

Driving a Taxi is getting to be tougher

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Topic: Supply/Production

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It is a beautiful day outside, one of the crisp days of Winter where it becomes a pleasant chore to restock the wood pile near the house. Soon we will begin to tidy up the yard, and Spring will be here and plans are already made for trips and travel through the summer. Somehow in this planning, even though we know of the problems that are coming with energy supply, it doesn't factor much into the plans that are made. There is a complacency of thought that says that things will continue, much as they are, and certainly in the discussions from the political contenders there is little concern expressed for dramatic change in the security of supply, or even the volume of that supply, within the near term.

As I mentioned last week, I have been giving talks that include a component of the coming problem outside of the small circle of our campus and moving out to the service clubs, and the occasional larger conference gathering. I largely dwell on the problems of oil and gas supply and the inadequacy of our being able to make up shortfalls in these with solar and wind, or even ethanol, because of the scale of the problem and the nature of the coming liquid fuels shortages. The talks seem to go over quite well, I even get the odd request for copies – but I strongly suspect that the audience, in very large part, quickly moves their attention to the next item on the agenda, and that within a week the topic is far back in their memories. I mention this because in many ways I think my small experience mirrors to a degree what we see on a much larger scale when folk like Matt Simmons give the more detailed, and skilled presentations that he provides. There is no experience of significant personal impact that causes the problem to seem immediate to many of the audience.

Yes prices have gone up, but the impacts that I expect will bring the problem home are those of say a taxi driver in Kathmandu, who not only must find but also afford fuel for his cab in the crisis, which has now been going on for nearly a year, but has yet to grasp that it may never be easily obtainable again. The Nepal Oil Corporation is caught in the bind of continuing to have to subsidize the price of fuel, due to public pressure, while at the same time not being able to meet the payments for the fuel it is buying from India, who is therefore reducing supply. Given that those current shortages with most of the gas pumps in the capital closed, are now being compounded by an increasing lack of electric power, with load shedding now occurring up to eight hours a day, there is no discernable way forward. Moves to switch away from the more polluting biofuels for stoves to kerosene and LPG are likely now to go into reverse. And for those who advocate public transport, it is reported that only 30% of public vehicles are still on the road.

People in Nepal are not alone in having problems affording fuel as prices go up. In Bangladesh the

price of fuel for irrigation and current shortages are hampering farmers, with only roughly half of the normal acreage in parts of the country being cultivated so far this season. Because of the reliance on diesel pumps irrigation costs are higher, at 28% of rice production costs, in comparison with 13% in India, and 8% in Thailand. The problems are made worse this year since there is also an invasion of rats that is eating some of the harvest. Unfortunately delays in field development of the Bangladesh gas fields means that they also are seeing a current current shortage of natural gas. Gas availability is also an issue in Pakistan where, again, public transport has raised fares as long lines grew at gas stations.

"Public transporters have increased the fare from Rs 6 to Rs 10 and that they have their own justifications in this connection," he said. Due to the increase in the fare, verbal clashes between the transporters and passengers were also witnessed, he added. Another citizen Farooq Ali said that he had left his car at home as he could not afford to run his car on petrol. Ali said that he intended to avail a taxi but the fare demanded by the drivers surprised him.

Transporters defend fares: Lal Khan, a taxi driver, said that the CNG shortage had forced them to charge extra fare. "The CNG stations of the capital are not supplying the gas and they have to go to Rawalpindi for fuel," he added.

Problems are not restricted to Asia, the recent shortages in electrical power in South Africa have carried over into neighboring countries such as Botswana, and even here, though the problem is electricity, it carries over to supplies of water and gas, since these must be pumped. And it affects taxi drivers.

"Power failure is a serious problem for the Taxi Industry. We are almost stuck. We spend hours queuing at fuel points while commuters desperately wait for us," complained Chengeta, a renowned Taxi/Combi operator.

Chengeta, who is also a member of the Francistown branch of the Taxi Association puts the blame for the power cuts squarely on BPC. "They should find a better way to address the whole issue. Power rationing should be done with understanding of the customer needs," he said, suggesting that customers should be notified about power cuts.

He said taxi drivers holding small containers begging for fuel after their taxi runs out of petrol has become a common sight.

And here in the United States, while the Georgia drought is stirring up <u>trouble with Tennessee</u> we may see a little more reaction from more national politicians if the drought continues, and <u>they start closing power plants</u>. And then, as our power grid gets challenged, and prices rise, it will be interesting to see what our politicians suggest as the answer. In Botswana they are <u>accelerating coal development</u>, we'll see how that plays out over here.

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