



DrumBeat: December 23, 2007

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Topic: [Miscellaneous](#)

[The Fuel Fixers: How the scarcity of oil may be making our antibribery laws obsolete](#)

The case raises a number of questions, including this one: in an era of scarce oil, can America afford to punish anyone who cuts corners to win deals for American firms? In 2003, when oil sold for less than \$30 a barrel, it was possible to believe we could have our anticorruption statutes *and* our cheap gasoline. Four years later, with oil going for \$95 a barrel, it's not so clear. The British government, citing-national security concerns, has called off an investigation into bribery of influential Saudis. Delays in Giffen's case suggest that some federal agencies may be more concerned with protecting secrets than with seeing the prosecution go forward. Much of the pretrial evidence has been sealed, but what is known is that Giffen's lawyers have asked for sensitive documents that they contend will show official approval of their client's activities.

[Advent of the £1000 power bill is not so far away](#)

MILLIONS OF households could be hit by 15% price hikes in their energy bills next year, which could lead to the return of average bills in excess of £1000, experts warn. British Gas and nPower have already announced price increases on their tracker tariffs, stoking fears that further price rises could be on the way from other suppliers in the new year.

[Farm Today: Fuel law creates losers, winners](#)

Here's a look at who wins and who loses from enactment of the mandate, and a few folks for whom the impact won't be known for a while...

[Elect me and oil prices instantly drop, says Hillary Clinton in Iowa](#)

Hillary Clinton predicted Saturday that just electing her President will cut the price of oil.

When the world hears her commitment at her inauguration about ending American dependence on foreign fuel, Clinton says, oil-pumping countries will lower prices to stifle America's incentive to develop alternative energy.

[Drivers on road despite expense](#)

Gary Schuster does not like the trend for gas prices.

"They're at a disagreeable level," the 54-year-old Dearborn, Mich., resident said this week as he spent more than \$40 to fill up his Ford Explorer Sport.

But gas prices have not risen enough to get him to change his driving habits or consider a smaller vehicle, said Schuster, who works on computer and pool equipment.

[Guyana: Electricity tariff hike may be imminent](#)

An increase in electricity tariffs may be imminent but so far the power company has not raised the issue nor has Cabinet addressed it, Cabinet Secretary Dr Roger Luncheon has said.

However, in the light of worldwide fuel price increases, Luncheon said Cabinet has recognised that the company would only achieve financial recovery if it raised tariffs, even with successful loss reduction activities and a reduction of operating and maintenance costs.

[Saudi Arabia plans world's largest SWF](#)

World's largest oil producer Saudi Arabia is set to overtake the \$900 billion sovereign wealth fund (SWF) of Abu Dhabi by setting up the largest SWF in the world, according to a Financial Times report yesterday.

[Iran: nuclear plant ready by March](#)

Iran's first nuclear power plant will be operational within three months, providing electricity to Iran's national power grid by the summer, according to Iranian Energy Minister Parviz Fattah.

[Nuclear waste could power Britain](#)

A plan by the nuclear industry to build a £1bn fuel processing plant at Sellafield is being backed by the government's chief scientist. The plant would turn the UK's 60,000 tonnes of high-level nuclear waste into reactor fuel that will provide 60 per cent of this country's electricity until 2060, it is claimed.

[The Green House as Classroom](#)

In letting their home function as both a laboratory and a marketing device, Ms. Reiner and Mr. Basche, it turns out, are not unique. Green show houses, sponsored by magazines, nonprofit groups and developers, are appearing across the country, spreading a message about environmentally conscious building to designers, builders and home buyers, and helping to sell building products.

[Plan on Airline Emissions Hints at U.S.-Europe Rift](#)

European Union governments have scaled back a proposed law that would regulate emissions from any airline with takeoffs or landings in Europe. But on Thursday, the ministers still agreed within five years to adopt measures likely to intensify a battle with the United States over global environmental regulation.

[Talking Heads Not Talking Climate](#)

The League of Conservation Voters generated quite a bit of buzz on environmental blogs this week after it launched a new campaign pressing America's most-watched political reporters to bring up global warming more often on all those influential Sunday talk shows. The group reviewed videotape of more than 120 interviews of presidential contenders by Chris Wallace, Tim Russert, George Stephanopoulos, Wolf Blitzer and Bob Schieffer this year.

In the 2,275 questions posed, the phrases "climate change" or "global warming" were used three times, and a total of 24 questions indirectly touched on climate or related issues, the group said.

[Australia: Big Oil's highway robbery](#)

PETROL companies have been accused of price gouging after the consumer watchdog issued a "please explain" over rising Christmas prices.

With average unleaded prices remaining above \$1.40 a litre in Sydney yesterday, the Australian Consumer and Competition Commission (ACCC) has demanded justification from the bosses of oil giants Caltex, Shell, Mobil, BP, as well as supermarket empires Woolworths and Coles.

