

A national call to arms?

Posted by Yankee on August 31, 2005 - 3:49pm

Topic: Supply/Production

peakguy just sent us an email to let us know about another <u>Drudge report item</u>: BUSH CONSIDERS ADDRESS TO NATION; CALL FOR ENERGY CONSERVATION.

President Bush is considering an address to the nation asking citizens to conserve energy, a top White House source says. ... "Still undecided is whether or not to call for a nationwide effort to reduce energy consumption during this emergency," a top Bush source explains. "It is seriously being considered."

Could it really be? Who knows...(in the same report, Drudge also says "A second White House source says there are no plans for the president to address the country on gas.")

There is a sense in which rationing has already begun. According to this <u>LA Times story</u>: "many of the major oil companies, including Shell Oil Co. and Valero Energy Corp., have begun rationing how much gasoline they provide wholesalers and dealers while their Gulf Coast operations recover."

Rationing the supply that wholesalers are given can cause shortages, but that's different than rations put in place by governments to affect individual consumers (not that Bush is actually implementing rationing at the moment). The other day, CNN elicited viewer emails on their opinion as to whether the government should ration gas in the face of the 1 to 1.5 mbd shortfall that Katrina has caused. Opinions ranged from a hearty "yes!" to "The oil companies are already gouging us, not this too!"

Update [2005-8-31 11:32:20 by Prof. Goose]: There will be a release from the SPR.

In worse news, the mayor of NOLA has acknowledged the potential for thousands of lives lost.

I couldn't find the CNN emails online, but I did stumble across this <u>Atlanta-based bulletin board</u>, which is interesting in light of the <u>Drudge report</u> that <u>we mentioned earlier</u>.

Some people are in denial about the geography of many Americans' lives:

you won't need to ration gas most people will drive only as necessary, like me this week I need to go 30 miles to get a muffler repair but after that I'll keep my driving for the week under 120 miles so that way the \$20 I allow myself a week will work.

Other people have pinned the American psyche a little better:

I think they'll have to do something...however rationing gas won't solve the problem. People in America would go nuts if they were told they coldn't buy something that they wanted/needed.

One guy thinks there's an easier, more popular solution (how'd you like this one, mw?):

The US would invade Canada before rationing gas. The President would probably choose to invade Canada instead of rationing gas because it would be less unpopular.

Oil companies and huge profits is a big gripe:

There is to much fuel available to ration it. The oil companies are making huge profits. Our president is heavily invested in the oil business. Bush does not want to see rationing because it would effect the millions he is making off of the current high price of fuel. When rationing happened in the 70's we were told that by 2005 we would be out of fuel. We aren't out of fuel. OPEC is just controlling the amount available to the market. When will we run out this time if we ration. My father said back in the 70's why don't we use up all of the fuel and move into the next technology. We would be further ahead if we had.

Note that all of these were posted after Katrina hit, and yet almost no one mentions how the disaster will affect the supply of gasoline.

Technorati Tags: peak oil, oil, Katrina, Hurricane Katrina, gas prices.

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