



DrumBeat: July 20, 2008

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Topic: [Miscellaneous](#)

[To Save Gas, Shoppers Stay Home and Click](#)

To go shopping these days, more Americans are trading in their car keys for a keyboard.

Online shopping is gaining at a time when simply filling up a gas tank to head to the mall can seem like a spending spree.

A number of retailers — including Gap, Victoria's Secret and J. C. Penney — are experiencing double-digit sales growth at their shopping Web sites, creating a surprising bright spot during an otherwise gloomy time for sales in brick-and-mortar stores.

[Gas under \\$4? It may be closer than you think](#)

Drivers could see gasoline prices below \$4 by Labor Day, and even a nickel decline within days, after oil prices fell again Friday.

[Peak Oil: The End Of Ferry Services Between Japan And Taiwan?](#)

Before air travel, how on earth did people get around the globe? For a brief moment in history, there were steam ships and then diesel ferries. Now, due to high fuel costs, such ferries may no longer be a solution to your travel needs.

[A just transition?](#)

In the past few months, outbreaks of industrial unrest and protest have been occurring throughout Europe in the industries most affected by the rising price of oil. Starting with Grangemouth refinery, Unite workers in went on strike over reduction in pension rights. Workers in haulage companies delivering to petrol forecourts followed in a dispute over pay. More recently we have seen the protests of the haulage companies themselves demanding special reductions in tax on fuel — by the time this article goes to press, we will know whether Gordon Brown has held his nerve on that. In France, railway workers and fishermen have been involved in industrial action and in Spain public transport workers have likewise struck over the impact of the rising price of fuel. Meanwhile, oil

companies continue to make record profits. These are signs of things to come.

[Even oilmen believe our planet is burning up](#)

When I started on this journey, three years ago, oil was 50 dollars a barrel and the Peak Oil theorists were dismissed as alarmist fringe elements. We were apparently at least 50 years away from Peak Oil. Anyone who dared to say different was simply laughed at.

But then I met a man employed by the oil industry to collate data on oil reserves, and he told me that already we are not producing enough oil to meet demand, and even if output were increased, it would be used up by growing demand from China and India.

So, I asked, what did this mean?

'A global crash,' he said, 'at a guess somewhere between 2008 and 2010.'

[Decreasing vehicle miles traveled a sign of the times](#)

For the first time in decades, Americans are driving less by combining trips, reducing discretionary driving and using public transportation. According to the Federal Highway Administration, vehicle miles traveled dropped by 2 percent in the first part of this year compared to a year ago — the steepest decline since 1942, when the highway administration began keeping records.

It is difficult to know how much of the reduction is the product of temporary changes in driving patterns caused by oil price sticker shock; drivers could quickly revert to their old behavior if prices fall again.

Still, some developments suggest that more lasting societal changes may be under way. Public transportation systems in some parts of the country are operating at or near capacity and are developing expansion plans.

[Costs hit seniors' meals](#)

The economy has free-meal programs in a vice, forcing them to consider not feeding some needy clients and making it harder to keep and recruit the volunteers who serve them.

Gas prices have forced many volunteers to pull back or quit giving their time. They are crucial to boxing and delivering meals to folks who have trouble feeding themselves.

[Bangladesh: No more gas-based power plant](#)

Special Assistant to the Chief Adviser Prof M Tamim yesterday called upon the political parties to reach a national consensus on energy related issues for ensuring energy security for all in 2020 in the country.

Dr Tamim said, no more gas-based power plant would be set up in the country as there is a shortage of the fossil fuel.

[A Rational Plan To Solve Our Critical Shortage of Oil And Natural Gas](#)

Many of the existing drilling leases are in areas that are difficult and time consuming to exploit. For example, some are in very deep water and some require long pipelines. The key to fast and successful production is to allow determination of the potential in each areas. This would allow drilling in optimum locations to produce oil and gas in the shortest time.

[Energy independence is well within America's reach](#)

Geological surveys indicate that America has more oil reserves offshore, and in its interior, than the combined reserves of Iran, Iraq and Saudi Arabia. But Congress, at the behest of environmentalists, has made it illegal to drill in 85 percent of America's offshore territory and other promising areas.

[BP block \\$1.8B dividend from Russian partner](#)

LONDON, England (AP) -- A British newspaper has reported that BP PLC blocked a \$1.8 billion dividend payment from its Russian joint venture in an effort to pressure its billionaire partners.

