets — not nuclear, coal, oil sands, biofuels, hydrogen, wind, or solar — that will fully replace oil and gas. We must learn to get by with less energy — a lot less.

[Peak oil: A problem that's not going away](#)

The Cantarell oil field in the Bay of Campeche in Mexico was a national treasure — the third-largest oil field ever found. But after 30 short years the field's production is petering out. Mexico's national oil company has informed the United States that the field is in terminal decline and will not be able to export by about 2012. That's very bad news for us. Cantarell supplies about 12 percent of all U.S. oil. Alaska's Prudhoe Bay, Britain's North Sea fields, Kuwait's Burgan field, Russia's Samatlor field—the list of mega-giants in decline goes on. Sadly, the second half of an oil field's production is typically harder and slower to extract than the first half.

[As Iraqis Vie for Kirkuk's Oil, Kurds Become Pawns](#)

his unstable city can ill afford much more delay and uncertainty. The fusion of oil, politics and ethnic tensions make Kirkuk one of the most potentially explosive places in the country, and its fate is seen as a crucial issue by all sides in the debate about whether Iraq will eventually be partitioned among Kurds, Sunni Arabs and Shiite Arabs.

[Playing politics with heating costs](#)

Chairman Markey says there is an oil shortage, but wants to keep the ban on oil and gas exploration in some of the most prospective U.S. areas - the Atlantic and Pacific Oceans, much of the West, and Alaska. He wants to raise taxes on oil companies and change offshore leasing terms put in place by the Clinton Administration. Those tax and lease terms allowed Chevron, a U.S. company, to make a huge oil discovery in the Gulf of Mexico that was otherwise impossible. Billions in additional investment could add 50 percent to U.S. proved oil reserves by 2011. These measures would prevent any such effort, raise prices, cut domestic oil exploration, and increase imports.

[Koreans Struggle to Clean Up Oil Spill](#)

Thousands of people used shovels and buckets Sunday to clean up a devastating oil spill at a scenic beach in South Korea's western coast, some battling headaches and nausea from the stench.

[Country may face 60 percent LPG shortage after de-linking of prices](#)

The country may face a shortage of Liquefied Petroleum Gas (LPG) by 60 percent in near future after de-linking the LPG prices with international market, a senior official in Oil and Gas Regulatory Authority (OGRA) told Daily Times here on Saturday.

[Petrol smuggling blamed for Mekong farmers' fuel shortage](#)

Farmers in the Mekong River Delta are faced with a serious shortage of fuel for the upcoming season as thousands of litres of fuel are being smuggled out of the country every day.

Hundreds of boats on the waterways of the south-western province of Kien Giang are carrying petrol to Cambodia where it can be sold at a higher price than in Viet Nam.

[Hydrogen Car Is Here, but Where's the Hydrogen Economy?](#)

It's one thing to have a few hydrogen cars, and another thing entirely to transform an energy and transportation system built on fossil fuels into one built on hydrogen generated without producing carbon dioxide, the main greenhouse-gas emission linked

to recent global warming. In a 2004 report, the National Academy of Sciences said such a transition was probably decades away.

[A Personal Evaluation of Nuclear Energy in Turkey - 2007](#)

We shall enter into a serious energy crisis in 2008-2009, which is foreseen by all parties. Our big players of public and private enterprises have foreseen the bottleneck. They had meetings one after another. Turkish energy market is not so easy, not so profitable. It is a very tough sector. It is a very difficult market. Public enterprises cannot make new investments, they have no financial resources to allocate, no money to spend.

[\\$10b Petro Rabigh project to diversify Saudi economy](#)

The integrated oil refinery and petrochemical complex of Petro Rabigh will prove a tipping point in the kingdom's efforts to diversify its economy and forge the development of sustainable downstream industries.

[Kingdom Hikes Subsidies of Rice, Baby Milk](#)

Saudi Arabia yesterday announced plans to subsidize sales of rice in the country at the rate of SR1,000 per ton. The subsidy for baby milk will go from SR2 to SR12 per kilogram as part of efforts to reduce the financial burden on public caused by soaring consumer prices.

[Efforts to Harvest Ocean's Energy Open New Debate Front](#)

Chris Martinson and his fellow fishermen catch crab and shrimp in the same big swell that one day could generate an important part of the Northwest's energy supply. Wave farms, harvested with high-tech buoys that are being tested here on the Oregon coast, would strain clean, renewable power from the surging sea.

They might make a mess of navigational charts, too.

"I don't want it in my fishing grounds," said Mr. Martinson, 40, who docks his 74-foot boat, Libra, here at Yaquina Bay, about 90 miles southwest of Portland. "I don't want to be worried about driving around someone else's million-dollar buoy."