[Australia: Petrol tax under fire](#)

THE Federal Government has come under fresh fire over sky-high petrol prices as

motorists hit the road for the Christmas break.

Nationals leader and Opposition transport spokesman Warren Truss said the Rudd Labor Government had deceived voters over petrol prices and called for the GST on fuel to be cut.

[Strikes, fuel hike to disrupt holidays](#)

AUSTRALIANS face holiday travel chaos, with refinery problems driving up petrol prices and possible industrial action restricting flights.

[Nepal: Petro dealers walk out, say govt 'indifferent'](#)

The regular supply of petroleum products looks even more uncertain, as the Nepal Petroleum Dealers' Association (NPDA), the umbrella organisation of petrol entrepreneurs, Sunday walked out of negotiations with the government to end the fuel crisis facing the country.

NPDA said that the protest was necessary because it did not see any signs of reaching a common ground in order to resume the supply of petroleum products even after holding four rounds of talks with the government.

[Russia Signs Deal for Gas Pipeline Along Caspian Sea](#)

Desperate to meet growing domestic and European demand, Russia signed a deal Thursday with the Central Asian republics of Kazakhstan and Turkmenistan to build a natural gas pipeline along the Caspian Sea, a move that analysts said could strengthen Russia's monopoly on energy exports from the region.

[Indonesia: Rise of the clans](#)

In addition to their own enterprises, the family has wealthy allies, including national politicians like Surya Paloh, a media magnate and national head of FKPPPI, and Sulawesi-based ethnic Chinese businesspeople. Serving on the boards of Chinese-run businesses provides an additional source of wealth for the family.

With such resources at hand, during election campaigns, the Yasin Limpo family has found innovative ways to buy voters' sympathy. For example, they have bought farmers' products above market prices and provided cheap gasoline from fuel tankers they toured through the districts. The clan has also paid electricity bill collectors in past elections to promise voters that they will be excused from paying their electricity bills for six months in subdistricts where their candidates win a majority.

[Asian LPG gains on winter demand and stockpile drop](#)

Asian liquefied petroleum gas rose on lower stockpiles as demand for winter heating fuel gained. Propane for delivery to Japan added 1.1% to \$900 a metric tonnes, including cost and freight. Butane climbed 0.6% to \$910 a tonne.

Consumer inventories, which aren't included in the official wholesale data, may be "much lower than normal" as consumers delayed purchases, said Ken Otto, senior vice president at industry consultant Purvin & Gertz Inc. "If winter weather turns out to be colder than expected, this could add a lot of strength to the market."

[Fuel assistance is far from solving the problem in Lakes Region](#)

High fuel costs, a lack of federal funding and a particularly harsh start to the winter have struggling families applying and qualifying for home heating fuel assistance — only to be told the money is not there to help fill their tanks.

[\\$3 gas pinches holiday wallets](#)

With only a few days left until Christmas, many were busy making holiday meals and gift and travel preparations. But for Mrs. Kolde, Christmas will be an ordinary day.

"There are no travel plans this year," she said. "Because when you're retired like me and you have a bare minimum of Social Security coming in, you really just can't take the trip."

[Experts predict more rising grocery costs for 2008](#)

Ephraim Leibtag, an economist with the United States Department of Agriculture's Economic Research Service, said a number of factors -- including bad weather, overseas demand and fuel prices -- were responsible for the rising grocery store costs.

But even should those factors change it is unlikely prices will drop as rapidly as they rose, he said.

And most did rise. Leibtag said most food prices went up in 2007, and foods that require less processing -- meats, milk, eggs and vegetables -- went up the most.

[Sri Lanka: Global food crisis not far away](#)

According to the FAO record world prices for most staple foods have led to high food price inflation in China, Indonesia, Pakistan, Latin America, Russia and India, FAO also adds that wheat has doubled in price, maize is nearly 50% higher than a year ago and rice is 20% more expensive.

The worst is global food reserves are at their lowest in 25 years and prices are expected to be higher for years. On the other hand food riots have been reported from India, Yemen and Mexico.

[No Joke, Bulb Change Is Challenge for U.S.](#)

Manufacturers are putting a lot of stock in light-emitting diodes — or L.E.D.'s. They operate with chips made of nontoxic materials and last for about 50,000 hours, compared with 1,000 hours for an incandescent and 6,000 for a compact fluorescent. A tiny L.E.D. can shed as much light as a cumbersome bulb, which makes them easier to integrate into a home's décor. And, they are extremely energy efficient.

But today, they are too expensive to use for all lighting applications. And, while manufacturers are able to make pretty good colored L.E.D.'s — the kind that are already available for Christmas tree lights — they have yet to perfect a white L.E.D. that would be useful for lighting homes.