[Work resumes at Iraq refinery in once-violent area](#)

BAGHDAD - An oil refinery in Iraq's western desert has resumed production, the government said Sunday, as part of an outreach to an area once controlled by Sunni insurgents.

[Purdue Panel Finds Misconduct by Fusion Scientist](#)

INDIANAPOLIS (AP) -- A Purdue University panel has found two instances of misconduct by a researcher who claims he produced nuclear fusion in tabletop experiments.

Rusi Taleyarkhan made headlines in 2002 when he published a paper in the journal Science claiming that he had produced nuclear fusion by making tiny bubbles collapse in

a liquid. The new report found misconduct in subsequent papers.

[Coal carves a place in the future of global energy](#)

As the price of oil and natural gas soars, many customers are looking to coal as an alternative fuel. That means a boon for suppliers -- and a potential bane for the environment.

[Channel 4 to be censured over controversial climate film](#)

Channel 4 misrepresented some of the world's leading climate scientists in a controversial documentary that claimed global warming was a conspiracy and a fraud, the UK's media regulator will rule next week.

In a long-awaited judgment following a 15-month inquiry, Ofcom is expected to censure the network over its treatment of some scientists in the programme, The Great Global Warming Swindle, which sparked outcry from environmentalists.

[Does Al Gore Finally Get It?](#)

Al Gore has always gotten climate change, global warming, and CO₂ levels. He "got it" before I did. The carbon dating of the ice-core samples was enough scientific data to prove to me, engineer that I am, that the CO₂ levels are exponentially increasing due to man's activity on Earth: specifically burning fossil fuels. The ice caps shrinking, glaciers receding, ocean levels rising, the threat it all poses - I buy it. He was spot-on. Gore deserves the Nobel Prize and the Oscar for "An Inconvenient Truth". He has led the way.

However, in some ways, Al Gore has done a disservice to his own cause by warning about the consequences of global warming instead of the realities of worldwide oil production versus demand. As I have said for years now, the biggest, most imminent threat to the US economy and indeed to worldwide civilization as a whole, will be the inability of worldwide oil production to meet worldwide oil demand while our economies is still oil based.

[All Tickets, Please](#)

As oil prices rise, businesses and consumers alike are ditching planes and cars for more-efficient rail.

[9/11 and 4/11](#)

I am reliably told by a Bush administration official that there is an old saying in Texas that goes like this: "If all you ever do is all you've ever done, then all you'll ever get is all you ever got."

Could anyone possibly come up with a better description of President Bush's energy policy? America is in the midst of its worst energy crisis in years and what is the big decision our Decider has decided? Drum roll, please: Our Decider decided to lift the executive orders banning drilling for oil and natural gas off the country's shoreline — even though he knew this was a meaningless gesture because a Congressional moratorium on drilling passed in 1981 remains in force.

[Boat owner reports costly fuel theft](#)

MARSHFIELD, Mass. -- A South Shore business owner reported hundreds of gallons of gas stolen from ships docked at his marina.

Dave McShain reported the crime to police after taking one of his vessels out and noticing the gas gauge was on empty.

Several hundred gallons of diesel fuel were stolen from four yachts all together.

[Boat fuel laced to beat thieves](#)

A vigilante movement has set up its own 'boom and bust' scheme to fight thieves beating the fuel price explosion by taking petrol and diesel from boats moored at Exmouth Quay.

Some boat owners have been allegedly mixing acetone into "bait" fuel cans in a bid to blow the engines of anyone stealing fuel for their own vehicle.

[RUSS FEINGOLD - Oil in the bank: Are leaseholders holding out on pumping?](#)

Coal companies already comply with requirements that they diligently develop federally leased lands - why should oil companies be given special treatment? My bill would create industrywide accountability standards, which many of the oil companies say they are already capable of meeting. So why are they putting up such a fight?

[Pakistan: Govt's handling of food and energy crises criticised](#)

ISLAMABAD: Severe energy crisis coupled with the skyrocketing food inflation is afflicting nearly 37 million Pakistanis living below the poverty line while the government

seems to be clueless about dealing with these problems that threatens its economic viability, Islamabad Chamber of Commerce and Industry (ICCI) president Muhammad Ijaz Abbasi said Saturday.

