



DrumBeat: July 13, 2008

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Topic: [Miscellaneous](#)

[When ends won't meet](#): *Soaring gas prices mean financial hardship, major cutbacks for low- and middle-income households*

Jeanne Renner's financial consulting business is devoted to households that have found themselves financially adrift in a sea of burgeoning debt, higher prices and stagnant wages. Renner worries about how they will be able to cope in a world of radically higher gasoline prices.

In the meantime, she is shepherding clients through financially trying times by stripping them of their credit cards and putting them on budgets that include only nominal spending for entertainment.

"I have people who come to me right now and say, 'We're headed back to the hills to live off the land,'" Renner said. "People are learning to do without the things we believe are necessities."

[Gazprom ready for Iran energy deals: report](#)

TEHRAN (AFP) - Gazprom's chief on Sunday assured Iran that the Russian energy giant was ready to participate in major Iranian oil and gas projects, days after Total dropped out of a multi-billion dollar gas deal.

[Decisions Shut Door on Bush Clean-Air Steps](#)

Any major steps by the Bush administration to control air pollution or reduce emissions of heat-trapping gases came to a dead end on Friday, the combined result of a federal court ruling and a decision by the head of the Environmental Protection Agency.

[Are you gonna eat that? How to curb food waste](#)

Amidst growing concerns about rising food prices and global warming, many Americans are taking a closer look at what they do — and don't — eat.

Research in the U.S. estimates that at least 14 percent of purchased food ends up in the garbage.

[The Militarization of Energy Security II](#)

The possibility that access to energy resources may become an object of large-scale armed struggle is one of the most alarming prospects facing the current world system. The political stability of advanced societies, and the continued prospects for economic and social improvement in developing countries, are both linked to the operation of international energy markets. The increasing scale and complexity of these markets since the end of the Second World War has been one of the primary drivers of global economic growth. Like all international markets, the market for energy is sensitive to war and upheaval, whatever the cause. Energy markets are efficient at discounting risk, and there is a long history of price spikes and shortages whenever large-scale violence, chiefly but not exclusively in oil-producing regions, threatens established patterns of production and consumption. Strategic planners in the United States and elsewhere are well aware of the degree to which the anticipated effect of military operations on the price and availability of oil and natural gas needs to be considered in their work.

[Despite 800 billion barrel potential, oil shale a hard sell](#)

If the oil industry can learn how to extract oil and gas from the oil shale in a cost-effective manner, the United States could lay claim to oil reserves totaling, perhaps, 800 billion barrels — three times Saudi Arabia's.

With oil prices riding high and conventional crude reserves ever more difficult to find and produce, companies including Shell Oil Co., Chevron Corp., Exxon Mobil Corp. and Schlumberger are conducting research on a resource that could forever alter the geopolitics of energy.

But the history of oil shale has been a story of grand plans and locked gates.

[Gazprom considers gas sales to UK households](#)

LONDON (Reuters) - State-controlled Russian gas giant Gazprom is examining a possible entry into the UK retail gas market, a spokesman for the company's UK unit said on Sunday.

[Kuwait oil sector cuts power, water consumption; 16, 13 percent](#)

KUWAIT, July 13 (KUNA) -- The Kuwaiti oil sector has managed to cut its electricity and water consumption by 16 and 13 percent respectively by using steam turbines in oil refiners, a power official said here Sunday.

It has also saved 23 megawatts of electricity by scrapping an ammonia plant, Adel al-Jassem, assistant undersecretary of the Ministry of Oil for control and media affairs, told reporters.

[Thailand - E85, cheap diesel oil from Russia will tackle energy crisis: Samak](#)

Prime Minister Samak Sundaravej said his government would buy cheap diesel oil from Russia and support the use of E85 vehicles as parts of the government's measure to tackle energy crisis.

[U.S. Considers Increasing Pace of Iraq Pullout](#)

The Bush administration is considering the withdrawal of additional forces starting in September, as the need for troops in Afghanistan becomes more pressing.

[Bush, Democrats spar over gas prices](#)

WASHINGTON (AP) -- President Bush on Saturday tried to pin the blame on Congress for soaring energy prices and said lawmakers need to lift long-standing restrictions on drilling for oil in pristine lands and offshore tracts believed to hold huge reserves of fuel.

[Big Oil Not Sitting On Oil Acreage Despite Democrats' Claims](#)

Congressional Democrats now have their unified response to increasing calls for oil exploration in Alaska and in the waters off our shores: The energy companies, they say, are already sitting on plenty of oil, refusing to recover it.

