



## DrumBeat: October 5, 2008

Posted by [Leanan](#) on October 5, 2008 - 10:11am

Topic: [Miscellaneous](#)

### [Tough times may force saner lifestyle choices](#)

Well, here we are at the beginning of the Not-So-Great Depression. After years of living beyond our means and having too much on our plates, now we will have just enough - if we're lucky.

Whether the current economic downturn lasts five years or 20, it will radically alter our lifestyles. Our material culture will be significantly dematerialized.

Meanwhile, the global environmental crisis is building toward a crescendo. Like a gigantic version of the 1930s dustbowls, it is beginning to settle and choke the very basis of our lives and livelihood. Critical resources are rapidly disappearing, and environmental devastation is draining the global economy. The economic and ecological crises are deeply intertwined, and we are about to experience their combined impact.

How can we survive this unique global transition? What will our lives look like if and when we manage to develop a sustainable economy that balances resources and consumption? What steps can we take to achieve happiness and well-being, knowing that most Americans will have fewer material possessions?

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### [Peak oil and retirement](#)

Stockmarkets are plunging worldwide and retired people everywhere are watching with great discomfort as the value of their investments decline. Declining retirement incomes and inflating food and fuel prices are placing great stress on the elderly. The current dramatic volatility in the oil price is symptomatic of the tight supply (amplified by speculation and the current financial chaos) and is what one expects as the world peak of oil production is approached.

For many of us in the middle of our working careers the state of the stockmarket may not be as immediately worrying. However, the Australia of 2020 and beyond into which we will "retire" will be a very, very different place from 2008.

### [36 Opportunities for the Beginning of the Bull](#)

Fundamental arguments that are being made today are completely opposite to those made by the same people just two or three weeks ago. Take the peak oil theory, for instance. Analysts who pushed that particular story are now saying the world has too much oil for the present state of the economy.

### [Battle for business begins as military hostilities in Iraq take peaceful turn](#)

A fall in the number of attacks across Iraq has emboldened a growing list of companies, including ArcelorMittal, Royal Dutch Shell and Cairn Energy, to explore opportunities in the resources-rich country for the first time since the invasion.

Southern Iraq, where British forces have been based since 2003, is an area of particular interest, sitting on one of the world's biggest oil and gas reserves. It also has a strong industrial and agricultural base and the country's only port.

### [Crude shipments from Georgian port plunge](#)

Tbilisi: Georgia's Black Sea port of Batumi shipped less oil in August and September with damage to a railway line carrying oil in fighting with Russia being a factor in the drop, a source at the terminal has said.

### [Fewer luxury cars, whiskey-fueled parties in future for Venezuela's state employees](#)

CARACAS, Venezuela (AP) \_ Bureaucrats in oil-rich Venezuela can look forward to fewer expensive SUVs, top-of-the-line mobile telephones and whiskey-fueled parties next year.

Finance Minister Ali Rodriguez said Sunday that Venezuela's 2009 budget "will have significant restrictions" compared to this year's US\$63.9 billion plan as President Hugo Chavez's government keeps a close watch on slumping international oil prices.

### [Reactor shortage to sour India's nuclear dream](#)

In the 1980s, there were about 400 nuclear suppliers and 900 nuclear-certified companies in the US. These have shrunk to fewer than 80 suppliers and 200 certifications.

The euphoria of the nuclear deal will soon die down and it will be time to deliver on the promise to supply electricity. The crucial problem of supply of uranium is said to have been resolved, but little has been said about the shortage of critical components for building new nuclear reactors worldwide. The problem starts with the heart itself — the reactor.

## [Receding Horizons for Alternative Energy Supplies](#)

When energy optimists tout the huge supply of oil that is still available to us in the form of tar sands and oil shale, they forget to mention that costs are rising so quickly for producing that oil that these alternative sources may prove to be of limited value. The same cost problems are occurring in the renewable energy field as well. What is behind this phenomenon sometimes referred to as the problem of receding horizons?

Those who claim that we will have plenty of energy and perhaps enough oil for a hundred years or more have so far failed to understand why the rising price of oil is making it more difficult both to extract new sources of oil and to deploy renewable energy from wind and solar.