[The Oil Price - How Long Can It Go on Rising?](#)

There is a hysteria about what the reserves are. But there is an even worse hysteria produced by a guy called Simmons. I have met him, he is a fun guy, but he is dangerous.

...Simmons has said, "It cannot produce anymore. It is declining, and there is water in it." Well, every field has water. If there isn't water in it, the oil doesn't come out! Oil is not like a swimming pool, it is in rock, in porous rock. There is water and gas, so when you make the hole, you bring the pressure down, and the water pushes up, so all oil has water in it, and you have to take it out. He claims it's a lot more, and makes a comparison with a field in Oman which is declining. But this is like comparing a calf with an elephant. A small thing with something big. He has written nonsense on Ghawar.

[Looking to Mid-Atlantic for oil](#)

With energy costs continuing to climb, politicians in Washington are again casting their gaze to the waters of the Mid-Atlantic, and the oil and natural gas reserves that geologists believe lie beneath. New talk of offshore exploration has the region's environmentalists on edge.

[Sabic's Net Income Gains 17% on Fertilizer Demand](#)

(Bloomberg) -- Saudi Basic Industries Corp., the world's biggest chemicals maker by market value, reported second- quarter profit increased 17 percent on rising fertilizer demand and access to discounted oil-based feedstock.

[Why the world's economies are sinking](#)

The current economic slowdown may look global, but it might turn out to be the first in history that hits rich countries harder than developing ones.

[U.S. Sen. Elizabeth Dole: Energy future requires comprehensive action](#)

One day, we'll be free from the stranglehold of high gas prices and dependence on foreign oil. We'll power our economy with alternative energy sources, leaving the petro-tyrants in Iran, Venezuela and Russia unable to hold the world economy hostage.

To get us there, I support a "kitchen sink" policy. We need to throw everything and the

kitchen sink at our energy crisis — conservation, alternative energy, exploration and market fairness.

[Texas oilman taps into well of U.S. anger](#)

Our nation is in desperate need of national leadership on many issues. In particular the American people are searching for someone to put them first in dealing with our emerging national energy crisis. Can we trust an oilman to lead us away from our addiction to oil when he and his friends make millions by keeping us hooked? I say, yes.

The negative impact this growing energy crisis is having on the American economy is dangerous and profound. One year ago we were concerned when the price of oil exceeded \$50 a barrel and was selling for the previously unheard of price of \$86.

[Internet entrepreneur returns to solar energy](#)

LOS ANGELES: In 1973, when Bill Gross was 15 and cars were lined up at every gas station in Southern California, he wanted to do something about high energy prices.

An aspiring engineer, he figured out how to build parabolic concentrators and Stirling engines to capture the sun's energy, selling the plans for \$4 apiece through ads in Popular Science magazine.

Gross, now 49, is again building solar power projects after a lengthy detour through the early days of the Internet.

[The coming black plague?](#)

Dr. Brian Schwartz, co-director of the program on global sustainability and health at the Johns Hopkins Bloomberg School of Public Health, said governments should start planning for a worst-case scenario, with soaring oil prices disrupting food supplies, just as they plan for other possibilities like nuclear war and bioterrorism.

"We have an industrial model of food production that requires intense amounts of fossil fuels," Schwartz said. "Food is going to be a huge problem for us."

[California must wake up to looming fuel crisis](#)

Like it or not, oil fuels the engines of industrialized economies. In California, we burn through nearly 20 billion gallons of the stuff each year just driving around. Then there's the oil we use to grow and transport food and pump water, the oil that fuels planes,

trains and cargo ships, and the oil that is embedded in every computer, every inch of asphalt and every bit of plastic. So imagine my surprise when I learned that oil supplies are running out - and that the federal government is doing nothing to prepare for it.

[We're running low on oil](#)

The United States consumes around 20 mbpd, or 24 percent of the world's total daily production of petroleum, and about half is imported. While discretionary driving is down, a high demand for fuel is still built into our economy; we can't cut consumption rapidly without causing economic dislocation and hardship (e.g., cold homes or empty shelves this winter). However you slice it, with just 4 percent of the world's population, we consume 24 percent of the liquid fossil fuels. I leave the ethics of this to your individual consciences.