But is that true?

[New England will freeze without fuel aid](#)

With mid-July temperatures in the 80s this weekend, most people are more concerned with paying to fill the gas tank for summer vacation at the lake or the beach than about keeping their families from freezing next winter.

But unless the federal government gets serious about the energy crisis that is wrecking the economy and hitting families financially, New England faces a possible catastrophe in a few months.

[Today's economic crunch feels like the '70s](#)

"There was a kind of extremism in the air," said Herb London, president of the Hudson Institute, a conservative, Washington-based think tank. "Conditions now are also kind of frightening. But the situation is not as extreme."

Still, today's list of potential villains sounds like a cast from the past.

[Rural airlines take flight: Service is too costly; passengers are too few](#)

Airline woes that make flights from hubs such as Las Vegas, Phoenix or Salt Lake City less convenient are making it downright impossible for rural residents to fly from small towns across America.

High fuel costs, lousy airline balance sheets and a shortage of suitable planes have left more towns than ever without scheduled air service this year, despite the government spending more than \$100 million annually to subsidize routes to isolated airports.

[A fuel-saving flight plan](#)

The path traced today by planes arriving at airports is a tangle of wasted time and fuel. A startup near Seattle has a program that makes landings simpler, shorter - and smarter.

[Futility Vehicle](#)

This is a story of selfishness and greed, of self-centeredness, envy and the ignorant folly of a person too short-sighted to realize she should count herself lucky because her college education didn't have to be paid for with the milk of a goat.

The tale could be called: I Can No Longer Afford to Drive My Car.

[Green motorists face 20-week wait for eco-cars](#)

GORDON BROWN'S desire to have all UK motorists driving electric or hybrid cars by 2020 could be undermined by a shortage of the most popular hybrid models on the market.

The increasing cost of fuel alongside the heavily discounted level of road tax for vehicles such as the Honda Civic Hybrid or Toyota Prius has led to an unprecedented demand that has caught car manufacturers by surprise.

[So, just how green will the eco-towns be?](#)

The plan to build 10 new eco-towns across the UK has been beset by fierce local opposition and concerns over the state of the housing market. But there has been little examination of the towns' green credentials.

[Diesel hits record, gas ticks higher](#)

NEW YORK (CNNMoney.com) -- The price of diesel fuel hit a record high and gasoline resumed its march upward, a daily survey from auto club AAA showed Sunday.

The price of diesel, which is used to power most trucks and commercial vehicles, hit \$4.817 a gallon. It had dipped to \$4.811 on Friday and Saturday after reaching a record \$4.814 last week.

[A New Fashion Catches On in Paris: Cheap Bicycle Rentals](#)

A year after the introduction of the sturdy gray bicycles known as Vélib's, they are being used all over Paris. The bikes are cheap to rent because they are subsidized by advertising, and other major cities, including American ones, are exploring similar projects.

[Say good bye to the good old days](#)

Here's what we know for sure about the latest energy crisis. The cost of virtually everything is going up. Our freedom to roam anywhere we want by car or by plane is being curtailed sharply by fuel costs. As rising prices force us to buy less, jobs will be lost, possibly our own. Interest rates are going to go higher, squeezing our finances. At the same time, the economic turmoil is shrinking our RRSP nest eggs. And no one really knows how bad it's all going to get.

[Vanpooling can keep you and your wallet happy](#)

BALTIMORE (Map, News) - With prices at the gas pumps continuing to skyrocket, most commuters are turning to alternative ways to travel. One convenient and affordable option that often goes overlooked is vanpooling.

Vanpooling became popular during the United States' last major energy crisis in the 1970s, and it has seen a revival in the past six months. The country's largest vanpooling organization — VPSI Inc. — reported a 48 percent increase in applicants this May compared with last year. Paul Volden, VPSI's marketing coordinator in the D.C. area,

said interest in vanpooling has almost doubled in this region from April to May, and he expects to see similar leaps when the June numbers are made available.

[Ford SUVs sales ride high in Middle East](#)

Ford, Lincoln and Mercury retail sales grew by 21 per cent in the Middle East during the first half of 2008, setting a record performance for the three brands across the region.

Led by a strong surge in Ford utility vehicle sales (up by nearly 50 per cent), the results show an increased consumer preference across the range and Ford believes this trend would get stronger with the launch of the all-new 2009 Ford Flex full-size crossover in the next quarter.

