



DrumBeat: June 29, 2008

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Topic: [Miscellaneous](#)

[Energy crisis casts dark cloud over Massachusetts](#)

Bay State electric and natural gas shut-offs are predicted to increase by at least 20 percent this summer as a staggering 125,000 low-income households face energy bill debts totaling about \$100 million, the Herald has learned.

The Boston-based National Consumer Law Center, which is predicting the exploding shut-off rate, said a grim economic climate is behind the utility crunch.

[No Babies?](#)

Birthrates across the Continent are falling at drastic and, to many, alarming rates. Why are Europeans so hesitant to have children, and what does it mean for their future and for ours?

[Australia: The energy crisis needs a clear head and nerves of steel](#)

It sounds like a horror story. It isn't. In fact it is quite the opposite. What the study showed was that in most cases increases in wages and incomes would offset the higher energy prices.

[In a Season of Discontent, Many Protests Sweep India](#)

NEW DELHI — Discontent is sweeping through India in the form of widespread protests over land use, food, fuel and jobs.

[Report blows hole in wind power plan](#)

Wind power would be too unreliable to meet Britain's electricity needs, according to a new report.

It says wind patterns around the country mean turbines will fail to produce enough power at times of high demand.

Written by an independent consultancy and funded by the Renewable Energy Foundation, the report says backup electricity plants will be needed to meet demand during calm conditions.

[Can Weeds Help Solve the Climate Crisis?](#)

Weedy ancestors of our food crops, some scientists predict, will cope far better with coming climatic changes than their domesticated descendants.

[North Pole notes](#)

So why do stories about an geographically special, but climatically unimportant, single point traditionally associated with a christianized pagan gift-giving festival garner more attention than long term statistics concerning ill-defined regions of the planet where very few people live?

[Nigerian conflicts tighten oil bottleneck](#)

WASHINGTON -- Amid surging demand for oil, a severe bottleneck has developed in production of high-quality West African crude, alarming world leaders and demonstrating a new vulnerability in fragile oil markets.

With production declining elsewhere, consumer nations had been looking hopefully toward Nigeria. But rebels who have waged an increasingly bold campaign in the oil-rich Niger Delta have slashed the country's output in their most recent attacks.

[One Reason Gas Is Emptying Your Wallet: Nigeria](#)

When armed rebels from the Movement for the Emancipation of the Niger Delta attacked an enormous oil facility 75 miles off the swampy West African coast on June 19, traveling hours by speedboat under cover of darkness and kidnapping an oil worker, their brazen assault underlined the perhaps underappreciated dependence of the United States — and the world — on oil from Nigeria.

[Global oil price: A crisis waiting to become a disaster](#)

ACROSS the world, protests and demonstrations have erupted against governments for the surge in fuel pump prices, which is also sparking general inflation in the price of food

and other commodities. Protests and demonstrations have taken place in countries as diverse as the United Kingdom, France, Spain, Portugal, Egypt, India, South Korea, Hong Kong, Thailand, Indonesia and the Philippines.

[Miller's tale brings home burden of high fuel prices](#)

It is Wednesday afternoon and there is only one customer at Robert Elunyu's mill in Katine: a young man who has brought a basinful of dried cassava tubers for grinding. Elunyu is grinding the tubers as quickly as he can because the mill is powered by a generator and the longer it runs, the more diesel it uses. Across Africa, fuel is becoming prohibitively expensive.

Remarking on the lack of customers, Elunyu says it was markedly different 10 years ago when he first ventured into milling. Demand has plummeted because he is forced to pass on the rise in fuel prices to his customers, who can no longer afford to use the mill.

[The Philippines: More oil price hikes in next 4 weeks](#)

Petroleum players may likely increase their pump prices in the next four weeks, hoping to recover what they say is an under-recovery of P6 per liter incurred as global oil prices continue to soar.

[Opec portrayed again as the whipping boy](#)

Opec is dominating the news again. On the one hand, Opec – specifically Saudi Arabia – is doing its best to pump more oil and ease high prices, despite indications that demand is slowing and there is a lack of spare capacity in most member countries. Saudi Arabia is one of the few with the ability to pump more oil, and has committed itself to producing an extra 500,000 barrels per day.

On the other hand, there are loud voices being heard that want to take legal action against Opec, tax its windfall “profits”, and even seize Opec assets if it does not pump more oil or bring down prices, as if by waving a magic wand.

This is dangerous talk that will only make those Opec members who are trying to ease oil prices more resentful, and lead them to examine ways of shifting sales to Asian markets.