## [BP Solar Nixes Factory Expansion: Proof of Industry Oversupply?](#)

BP Solar (a subsidiary of energy giant BP) has canceled a \$97 million plan to expand manufacturing in Maryland, citing an increasingly intense competition in the global market.

## [Algerian minister rules out Algeria to be affected by current financial crisis](#)

ALGIERS (KUNA) -- Algerian Minister of Energy and Mines and current Chairman of the Organization of Petroleum Exporting Countries (OPEC) Chakib Khalil ruled out on Sunday that the cartel would be affected by the current global financial crisis, at least in the short term.

## [Boomtown of Dubai Feels Effects of Global Crisis](#)

But as recession looms in the West, cracks are appearing in the oil-fueled boom that has made Dubai, with its futuristic skyscrapers on the turquoise waters of the Persian Gulf, a global byword for unfettered growth.

Banks are reining in lending, casting a pall over corporate finance and building plans. Oil prices have been dropping. Stock markets across the region have been falling since June. After insisting for days that the oil-rich Persian Gulf region was fully “insulated” from financial troubles abroad, the Emirates’ Central Bank made about \$13.6 billion available on Sept. 22 to ease credit problems, in an echo of bailout measures in the United States. Already, some bankers are saying it is not enough.

## [Pentagon Hands Iraq Oil Deal to Shell](#)

The fact that the U.S. government secretly facilitated dealings between Shell and the Iraqi Oil Ministry for no-bid contracts; that the U.S. military — the primary occupation force in Iraq — regularly pays Shell billions of dollars each year; that on the heels of a contract worth hundred of millions of dollars with the U.S. military, Shell just inked a deal with the with occupied Iraq and set up an office in the U.S. military's secure "Green Zone" should raise myriad questions about the tangled relationship between the major players in Iraq. These complex issues go ignored because they are viewed as so routine as not to be worth mentioning, but in any other context the confluence of guns, oil and billions of dollars would certainly raise eyebrows.

### [Nigerian oil rebels release 19 hostages](#)

LAGOS (AFP) - Militants behind a recent "oil war" in Nigeria's Delta region on Sunday freed 19 local hostages but said they were detaining two Britons and a Ukrainian "for security reasons".

"The Nigerian hostages rescued from pirates by the Movement for the Emancipation of the Niger Delta have been released in Rivers state," MEND said in an email statement to the media on Sunday.

### [ConocoPhillips, Abu Dhabi win Kazakh oil rights](#)

DUBAI, United Arab Emirates: Abu Dhabi's Mubadala and U.S. oil giant ConocoPhillips say they have signed a deal with Kazakhstan's national oil company to drill in a potentially lucrative oil and gas region in the Caspian Sea.

### [Q&A: Why gasoline supplies went south](#)

The frustration of finding and queuing up for gasoline left metro Atlantans with a lot of questions in the past few weeks. Here are some answers.

### [AP Investigation: Ike's environmental damage apparent as storm hit pipelines, oil platforms](#)

WASHINGTON (AP) — Hurricane Ike's winds and massive waves destroyed oil platforms, tossed storage tanks and punctured pipelines. The environmental damage only now is becoming apparent: At least a half million gallons of crude oil spilled into the Gulf of Mexico and the marshes, bayous and bays of Louisiana and Texas, according to an analysis of federal data by The Associated Press.

In the days before and after the deadly storm, companies and residents reported at least 448 releases of oil, gasoline and dozens of other substances into the air and water and onto the ground in Louisiana and Texas. The hardest hit places were industrial centers near Houston and Port Arthur, Texas, as well as oil production facilities off

Louisiana's coast, according to the AP's analysis.

"We are dealing with a multitude of different types of pollution here ... everything from diesel in the water to gasoline to things like household chemicals," said Larry Chambers, a petty officer with the U.S. Coast Guard Command Center in Pasadena, Texas.

### [Fuming over gas questions](#)

Gulf Coast damage from hurricanes nearly a month ago has subsided, but consumers almost a thousand miles away in Knoxville are still reeling from fluctuating gasoline prices and short supply. As the costs they're counting grow, their frustration does, too, and many are demanding explanations.