In UAE the trend was similar with an increase of 25 per cent.

[Indonesia: Exploding Subsidies](#)



Even though the wasteful burning of money through fuel subsidies has increased steadily to exceed even the combined spending on education, health and other social services, the President still doesn't get the real message.

How morally irresponsible it is for the government to allocate almost one-third of the state budget for such wasteful spending on middle-income and rich people when not even half of that amount is designated for education, basic health, social services and food subsidies.

[Energy war: India and China face off in Central Asia](#)

This week, as the oil prices soared to \$147 per barrel, the world energy scenario became bleaker. With the market analysts frequently talking about oil climbing up to \$200 by early next year, now there is no doubt that another oil shock — worse than its previous avatar in the 1970s — is staring at all the energy-hungry economies, particularly India and China.

[TWO VIEWS: Tapping oil reserves would free us from clutches of OPEC](#)

WASHINGTON -- To burst the oil bubble, use a drill! If Congress stands up to special interests and develops domestic energy sources, oil prices will tumble.

[TWO VIEWS: Renewable energy offers path to independence as oil production drops](#)

BLOOMINGTON, Ind. -- The United States, like any forward-thinking investor, needs to diversify its energy portfolio. The country is not going to be able to drill its way out of this energy crisis; oil will not save us.

[Maine: Governor touts energy Web site](#)

AUGUSTA: Gov. John E. Baldacci has unveiled a new Web page for consumers and businesses that want to find ways to reduce their energy costs. Before the development of the page, energy resources were scattered among various state government and private Internet sites, making information difficult to find.

[Obama to meet Energy Smart Debbie](#)

Amid skyrocketing oil, gasoline, coal, and electricity (coming to a neighborhood near you) prices, 2008 offers Americans quite serious and stark choices between knowledgeable, impassioned, and thoughtful candidates when it comes to finding paths toward a prosperous 21st century economy, on the one side, and Fossil-Fool candidates focused on tightening our shackles to the ever-more costly (pollution, financial, otherwise) and archaic oil-coal based energy system.

One of these stark choices comes in California's 46th district, where Huntington Beach Mayor Debbie Cook is running against ten-term Congressman Dana Rohrbacher.

Debbie was one of the first on the Energy Smart Act Blue page. Tomorrow, Barack Obama is going to meet Energy Smart Debbie. Let's hope that this is not for the last time. Let's look at some indications as to why.

[Peak oil meets global warming](#)

Oil production is peaking worldwide, at the same moment that global warming has emerged as the greatest environmental threat of the 21st century. This perfect storm has finally convinced the world that the time to act to avert disaster is now.

[Technology is there: More electric power and use of rails can offset the so-called energy crisis](#)

Those in the “peak oil” camp, who predict that we are about to run out of easily accessible petroleum, warn that the drop in global oil production will bring dire consequences. Writer James Howard Kunstler, and like-minded groups such as the Capital Region Energy Forum, predict the collapse of Western Civilization and the establishment of an “Amish Paradise.” Yet they forget history and underestimate the technology available to sustain our technological civilization.

[Capitalist answer to economic woes](#)

Under that definition of course we do not live in a capitalistic society by any means. And that is Mr. Donlan's point and main complaint. The real distortions, inequalities and environmental threats we face in this summer of discontent stem largely from efforts by governments and other special interests with power to affect outcomes through interferences of one kind or another.

The first case in point is the current version of the energy crisis that might better be classed as an extraordinary delusion and crowd madness. We have a sitting president doling out tax dollars so SUV owners can fill their tanks while his putative successors demand an America free of oil imports and the punishment of the very oil producers who are supposed to provide that freedom.

[Public transport not prepared for more passengers: Report](#)

The capacity of bus and train services are not prepared to cope with rising passenger numbers, a spokesman from the Australian Association for the Study of Peak oil has said.

Convenor for AASPO Bruce Robinson said that motorists should prepare their own fuel shortage plan in the wake of a CSIRO report that petrol may reach up to eight dollars a litre by 2018.

[Iran discovers new oil field to hold 1 billion barrels of crude](#)

TEHRAN (RIA Novosti) - A new large oil deposit with estimated reserves of more than 1 billion barrels of crude has been discovered in Iran, the Iranian oil minister said on Sunday.

Gholamhossein Nozari said the oil field, located in the southwestern province of Khuzestan, is believed to contain 1.1 billion barrels of crude, with recoverable reserves of about 220 million barrels.