Be skeptical of any discussion of oil prices that fails to mention depletion. In the end, geology, not economics, determines the amount of oil that can be supplied.

[Civilians and oil firms flee Niger Delta as guerrilla attacks worsen](#)

Threatened with beheading and harried by pirates who robbed them, people fleeing the Niger Delta's Bonny Island this weekend struggled to reach Port Harcourt, the regional capital, as the conflict worsened between armed groups and Nigeria's armed forces.

Barely reported amid attacks on oil facilities and their expatriate staff, the story of what has been happening on Bonny Island - site of the giant Nigeria liquefied gas plant - is a story of two communities in conflict: the better educated and paid incomers from outside the delta and the economically marginalised indigenous Ijaw.

[Oil sands boom swamps the Canadian wilderness](#)

For oil majors who are finding it difficult to locate new reserves, the attraction of Canada's oil sands is strong. Resource nationalism, where countries bar foreign companies from their oil, is on the rise, as shown by BP's spat with its Russian partners over its joint venture TNK-BP. The issue of reserves is particularly sensitive for Shell, which had to downgrade almost a quarter of its booked proven reserves four years ago, a scandal that led to the ousting of then chief executive Phil Watts.

But development is controversial. Untreated oil sands have the same consistency as peanut butter. Steam is pumped into the sludge to separate the oil from the sand and water. Huge upgraders are needed to treat the oil before it can be refined conventionally, and the process creates at least three times as many greenhouse gas emissions as conventional oil production. The environmental organisation, the Pembina Institute, estimates that by 2030 the emissions produced by the industry in Canada could total more than a quarter of the UK's current emissions. Production also devastates the boreal forests and wetlands which cover northern Alberta.

[How Russia strives to dominate oil](#) (Review of *Petrostate*)

For anyone with knowledge of economic warfare, the opening scene in Marshall I. Goldman's new book evokes a shudder. Russian hosts take him into a darkened room that is the "brain center" of Gazprom, the world's largest producer of natural gas, in an office building high above Moscow.

"In front of me," Mr. Goldman writes, "covering the whole 100-foot wall of the room, was a map with a spiderweblike maze of natural gas pipelines reaching from East Siberia west to the Atlantic Ocean and from the Arctic Ocean south to the Caspian and Black seas. Manipulating this display were Gazprom dispatchers, three men controlling the flow of Gazprom's gas to East and West European consumers of this Russian natural gas monopoly"

[Chief Says Exxon Will Keep Doing What It's Doing](#)

Q. Many energy experts were caught flatfooted by the rapid rise in prices in recent years. How do you explain it?

A. I was surprised by how rapidly the price ran and how high it ran. It clearly is a demand-driven price run-up that we've seen, especially in emerging economies because of price controls and subsidies. We are not seeing the normal market signals responding normally. That's one of the causes behind the rapid run-up.

[Energy debate should be based on facts](#)

America needs a balanced energy policy that blends increased production with greater efficiency and an aggressive shift to new sources and technology that will end what President Bush has rightly describes as an "addiction to oil."

[Oil companies already can drill](#)

Oil companies already hold leases on 68 million acres of federal lands that aren't being drilled. If they were, the oil companies could produce an additional 4.8 million barrels of oil per day, nearly doubling U.S. oil production, cutting imports of foreign oil by one third, and far exceeding ANWR's potential output. The government has already given them the green light. Over the last eight years, the number of drilling permits has gone up by 361 percent. The question is: Why won't the oil companies start drilling?

[The Philippines: Oil firms to cut diesel prices by P1.50/liter](#)

Dureza said the price cut was the result of President Arroyo's appeal to oil companies to lower their diesel prices.

He was also quick to clarify that the move was not connected to the latest Social Weather Stations survey results showing Mrs. Arroyo's net satisfaction rating in June plummeting to -38.

[China warns Exxon over Vietnam deal - newspaper](#)

HONG KONG (Reuters) - China has warned Exxon Mobil Corp to pull out of an exploration deal with Vietnam, describing the project as a breach of Chinese sovereignty, the South China Morning Post reported on Sunday, citing unnamed sources.

The article, which cited "sources close to the U.S. firm", said Chinese diplomats in Washington had made repeated verbal protests to Exxon Mobil executives in recent months, and warned them its future business interests on the mainland could be at risk.