Prices have dropped to below-hurricane levels but intermittent outages at reliable retailers around the area continue to spook motorists, who increasingly are driving to more than one location to find gas. Businesses that depend on gas or diesel for delivering products and services also are tallying the expense.

### [Skyrocketing gas station complaints mean Flint-area grocery stores not getting inspected as much by the state](#)

Only one inspector from the state Department of Agriculture is now assigned to check price scanners, package weights and deli counter scales at hundreds of full-service groceries around the state, a department program manager told The Flint Journal.

The drop of more than 90 percent in that enforcement area -- from a staff of 12 just seven years ago -- is an unintended consequence of sharply rising customer complaints about gas stations.

### [Food is short, lines are longer](#)

Those who feed the hungry have been watching the numbers grow for months – the lines for assistance stretching longer and pantry and warehouse inventories shrinking smaller. For those at the bottom of the economic heap, it's long past the point of urgency.

"This is probably one of the most generous communities anywhere, but there is a desperate need right now," said Jane Avery, executive director of Community Harvest Food Bank, "I've never used words like 'desperate' and 'crisis,' but I'm using them now. ... For the first time in my 12 years here, I'm scared."

### [Fire officials sound alert on heating season](#)

In the late 1970s and early 1980s, oil prices soared amid an energy crisis. Predictably, there was a surge in the number of people turning to alternative means - such as electric space heaters and wood stoves - to warm their homes.

And, predictably, there was a surge in house fires and deaths.

Fast forward a quarter of a century to a time of soaring oil prices amid an energy crisis. With good reason, fire officials worry that history is about to repeat itself.

### [Can South Africa Afford to Bailout Zimbabwe?](#)

"These guys are busy arguing over cabinet positions while Rome is burning. I don't think they realise how big their problem is. Unless the big financiers come to the party, SA is not in a position to afford the financial aid needed by Zimbabwe. At this stage there are very few countries that can help," said Abedian.

Abedian believes that Zimbabwe requires at least a seven-year multi-billion-dollar balance of payments support package underwritten by the world's richest economies. The money could help it bolster its depleted foreign currency reserves that have contributed to the meltdown of the Zimbabwean economy.

Without the foreign exchange the country cannot import fuel, food supplies, seed crop, fertilisers, capital equipment and spare parts for its industrial sector.

### [Proposed development would promote local foods](#)

A Toronto developer is proposing a unique agricultural community for East Zorra-Tavistock that would promote Ontario's buy local, buy fresh project.

"The whole idea ... is the development of a community based on agriculture opposed to residential," said Uri Salmona, a partner at Salmona Tregunno Development Consultants. "The thrust is to keep it agriculture, but in a different form."

Speaking to council Wednesday, Salmona said the development would include an equestrian, aquatic and orchard community to support various organic crops year round.

The community would also have its own farmers market, education centre and trail system.

### [Russia's bid to control Caspian energy](#)

RUSSIA'S INVASION of Georgia in August inflicted a potentially severe blow to global



energy security by threatening export routes for Caspian energy. Russian President Medvedev's declaration on Aug. 31 that Moscow has "privileged interests" - read, a sphere of influence - in bordering countries underscores that Moscow's aims stretch beyond Georgia. Among the targets are the major producers of Caspian energy - Azerbaijan, Kazakhstan, and Turkmenistan.

Russia seeks a de facto veto over Caspian energy. This is important because the Caspian Basin holds some of the largest reserves of conventional oil and gas in the world after the Persian Gulf and Siberia. Moreover, Georgia is a pivot of the "new Silk Road," a vital link to world export markets avoiding Russia's control.

### [US not vying with Russia over Central Asia - Rice](#)

ASTANA (Reuters) - The United States is not trying to poach Russia's allies in Central Asia, Secretary of State Condoleezza Rice said on Sunday during a visit to oil-rich Kazakhstan.

Moscow is sensitive to visits by top U.S. officials to its neighbours in the region, and has in the past accused Western nations of trying to lure away its allies.