[Forest Loss in Sumatra Becomes a Global Issue](#)

Here on the island of Sumatra, about 1,200 miles from the global climate talks under way on Bali, are some of the world's fastest-disappearing forests.

A look at this vast wasteland of charred stumps and dried-out peat makes the fight to save Indonesia's forests seem nearly impossible.

[Trucks Power China's Economy, at a Suffocating Cost](#)

Every night, columns of hulking blue and red freight trucks invade China's major cities with a reverberating roar of engines and dark clouds of diesel exhaust so thick it dims headlights.

By daybreak in this sprawling metropolis in southeastern China, residents near thoroughfares who leave their windows open overnight find their faces stiff with a dark layer of diesel soot.

[Radars Taken Out by Arctic Warming](#)

In another weird sign of global warming...

The Pentagon is closing down three of the 20 NORAD (North American Aerospace Defense Command) early-warning radar sites in northern Alaska because the ground they're built on in some cases is literally crumbling into the Arctic Ocean as a result of erosion caused by waves on ice-free waters, military officials at the U.S. Northern Command tell me. One site, Point Lonely, a short-range radar on Alaska's North Slope, was closed specifically because of soil erosion. In two other cases, short-range radars in Bullen Point and Wainwright, are being shuttered for both erosion and budget reasons.

[Warming and the Right](#)

LAST June, Jim Manzi, a longtime software executive, laid out a case in *The National Review* for the need for conservatives to accept the "reality" of global warming (nationalreview.com). It is, he wrote, "no longer possible, scientifically or politically, to deny that human activities have very likely increased global temperatures; what remains in dispute is the precise magnitude of the human impact."

[To The Last Drop?](#)

The world's supply of oil is reaching a production peak, while demand continues to grow rapidly, the panel of experts told the dozen or so lawmakers in attendance. With production unable to meet demand in coming years, oil prices will rise dramatically and gasoline shortages will develop, panelists contended.

The scenario described was one of looming disaster, a calamity that the state of Connecticut and the rest of the United States are ill prepared for. And this is not a

catastrophe that will come and go, but persist for years, even decades, as the country goes through the painful process of weaning itself off cheap oil and settling into a lifestyle that recognizes the new reality of oil scarcity.

[Geothermal power should fuel U.S. military](#)

In times of crisis and shortages the military has always been necessary to preserve order. But this time they too will be in a crisis short of oil and power.

[Efficient bulbs given out door to door](#)

Calling their effort "The Light Brigade," the men had collected nearly \$160 in donations to purchase bulbs and other people had purchased the light bulbs and donated them, according to Basford.

...The men are members of the Central Maine Peak Oil Group, which meets at 10:45 a.m. the first Sunday of every month at the church in Waterville to determine ways to curb energy use in central Maine.

[One writer finds it's not easy building green](#)

In these times of combined threat from climate change, peak oil, pollution and toxic waste, green home building not only makes sense, it is imperative.

But the roadblocks put up to stop residential green building (some on purpose, some accidental, some absurd) are keeping Americans and Vermonters from investing in eco-friendly homes.

[The Central Bank: Silent Partner In the Bloodletting](#)

There could be anarchy or tyranny or martial law or detention camps. Who really knows? It's perfectly normal that the public is worried about "what could happen" in the near future. But, consider this: can we continue moving in the same direction that we are now? Can we keep pouring the blood of innocent people all over the planet while claiming to own the world and all of its resources? Can we keep ignoring the species-threatening challenges of global warming, peak oil and nuclear proliferation?

[Australia: Desal option doesn't hold water](#)

It is expected to get the go-ahead, even though the only changes since the original

inquiry are "peak oil" and the spectre of climate warming, which are likely to make this type of infrastructure even more redundant in a city striving to maintain liveability.

[Cheap Oil is So Yesterday. Time to Start Writing Expensive Oil into Our Plans?](#)

Our fundamental assumptions about the continuing availability of cheap oil to fuel the American lifestyle are being tested. Last year the topic of peak oil – the idea that the world is approaching a maximum limit to oil production - was virtually taboo in polite company and business journals. This November, however, the Wall Street Journal ran a Page One piece: "Oil Officials See Limit Looming on Production". If that's not the definition of peak oil, I'm not sure what is.

[Victims of record world oil prices?](#)

Fuelled by geopolitics and speculations world oil price reached a record level of US\$99.25 per barrel over the last three weeks. This is beyond what anyone could have predicted 10 years ago. In fact, in the late 1990s the worst-case prediction of many energy economists and experts was that oil may average US\$30 per barrel by 2015. The world has seen prices consistently above twice that level since 2002.

[UW campus to plug in electric bikes](#)

You're a University of Washington medical student and you need to run an errand at University Village, but you rode the bus to school and it's a long walk from the university health-sciences campus to the shopping center.

Beginning next fall, the university will have a solution: electric bikes.

