



\$100 Oil - Open thread

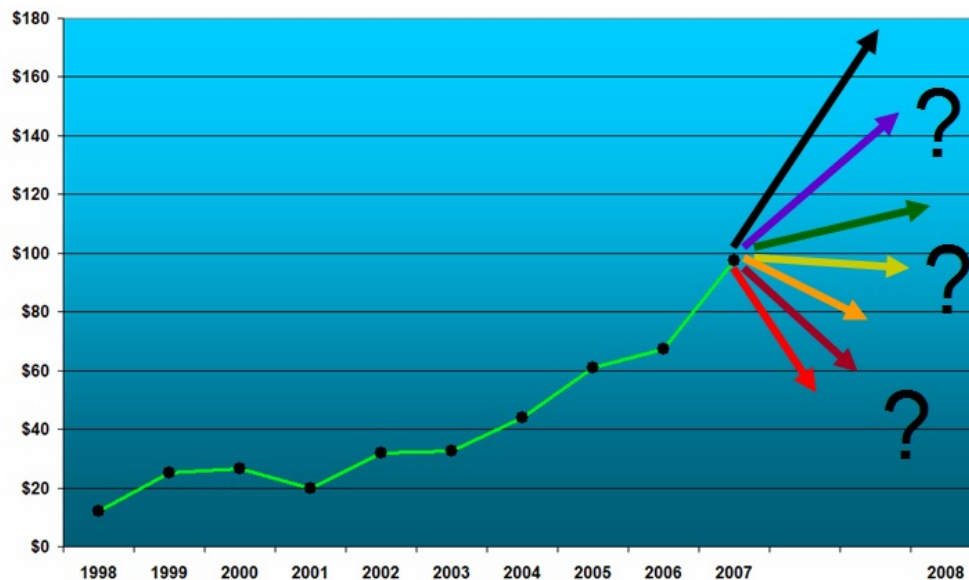
Posted by [Nate Hagens](#) on January 2, 2008 - 7:30pm

Topic: [Miscellaneous](#)

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Today, someone in the NYMEX pit session paid **\$100.00 per barrel** for front month crude oil. (Logical for it to happen during a TOD holiday short staff period). Despite the talking head rationale for today's \$4 rally, the underlying reasons for the 8 year+ climb in crude are geologic in nature. \$100 oil in itself is no big deal - its 1% higher than \$99 oil. But it serves as a milestone reminder that the future is likely to be less 'easy', and perhaps dictated by new rules. Questions abound: will high prices bring about more production? Will high prices begin a "hoarding" phenomenon among exporters and producers? Will \$100+ oil spur energy alternatives with the scale and quality of energy dense crude oil? Is this even possible? Will society start to realize the dichotomy between natural capital and financial capital? Will \$100 oil reduce demand in developing countries? Will OECD oil-importing countries (like the US) take the lead on changing the cultural carrot of consumption that drives energy use?

What does \$100 oil mean to you? Please add your thoughts, links and suggestions.



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