[Saudis say output hike is commercial](#)

Saudi Arabia has said its agreement to boost oil production to nearly 9.7 million barrels per day is commercial not a political decision and hinted the increase would depend on demand, a Saudi newspaper reported.

[Dale Allen Pfeiffer: Smell the roses - suicidal tendencies](#)

Now, as oil prices aim for the stratosphere, there is no talk of rationing, or even slowing down. But wait, someone is trying to start a grassroots movement to spur motorists to drive more sensibly and save. And the person who is spearheading this effort is none other than Jay Hanson, the man who established the dieoff.com website that first woke up most people to the idea of peak oil in the late 1990s and shortly after the turn of the century.

[The Nuclear Option](#)

Being poor in oil and coal might once have been considered a disadvantage, but not for France. Forty years ago necessity led Charles de Gaulle to pursue nuclear power aggressively as a chief source of electricity. For years this strategy put France at odds with environmentalists, but climate change and soaring demand for energy have changed all that. Because of its 59 nuclear reactors, which provide four-fifths of the country's electricity, France now emits only about half the greenhouse gas per unit of GDP of the United States (about the world average), which propels France to near the top of Yale's and Columbia's Environmental Performance Index (EPI). Nuclear power not only helps insulate France from wild fluctuations in energy prices, but it also suggests a way to reduce its dependence on oil for cars, trucks and buses: if and when plug-in hybrid vehicles and hydrogen fuel-cell vehicles are ready to replace today's cars, French drivers will be able to tap clean energy from their electrical grid.

[Ill-conceived rush to ethanol](#)

If you were trying to develop a less effective means of kicking the gasoline habit and coping with climate change you'd be challenged to improve on North America's misguided biofuels policy, which is centred on corn-based ethanol and is contributing to the global food crisis.

(Part of series on the global food crisis)

[Vacation home investors struggling to find renters](#)

WASHINGTON -- The pool, hot tub and ocean view are the same this summer at Bandit's Lair, but the seven-bedroom luxury home on North Carolina's Outer Banks is missing something critical: enough renters to keep it fully booked, even at a 10 percent discount.

Owner Pat Sepanak said she may leave the house in Corolla empty for part of the summer. The usual herd of vacation renters has been thinned by economic fears and high fuel prices, she said.

[India: Neighbours' grid greed sparks cuts](#)

Till neighbouring states like Punjab and Rajasthan do not curtail their overdrawing, the erratic power situation will continue, said sources. Sources in Delhi government said that there were four reported under-frequency relays in the city resulting in frequent disruptions in power supply.

[For Iraq's Oil Contracts, a Question of Motive](#)

Today, the question hanging over Iraq is whether its natural endowment will be used to help create a sustainable new state, or will instead be managed in ways that reward the cronies and allies of the country whose army toppled Mr. Hussein. Or perhaps both at the same time.

That basic question was yanked back to the fore recently when word emerged from Baghdad, in a report in The New York Times, that the Iraqi oil ministry was close to awarding contracts to service its oil fields to some of the largest Western oil companies. While relatively small, these contracts could serve as a foot in the door for much more lucrative licenses to explore widely for Iraqi oil.

[The Archers' brings the idea of a self-sufficient community to the fore](#)

The petrol pumps are dry, the supermarket shelves are bare and family cars sit uselessly in driveways. Faced with a national shortage of oil, the comfortable lifestyles of middle-class people are threatened by an austerity not seen since the post-war rationing of the early 1950s.

This is Britain in 2012, according to 54-year-old Richard Hathway and his wife Karen, who live in a family home in a sleepy Worcestershire village. They are convinced the country is heading for the worst oil crisis it has ever known, so this year they have decided to change their lifestyle for good.

[We are the best supplier](#)

Few would deny that Alberta's heavy-oil producers have to literally clean up their act. But when Barack Obama threatens to break America's addiction to "dirty, dwindling and expensive oil" and endorses a proposed "low-carbon fuel standard," he is harming America's own national interests. Canada is the largest exporter of crude oil to the United States, surpassing Mexico and Saudi Arabia, and supplying almost 19 per cent of U.S. demand. If the U.S. eliminates its Canadian heavy-oil imports, which are now growing significantly, Canada will soon find other eager customers such as China, and will simply expand its pipeline system to supply them. The Americans would be hard-

pressed to find as reliable or as conscientious a supplier.