[Repository on local officials' wish list](#)

Remote-handled waste has been sent to the Waste Isolation Pilot Plant near Carlsbad for almost a year now.

The Global Nuclear Energy Partnership appears to be at a standstill, at least in ways that could directly apply to Carlsbad and southeastern New Mexico.

So what's the next move for local officials who want to see the area's nuclear footprint expand?

For starts, local officials are courting Areva, a French nuclear giant that is looking at an enrichment facility somewhere in the United States. An area between Carlsbad and Hobbs is reportedly one of the finalists under consideration.

[In the Age of Noah](#)

A couple of weeks ago, The Times's Jim Yardley reported from China that the world's last known female Yangtze giant soft-shell turtle was living in one Chinese zoo, while the planet's only undisputed, known giant soft-shell male turtle was living in another — and together this aging pair were the last hope of saving a species believed to be the largest freshwater turtles in the world.

It struck me as I read that story that our generation has entered a phase that no previous generation has ever experienced: the Noah phase. With more and more species threatened with extinction by The Flood that is today's global economic juggernaut, we may be the first generation in human history that literally has to act like Noah — to save the last pairs of a wide range of species.

[Fire and brimstone can't cool global warming](#)

There is an existential question at the heart of the debate over global warming: Can green groups transform themselves into institutions motivated by a vision of prosperity and possibility? Or will they remain grounded in the politics of pollution and limits?"

[Life after peak oil](#)

Many people think mistakenly that modern prosperity was founded on this fossil energy revolution, and that when the oil and coal is gone, it is back to the Stone Age. If we had no fossil energy, then we would be forced to rely on an essentially unlimited amount of solar power, available at five times current energy costs. With energy five times as expensive as at present we would take a substantial hit to incomes. Our living standard would decline by about 11 percent. But we would still be fantastically rich compared to the pre-industrial world.

That may seem like a lot of economic hurt, but put it in context. Our income would still be above the current living standards in Canada, Sweden or England. Oh, the suffering humanity! At current rates of economic growth we would gain back the income losses from having to convert to solar power in less than six years. And then onward on our march to ever greater prosperity.

[The Post-Oil Economy: After The Techno-Fix](#)

The path beyond petroleum begins by considering five principles: that alternative sources of energy are insufficient; that hydrocarbons, metals, and electricity are inseparable; that advanced technology is part of the problem, not part of the solution; that post-oil agriculture means a smaller population; and that the basis of the problem is psychological, not technological.

[Venezuela looks for help to triple Orinoco output](#)

Venezuela aims to more than triple output from its Orinoco heavy crude reserve in five years and will start looking for companies that can help achieve that goal from January, the national oil company said on Saturday.

State-owned oil company PDVSA said it would develop new projects to produce 2 million barrels per day from the Orinoco region within five years.

[Clouds over Nigeria's oil industry](#)

Despite being the world's eighth petroleum exporter and sitting on huge gas reserves, Nigeria will not have it easy over the next two years, between persistent unrest in the Niger Delta and strained relations with the major oil companies.

"In view of the current problems, their goal of 4.0 million barrels per day in 2010 seems inaccessible in the current situation," said the head of one multinational company operating in the delta, the oil region where violence and insecurity are endemic.

[Nigeria: Rivers Imposes Curfew On Okrika](#)

Following the breakdown of law and order in Okrika, a riverine suburb in Rivers State, where militants had recently bombed the Nigerian National Petroleum Corporation (NNPC), the State Governor, Hon. Rotimi Amaechi, has imposed a dusk to dawn curfew, starting from 6pm to 6am with effect from last Friday.

[UAE will revalue currency by July says bank](#)

The United Arab Emirates was 60 per cent likely to revalue its dollar-pegged dirham unilaterally or in conjunction with other Gulf oil producers in the first half of next year, an investment bank has predicted.

[Iran says gets 90% of oil income in euros, yen](#)

Iran has boosted oil export earnings in non-U.S. dollar currencies to 90 percent, a senior official said on Sunday, making clear the world's fourth-largest crude exporter would continue to reduce its dollar exposure.

[Saudi arrests 28 Qaeda suspects over attack plot](#)

Saudi Arabia announced on Sunday the arrest of 28 Al-Qaeda linked suspects for planning attacks in the oil-rich kingdom, following an alleged plot to commit a "terrorist act" during the annual Muslim pilgrimage, or hajj.

"Since December 14, 28 members of the deviant group (the term used by the Saudi authorities for Al-Qaeda) have been arrested, including one foreign resident and the rest Saudi nationals," an interior ministry official said in a statement carried by the official

SPA news agency.

[Iran says in talks on selling gas to Italy's Edison](#)

Iran is in talks with Italian power utility Edison about exporting gas to the European Union country, Iranian Oil Minister Gholamhossein Nozari said on Sunday.