[Small Thinking](#)

With \$4 gas prices, designers on the frontline of production say there is a renewed focus on small, fuel-efficient cars.

[Recession could have a silver lining for us and planet](#)

Our lifestyles, as we became more rich and privileged, became ever more wasteful. Cobblers went out of business because people just threw shoes away rather than getting them repaired. Household appliances were replaced because they did not match the new kitchen decor, not because they did not function. Children were casually tossed €20 or €30 every day to purchase their paninis and lattes, because packed lunches were so 1990s.

Meanwhile, we managed to ignore the real poor in our midst, and consign them to the category of losers. Strange how that tendency fades when we ourselves experience a touch of economic frost.

[Shifts and Faultlines in the World Economy and Great Power Rivalry](#)

This is a research essay about changes in global capitalist accumulation, newly emerging relations of strength among imperialist and regional powers, and the force of competitive pressures and tensions. It is about great-power rivalries in a world system based on

exploitation. To use an analogy to the complex motions of large parts of the Earth's crust and upper mantle, this is a discussion of shifting tectonic plates in the world economy: some of their longer-term movements and some of the more sudden and unexpected eruptions.

[UK: Open Space event to discuss sustainable future for Exmouth](#)

THE biggest move yet in an Exmouth group's bid to encourage sustainable ecological living will gather residents to plot a future less dependant on oil.

As the world comes to terms with the issue of 'peak oil', as oil production inexorably begin to decrease, the Transition Town Exmouth (TTE) group seeks to foster plans for an oil-free Exmouth.

[Oil Shock](#)

For more than a year the U.S. economy has been reeling from the housing and credit crises, but now it's staggering from the blow of rising energy and food prices. The impact of \$4-a-gallon gasoline is rippling outward as Americans cut spending of all sorts. Every month it seems as if another major economic sector hits the skids: first it was housing and construction, then automobiles and airlines, then tourism and, finally, back to housing with the implosion of Fannie Mae and Freddie Mac.

What ties all these crises together is cheap energy, which drove years of suburban sprawl, SUV sales and big-box consumption. That's all in the past, however. The United States consumes 12.4 million barrels of imported oil products a day. At \$140 a barrel, that comes to \$633 billion a year — a huge transfer of wealth to oil companies and oil-producing countries and four times the annual cost of the Iraq War.

[Inflation and the Spectre of World Revolution](#)

In Asia, particularly Pakistan, India, Indonesia, South Korea, Philippines, Nepal, Mongolia and China, hundreds of millions of workers, peasants, artisans and low-paid self employed workers, as well as house-wives and pensioners have engaged in sustained mass protests as they experience a decline in the quality and quantity of food purchases as prices skyrocket. In Africa, hunger stalks the land and major food riots have occurred from Egypt through Sub-Saharan Africa to South Africa. In the Caribbean, Central and South America, food riots have led to the overthrow of regimes, mass protests, road blockages from Argentina, Bolivia, through Colombia, Venezuela and Haiti.

[Climate won't wait, Mr Rudd](#)

THE first of Nelson Mandela's eight lessons of leadership is that "Courage is not the absence of fear - it's inspiring others to move beyond it". If ever our planet needed inspiring leadership it is now, as we face the twin threats of climate change and peak oil.

Our leaders need the courage to take the bold, far-sighted action we need if we are to survive this challenge and emerge better off. In perhaps as little as two decades we have to radically transform our society and economy.

[Rudd sails through greenhouse test despite lack of green flagellation](#)

The Rudd Government is never going to win a medal for political bravery. It's not in the same league as Hawke-Keating Labor. Even so, it's done a better job with its first step towards a carbon pollution reduction scheme than many people accept.

[Scientists to discuss climate risk posed by wetlands destruction](#)

SAO PAULO (AFP) - Moves around the world to drain marshes and other wetlands to make space for farming could be hastening climate change, scientists gathering in Brazil from Monday will be hearing.

[A Disappointing Truth](#)

Al Gore gave a big speech about global warming last week. He was thunderous and prophetic. He said "the survival of the United States of America as we know it is at risk." He implored the nation to stop burning dirty coal, gas and oil — in just 10 years. In a policy context, that's like sending the nation to destroy the One Ring in the fires of Mount Doom.

So here's a question: If the job is so huge and urgent, why is the ad campaign so pedestrian?



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