

Back from the future collapse

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With his book "Reinventing Collapse", Dmitry Orlov reports to us from a collapse that he has actually experienced with the fall of the Soviet Union. Russia's past is our future and Orlov's book is a time machine to there.

Back in the mid 1990s, during the darkest time of the Russian economic crisis, the vagaries of my job of university researcher took me several times to Russia. Once, I came out of a train station in Moscow to face a long line of people standing along the wall of the building. Each one had something on sale in his or her hands: a pair of shoes, a shirt, a bottle of vodka, or something like that.

In any town, it is easy to see wretched people; especially rich cities seem to have more than the average share of beggars. But that line in Moscow was something different. These people were not bums coming out of the local skid row. They were ordinary Russians, the kind of people you saw normally taking the subway every morning to go to work; spending their time in front of a computer screen in an office; and, in the evening, back to the subway to go back home to watch TV. And now they had to stand on a line in front of the train station selling an old shirt of theirs. It wasn't just a question of people having to sell their old shoes; Russia was in shambles: no money, no salaries, empty shops, little food.

At that time, I was completely baffled; what the hell was going on? The Russians themselves couldn't understand. Mostly, there was some vague talk that all problems could be solved by adopting free market and democracy. That was being tried, but it didn't seem to help.

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What had happened became clear to me only much later, when I understood that, in Russia, I was looking to my own future. It was Douglas Reynolds, American economist, who explained it to me when he came to my university and he gave a talk on the Soviet collapse. The Soviet Union had not collapsed because it lacked democracy or free markets, even though, surely, the bloated bureaucracy and the mad military expenses had helped. It had collapsed because of peak oil. Soviet Oil production had peaked in 1987, together with the crash of oil prices in the world market. Without the revenue coming from oil exports, the Soviet Union simply went bankrupt and disappeared.

Later on, things changed again. Having reduced its military expenses and having cut on bureaucracy, Russia could invest considerable resources in upgrading the old oil fields. With oil production picking up again, the Russian economy started to recover. In Moscow, money came back, first it created an entire new class of super-rich, but eventually it flowed also to the pockets of ordinary people. Restaurants opened, the shops started selling goods again and you wouldn't see any more lines of people selling old shoes in front of the train station.

Today, the dark years of the Russian economic collapse seem to be almost forgotten. Yet, it is a story that can still teach us something. If the collapse was a consequence of the Soviet peak oil, it was basically unavoidable. Then, it is unavoidable also for the whole world, as the global peak oil is approaching. Right now, in September of 2008, the turmoil that is taking place in the financial markets may be the first signs of the impending global collapse.

Several people have recognized the consequences of peak oil and have tried to imagine the future worldwide collapse. Among many others, Howard Kunstler has told us of the long emergency; Jay Hanson saw the global "dieoff" and Richard Duncan gave us the "Olduvai scenario", that is the return to stone age. But none of those who are talking about collapse have actually lived through a real one. Except one: Dmitry Orlov. Born and raised in Russia, Orlov reports to us in his book "Reinventing Collapse" his view of someone who has really been there, as opposed to that of someone who has just heard of it.

The basic thesis of "Reinventing Collapse" is that the Soviet Union and the United States are similar organizations that are following identical paths, although shifted in time of a few decades. Sure, there were many obvious differences in the way things were managed in the two superpowers. But the bottom line was that they were two empires whose power was based on mineral resources - mainly crude oil. With the local peak oil in 1987, the Soviet Union had to close shop and disappear. The US saw its national peak oil in 1970, but managed to keep running by taking control of the Middle Eastern oil. However, that was just postponing the unavoidable. The destinies of the two countries are the same and now it is time for the US to experience collapse.

The book by Orlov is impressive in its details and its deep insight. I found it completely convincing on the basis of my own experience in Russia and Ukraine. The book is like a time machine, with Orlov coming back from the future and telling you all the details of it; including what you are going to eat, how you are going to take a shower, how you'll find to find shelter and how to travel. That is, of course, if you'll be able to do that; all these things are not at all granted during a collapse. But Orlov gives you plenty of useful tips on how to survive and even be - moderately - happy. Look at what is around you and ask yourself, "will it survive the collapse?" If it won't; then start thinking how you can do without it. Then, be flexible and try to adapt. If you know what to expect, at least you won't suffer of depression.

One last comment about this book is relevant to the members of the Western "peak oil movement". According to Orlov, there was something similar in the Soviet Union. It was a clandestine movement which, nevertheless, managed to gain a good understanding of what was going to happen and to publish it in the "samizdats", home printed documents; the only way to bypass the official information circle before the internet era. Those people got everything right but, of course, they were ignored. After the collapse, they were ignored as well. In a world where

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 collapse had already occurred, there was no more interest in knowing exactly why it had
occurred. So, if you are in the peak oil movement, don't worry too much. Whatever you do or say, it won't change a thing. So, take it easy!

Gail the Actuary has also reviewed Orlov's book on The Oil Drum. Note also Dmitry Orlov's blog "ClubOrlov". You can find Orlov's book here <u>Reinventing collapse</u>

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