Americans doesn't work any more

For almost four decades, when Saudi Arabia spoke, oil speculators listened. That is why U.S. presidents, starting with Franklin Roosevelt and including most recently George W. Bush, have courted the king of Saudi Arabia on matters related to oil.

The problem is that the reality of Saudi oil power has faded and no one, not even our so-called "oil" president or the Saudis themselves, seems to have acknowledged this new fact of life.

[Let 'peak oil' concept lead to peaks in other undesirable trends](#)

As doomsday scenarios go, "peak oil" is pretty frightening. It's not as dramatic as, say, an asteroid hurtling in from space.

But with gasoline at \$4.25 a gallon and our economy in shambles, it's gaining a sobering amount of currency.

[How to break free of oil](#)

A recent book, "Gusher of Lies," by Robert Bryce, a former fellow at a think tank funded in part by energy interests, described energy independence as a "dangerous delusion." And a 2006 Council on Foreign Relations task force went so far as to accuse those promoting energy independence of "doing the nation a disservice by focusing on a goal that is unachievable over the foreseeable future."

Ignore them. Energy independence does not mean that the United States must be entirely self-sufficient. It simply means reducing the role of oil in world politics -- turning it from a strategic commodity into merely another thing to sell.

[Do you want to know why Iran has a nuclear program?](#)

This is where Iran's nuclear program comes in. You see, even though we may be under the assumption that an oil well will produce oil indefinitely, reality is much different. One of the most important observed properties of oil wells is that they follow Hubbert's peak theory postulate, "that for any given geographical area, from an individual oil-producing region to the planet as a whole, the rate of petroleum production tends to follow a bell-shaped curve."

[Guatemala added to Venezuelan oil pact](#)

MARACAIBO, VENEZUELA — President Hugo Chavez said Saturday that he is

expanding his Venezuela's Petrocaribe oil-supply pact to include Guatemala.

Through the pact, oil-rich Venezuela provides nations with oil under preferential terms, including long-term loans and the option of paying for at least some of the costs with goods and services.

"It is an obligation to help the weakest" countries, Chavez said in a televised address.

"The United States would pay us \$200 a barrel for oil - give it to me then," said Chavez, whose nation is the world's 10th largest oil producer. "Now Haiti, no. Haiti gets preferential treatment. Socialism says: To everyone according to their needs."

[UAE's oil reserves to last 92 years: IEA](#)

The United Arab Emirates (UAE) has total oil reserves of around 98 billion barrels of crude and, at current rates of exploitation, the stocks would last 92 years, the International Energy Agency (IEA) said in a report.

['Professionals' blamed in Fayette County rail theft](#)

A nonprofit Fayette County economic development agency is offering a \$5,000 reward for information leading to the arrest and conviction of the people responsible for stealing about 400 feet of steel rails from a little-used railroad spur in Smithfield Borough and Georges Township.

Related: [Metal thefts pose problems for railroad](#)

[Brits raiding savings to pay bills](#)

Nearly two-thirds of people said they had seen a noticeable increase in the cost of food during the past three months, while 61% said they were spending more on petrol and energy, and 44% faced higher council tax bills.

[Airlines, truckers point fingers over speculation](#)

SAN FRANCISCO -- Two of the industries with the most at stake from efforts to curb financial speculation in oil ratcheted up their marketing campaigns this week, with an eye on influencing a raft of new bills in Congress.

The public pressure dovetails with another round of new records reached for crude-oil futures and a growing exasperation among many lawmakers that they must act to reverse climbing prices before leaving for their August recess.

[So, he asked me, when will oil come down?](#)

MADRID (Reuters) - I sank into my seat in the air-conditioned taxi. Heading home from the World Petroleum Congress, exhausted by days pestering top oil producers about when prices might come down, I gazed at the parched scrubland around Madrid.

"Tell me," the taxi driver interrupted. "When are fuel prices going to fall?"

He peered accusingly in the rear-view mirror.

"Every day they just go up and up. But when are they going to go down?"

That question again.

[37 arrested at Australian climate protest: police](#)

SYDNEY (AFP) - Thirty-seven people were arrested at a climate change protest in Australia on Sunday when they blocked a railway line delivering coal, police said.

Organisers said as many as 1,000 people attended the protest march from Newcastle to the nearby Carrington coal terminal, where some demonstrators broke through a fence and chained themselves to a stationary coal train.



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