Iran sits atop the world's second largest gas reserves after Russia. But sanctions, politics and construction delays have slowed its gas development, and analysts say the country is unlikely to become a major exporter for a decade.

[Equipment Makers Profiting More From Oil Prices Than Producers](#)

Oil prices above \$90 a barrel are doing more for shareholders of Cameron International and Baker Hughes than Exxon Mobil and Chevron. A lot more.

Exxon, the world's largest oil company; Chevron, the second-biggest in the United States; and the rest of the industry are struggling to increase production and profits because the most promising new fields are miles beneath the ocean. Their difficulties are making Houston-based Cameron and Baker Hughes richer, since they provide the valves, pumps and fluids needed to extract crude from the waters off Brazil to the Arctic Ocean.

[India: Fewer divers put oil industry deep in crisis](#)

At present, there are some 1,500 air, mixed gas and saturation divers in the country servicing major companies like ONGC, Cairn India, Oil India Ltd, Essar Oil, etc.

But according to Satpal Singh, joint managing director, Dolphin Offshore, the only firm that provides diving services to oil companies, "India will require the services of another 1,500-2,000 divers for carrying out work like drilling, laying of pipelines and platforms, inspection, maintenance, installation of jackets, etc".

[Vietnam oil delegation to visit Iran](#)

Vietnam's National Oil and Gas Group is slated to send a delegation to Iran to discuss the expansion of relations in the oil sector, PressTV reported.

[Blame the weak dollar](#)

Consumers grouching about soaring gas prices often focus on the big oil companies and anyone else who might profit when it costs more at the pump. But one culprit that doesn't always get fingered when prices rise - a weak dollar - could draw more attention in the coming year.

['The Oil' a slick account of the world of geopolitics](#)

The central character is the oil beneath the Caspian Sea. LeVine, who lives in Dallas, uses oil to tell the story of how some former Soviet states gained their financial independence from Russia. The book is a fascinating back-door history of the Soviet political collapse and the U.S. response.

[Ralph Nader: Big Oil's Profit and Plunder](#)

While many impoverished American families are shivering in the winter cold for lack of money to pay the oil baron their exorbitant price for home heating oil, ex-oil man, George W. Bush sleeps in a warm White House and relishes his defeat of the Congressional attempt to get rid of \$15 billion in unconscionable tax breaks given those same profit-glutted oil companies like ExxonMobil when crude oil was half the price it is today.

[Analysis: U.S. military & Iran - Part 6](#)

Globally, a reduction, even a temporary one, in oil exports would likely have a mixed impact. Developed states are far better prepared to deal with such a contingency. A congressional joint economic committee study released earlier this year found that, "The immediate loss of oil from the disruption would be secondary. Due to the experience of six oil crises since World War II, most oil-importing nations have accumulated substantial oil stores already. While a blockage of the (Hormuz) Strait would have a much larger impact on the daily flow of oil than any prior interruption in supply, oil released from private and strategic inventories, in theory, could manage the physical loss of oil for many months."

[A Solar Grand Plan](#)

By 2050 solar power could end U.S. dependence on foreign oil and slash greenhouse gas emissions

- A massive switch from coal, oil, natural gas and nuclear power plants to solar power plants could supply 69 percent of the U.S.'s electricity and 35 percent of its total energy by 2050.
- A vast area of photovoltaic cells would have to be erected in the Southwest. Excess daytime energy would be stored as compressed air in underground caverns to be tapped

during nighttime hours.

[Arrogance and Warming](#)

The Bush administration's decision to deny California permission to regulate and reduce global warming emissions from cars and trucks is an indefensible act of executive arrogance that can only be explained as the product of ideological blindness and as a political payoff to the automobile industry.

[EPA chief is said to have ignored staff](#)

The head of the U.S. Environmental Protection Agency ignored his staff's written findings in denying California's request for a waiver to implement its landmark law to slash greenhouse gases from vehicles, sources inside and outside the agency told The Times on Thursday.

"California met every criteria . . . on the merits. The same criteria we have used for the last 40 years on all the other waivers," said an EPA staffer. "We told him that. All the briefings we have given him laid out the facts."

[Is this the world we want to leave to our children?](#)

Last month's IPCC report predicts dramatic changes in rain distribution around the world. One likely consequence the scientists point to is "severely compromised" access to food in many African countries by 2020. "In some countries," it estimates, "yields from rain-fed agriculture could be reduced by up to 50 per cent."

For most of us, many generations (happily) distant from any experience or understanding of hunger, the 50 per cent figure may carry little meaning. Historically, however, European famines were triggered by five to 10 per cent harvest declines. Most starvation occurred not from drastic shortage of food, but from soaring prices. Poor harvests triggered fear, stockpiling and hyperinflation, a sequence which quickly priced the poor out of the foodgrain market.



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