[Economist: Wages won't keep pace with energy boom](#)

CHEYENNE - A senior economist for one of the world's largest energy companies says rising costs will mean continued growth in the production of coal, oil, natural gas and other forms of energy in Wyoming. But he says average personal income in the state won't keep up with the rising cost of energy in the future.

Mark Finley, senior U.S. economist for British Petroleum, said Friday in a speech to business leaders in Casper that his company believes there are abundant oil reserves around the world. However, he said industry is hard-pressed to develop them fast enough to meet demand.

[Alaska: Competition may spur in-state gas line](#)

The two projects hope to solve the same problem: Declining production in Cook Inlet threatens to cause a shortage of natural gas supplies in Southcentral Alaska. According to one forecast, that shortage could start to be felt as soon as 2014.

["Alarming" consumer splurge threatens UAE economy](#)

DUBAI (Reuters) - Rampant consumerism in the United Arab Emirates -- home to Dubai, the self-styled capital of conspicuous consumption -- could damage the economy and hinder the Gulf oil producer's efforts to become self-reliant, a government report said.

[As airfares skyrocket, wallet-friendly options will keep you grounded](#)

This month has been one of the gloomiest in U.S. travel history. Everything has gone wrong. The dollar has plummeted in value, the cost of oil skyrocketed, and three major airlines - American, United and Continental - have all said they will be reducing flights by 10 to 15 percent, causing airfares to climb by amounts that I predict will be shocking.

So what will you do about it? Seven solutions come to mind...

[The challenges of peak oil](#)

We may not be doomed, but we also may not be ready for all of its effects

Americans are feeling serious pain at the gasoline pump, and scratching their heads as to

why. Part of the answer may be that we are approaching peak oil sooner than many people would have guessed.

Peak oil refers to a key turning point when global oil production peaks, signaling a future of slowly decreasing world oil production. No one can say when peak oil will arrive, but one fact at least suggests that it may come sooner rather than later: Until recently, the Organization for Petroleum Exporting Countries barely tried to stem the rise of oil prices from \$50 dollars per barrel in February 2007 to more than \$130 per barrel today.

[The era of oil wars](#)

The geopolitical implications of this gathering crisis for world oil supply 2010-15 are immense. The risk of further military interventions and conflicts in the Middle East is clearly high. Total world oil reserves are estimated at 2.5-2.9 trillion barrels, of which half has now been already consumed, while half of the 51 oil-producing countries reported output declines in 2006. Non-Opec production is expected to peak and decline within the next five years, driven mainly by burgeoning demand from China and the US, together with restricted output from Iraq. Then in the following five years Opec's diminishing spare capacity will probably become increasingly unable to accommodate short-term fluctuations, depending on how fast world demand grows and how extensively Opec invests in new capacity. The latter may well not raise production capacity high enough or quickly enough, whether for political reasons or because internal decision-making is too slow or the security environment too hostile.

[Experts warn of 'no-holds-barred' Arctic fight](#)

A high-powered group of international experts are warning a "no-holds-barred" race for Arctic resources could shape up unless countries around the world move faster to reach agreements on development, safety and environmental standards.

A new report by 40 experts from six different countries spells out four scenarios for the future of the top of the world -- including one in which the Arctic becomes increasingly militarized as demand for energy, minerals and even fresh water outpaces and overwhelms diplomacy.

[Oil market oversupplied but not wise to cut: Qatar](#)

"It is not wise today to cut supplies even though there is a surplus because we do not want to create a psychological problem," Attiyah told Reuters. "I'm not in favour of it at all. We want to try to help to ease the psychological heat."

But the Qatari minister criticised a move by U.S. politicians to sue the Organization of the Oil Exporting Countries if the oil club did not pump an amount of oil that Washington sees sufficient.

"The Congress should look to increase exploration inside the United States," Attiyah said. "It is strange to ask what I should produce. It's an issue of sovereignty."

[Oil leaders meet again after Jeddah failure](#)

MADRID (AFP) - A week after failing to deflate record oil prices at a summit in Saudi Arabia, the world's biggest crude producers and consumers will get another chance to tackle the problem at a meeting this week.

More than 3,000 delegates, including leading corporate and political figures, are to meet at the 19th World Petroleum Congress (WPC) in Madrid, which runs from Monday to Thursday after an official opening reception on Sunday.

[Brazil expects OPEC invite, sees moderating role](#)

RIO DE JANEIRO (Reuters) - Brazil, which has found big offshore oil reserves in the subsalt cluster, expects an invitation by OPEC to join the exporter countries' cartel, Energy Minister Edison Lobao was quoted as saying on Friday.