[Malaria climbs into warmer highlands](#)

In one New Guinea hilltop village the message was rooted deep in lore: If you hunt in the valley below and sleep there overnight, evil spirits will possess you, you'll become sick, and you'll die.

It was a homespun kind of malaria control in the highlands of this western Pacific island, long free of the disease-bearing mosquitoes that plague the hot and humid nights of its lowlands, said Dr. Ivo Mueller, a lead scientist at the Papua New Guinea Institute of Medical Research.

As the Earth warms, however, "malaria epidemics in the highlands are now basically happening every year," Mueller said.

[US 'not ready' to commit at Bali](#)

The United States will come up with its own plan to cut global-warming gases by mid-2008, and won't commit to mandatory caps at the U.N. climate conference here, the chief U.S. negotiator said Saturday.

"We're not ready to do that here," said Harlan Watson, the State Department's senior climate negotiator and special representative. "We're working on that, what our domestic contribution would be, and again we expect that sometime before the end of the Major Economies process."

[In Bali, developing nations push for climate aid](#)

High in the Himalayas, Bhutan is scrambling to fend off the onrushing effects of climate change. Two dozen lakes swollen by glacial melting are in danger of bursting their earthen dams and sweeping through the mountain kingdom like an inland tsunami.

"This is a big problem for Bhutan" as it tries to adapt to climate change, says Thinley Namgyel, with the country's National Environment Commission.

[Venezuelan president promises oil supply for Belarus](#)

Venezuelan President Hugo Chavez promised Saturday to supply oil to Belarus signing an agreement with the former Soviet state's visiting president for a joint venture to exploit oil and natural gas in Venezuela.

"The oil your nation needs ... is here, as much as you need for 100 years, 200 years," Chavez said at a ceremony at Guara Este oilfield in eastern Venezuela.

[Editorial: Conserving oil](#)

Turn on the television news, almost nightly, and there will be some story speculating about the price of oil. The price is going up. The price is going down. People are driving more despite the high price.

And, of course, ethanol is coming. In reality, ethanol would be a Pyrrhic victory -- trading higher food costs for marginally cheaper fuel. Think the world is mad at us now? Think we're a target for terrorism? Wait until it's cheaper to buy a rocket launcher than food for a block.

[Kenya: Outcry Over High Petrol Prices](#)

Kenyan motorists Friday asked the Government to act on the escalating fuel prices.

Through the Motorists Association of Kenya, they said the Government had the power to control fuel prices yet it was being reluctant.

[Crabber to deliver emergency fuel under unique state plan](#)

The diesel fuel that powers buildings and heats houses in the Aleut village of 460 is critically low, said Phyllis Swetzof, city clerk.

"If we don't get something in soon, we will stop delivering to homes, because we'll have to focus entirely on serving the power plant," said Swetzof.

[Indonesia: Jambi has 500 million tons of exploitable coal deposits](#)

Jambi`s calculated and exploitable coal potential with calories of 4,500 to 5,400 kkal/kg reached 500 million tons.

This vast energy potential needs to be exploited and used for economic development, especially electric energy generation, Jambi Governor H Zulkifli Nurdin said here on Friday.

[Britain's wind power revolution](#)

Britain is to embark on a wind power revolution that will produce enough electricity to power every home in the country, ministers will reveal tomorrow.

[US plan to cut greenhouse gases by 70 per cent signals change of heart on climate change](#)

Key measures to tackle global warming have been approved in the US Congress, signalling the first crack in the granite face that the Bush administration has set against cutting the pollution that causes climate change.

[GCC to consider revaluation soon](#)

Gulf Arab oil producers are considering revaluing their dollar-pegged currencies together and will hold talks on a change in the exchange rates "in the next few days", Bahrain's foreign minister said yesterday.

Saudi Arabia and five neighbours preparing for monetary union as early as 2010 ruled

out dropping pegs to the tumbling dollar after a summit last week and said any talks on revaluation would be kept secret.

[Riyadh may allow foreigners to invest in stocks](#)

Saudi Arabia, the world's largest oil exporter, plans to allow foreigners to invest in its stocks and initial public offerings through domestic funds, the stock market regulator said in an interview aired yesterday.

[Minister: Iran, China set to sign major oil deal](#)

Iran and China's Sinopec could, as early as Sunday, sign a final multi-billion dollar agreement for the development of the Yadavaran onshore oil field, the Iranian oil minister said.

[Oil industry in Beiji makes it bomb target](#)

A truck bomb killed at least six police officers and wounded 16 people Saturday in the northern oil hub of Beiji, the second attack in two days to take aim at Iraq's most lucrative industry.

[Water becomes the new oil as world runs dry](#)

Western companies have the know-how - and the financial incentive - to supply water to poor nations.



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