Lobao said in an interview with Valor Economico business newspaper that his estimates were based on the fact that Brazil had been called up for a meeting of oil producer and consumer nations in Jeddah last weekend.

[On the brink: Fuel price hike plunges Scottish fishing industry into crisis as one in five boats in Peterhead ties up and cost of food soars](#)

With the price of oil hitting a record high of \$142 a barrel yesterday, Scotland's fishermen find themselves plunged into an even deeper crisis.

About a fifth of Peterhead's fleet remains tied up in the harbour due to the prohibitive costs. Crews are looking further afield for work, with skippers finding themselves left with no option but to pare back wages in order to make some semblance of profit.

[Fuel hike makes Britons street-smart](#)

The rise in cost of oil, credit crunch and general economic downturn has meant that households are being forced to fundamentally change their lifestyle. Cash strapped families are juggling higher energy bills, mortgage payments and the rising cost of food.

The spiralling cost of petrol has meant that more than two thirds of Britain's motorists have cut the number of journeys they make by car—walking, cycling or using buses and

trains as alternative modes of transport. "People are clearly feeling the pinch. Families are cutting back in other areas, but we are now getting to the stage where the only option they have is to reduce their car use," said Luke Bosdet, spokesman, Automobiles Association.

[Will the Last Superpower Recognize In Time What We Must Do to Save the Planet?](#)

Cheap oil provided an energy subsidy that defined the wars, economies, settlements, values, and lifestyles of the 20th century. The result was a century of wasteful extravagance and inefficiency that encouraged us to squander virtually all Earth's resources -- including water, land, forests, fisheries, soils, minerals, and natural waste recycling capacity. We are now waking up to the morning-after consequences of a brief but raucous party. These include depleted natural systems, unsustainable economies, an obsolete physical infrastructure, and a six-fold increase in the human population dependent on the diminished resources of a finite planet.

[Saying 'so long' to the petroleum age?](#)

"If we wait until after the peak," he says, "then energy gets squeezed, and it will be incredibly destructive" because we'll need energy to develop new sources at a time when energy's already stressed.

"We have to plan for what's coming next, invest long before or we're in for a tough transition."

[Beijing faces turmoil due to water crisis: Probe International](#)

BEIJING (AFP) - Beijing's water crisis is so critical that the city is facing economic collapse and the need to resettle part of its population in coming decades, a leading development policy group said Friday.

Experts predict the Chinese capital could run out of water in five to 10 years, according to Grainne Ryder, policy director at Canada-based Probe International.

['Peak oil' theory gains local converts](#)

Eric Saigeon typed "peak oil" into a Google search this spring, and his life may never be the same.

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High fuel costs in the Triad caused a discount airline to fail, school buses to drain county coffers and companies to switch to four-day work weeks.

All this before the average price of unleaded gasoline hit \$4 a gallon.

So what would Guilford County residents experience if fuel hit \$8 a gallon? Or \$10?

[The towns taking control of their future](#)

(CNN) -- "Within the oil crisis and climate change there is the opportunity for an economic, social and cultural renaissance the likes of which we have never seen before," says environmentalist and perma-culture designer Rob Hopkins.

[Heading For The Exit Lane](#)

This oil thing sure has legs. Even if we aren't in a "peak oil" situation (and even the Saudis can't agree about that), we've gotten to a price point where consumer behavior is going to change significantly over the next few years. Over the long term, that's a good thing. The world economy is addicted to oil, largely because it's been so cheap for so long. But it's not cheap anymore and given the pace at which the rest of the world is developing these days, it's not going to be cheap ever again. Unless we find another source of energy that is a lot cheaper than oil and I am not aware of any developments that will get us there soon.

This has bigtime ramifications for slowing growth and rising prices (inflation). And these impacts will not be limited to the US economy. They will be felt worldwide. The hypergrowth economies of China, India, Brazil, Russia, and other developing economies may not be impacted as much as the more mature economies like Japan, Europe, and most of all the US. Russia, in particular, stands to benefit greatly from the spike in oil prices.

[Home heating oil customers in limbo](#)

Wildly fluctuating prices have caused some local home heating oil companies to put off customer lock-in deals that guarantee a set rate for oil purchases during the winter heating season.

[Tony Blair: A climate solution is in reach](#)

The problem of climate change is almost universally understood and acknowledged. This is in itself an achievement. Now is the moment to get serious about the solution.

Such a solution has to be global. It must include America and China. It has to be radical.

It must put the world on a path away from carbon dependence to a new, green economy.



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