### [Marrying energy demand and supply](#)

"We have moved into a new energy world. The volatility of the global oil price has had a major impact on the world economy at the same time as we are obliged to make major cuts in CO2. It no longer makes sense to have one department responsible for energy demand and another for energy supply."

This is how a senior UK government insider explained the widely praised decision on Friday to create a new Department for Energy and Climate.

### [OPEC chief says will seek to balance market - paper](#)

ALGIERS (Reuters) - Supply and demand alone will set oil prices in coming months and OPEC will seek to balance the market at its December meeting after recent declines, OPEC President Chakib Khelil said in remarks published on Sunday.

Prices had recently fallen from levels created by "perverse" speculative practices, Algerian government newspaper El Moudjahid quoted him as saying.

### [UAE firms start pumping Kurdish gas over Iraq objections](#)

DUBAI (AFP) - United Arab Emirates-based firms Dana Gas PJSC and Crescent Petroleum announced on Saturday that they had begun producing gas under a deal with Iraq's autonomous Kurdish region over Baghdad's objections.

### [Saudis extend Jazan refinery deadline to 2015](#)

Riyadh: The Jazan refinery in Saudi Arabia is expected to come online in the first quarter of 2015, the Petroleum and Mining Ministry said on Friday, after reports of fresh delays hitting the planned export-oriented refinery.

### [Correa warns Petrobras over Ecuador oil field](#)

QUITO, Ecuador (AP) - Ecuador's president is threatening to nationalize an Amazon oil field if Brazil's state oil company doesn't hand it over quickly.

President Rafael Correa says Petroleo Brasileiro SA has not followed through on a two-week-old deal giving Ecuador's state oil company control of the field.

### [Tories 'sold to the oil men,' Duceppe charges](#)

MONTREAL — Bloc Québécois leader Gilles Duceppe launched his most aggressive attack to date against the Conservatives and Stephen Harper, saying today that they have been "sold" to the oil industry.

Duceppe said it was worse to have a Conservative majority in the House of Commons than a minority government that is inherently unstable, even in a time of economic crisis.

### [Economic storm fuels homeowners' worries](#)

Rising oil costs, dependence on foreign countries for petroleum, an economy in disarray, and the bitter bite of the encroaching winter may make warmth harder to come by than ever before.

Mina, executive director of Massachusetts 211, a nonprofit headquartered in Framingham, fears the dire potential of escalating heating costs this year.

### [Feds should boost support for CDTA and other bus services](#)

A couple of announcements by the Capital District Transportation Authority in the last



week — that it plans to raise fares, and delay a planned expansion of service in Saratoga County — are troubling to anyone who believes in public transit. At a time when ridership is rising dramatically, the last thing you want to do is take actions that will discourage use. Unfortunately, thanks to the run-up in fuel prices (the same factor that has driven the increase in ridership), the authority is facing a \$9 million budget gap, which it needs the fare hike to plug. It wants to go from the current \$1 to \$1.50 in May, and \$2 in 2010.

This situation isn't unique to CDTA; it's occurring all over the country. Which makes it a national problem — as well as an opportunity.

### [Financial crisis darkens outlook for climate](#)

Wall Street's sickness and its contagiousness for the world economy are bad news for the already faltering effort to craft a new pact to tackle climate change.

Tighter budgets, shrinking corporate profits and worries about jobs could crimp manoeuvring room at upcoming UN talks on toughening curbs on greenhouse-gas emissions, sources say.

### [Gordon Brown urged to pay millions to stop oil firms destroying Amazon rainforest](#)

Rainforest campaigners will this week urge the Government to pay out millions of pounds to stop oil reserves under the Amazon being exploited.

### [Sinking Tuvalu wants our help as ocean levels rise](#)

THE first nation likely to be overwhelmed by climate change wants Australia to accept its entire population if sea levels continue to rise.

Tuvalu, in the South Pacific, is one of the world's lowest-lying nations and faces inundation within a generation by rising tides linked to mankind's impact on the climate.

### [Climate change threatens to raise the stakes for Iowa farms](#)

If the Earth heats up as climate forecasts suggest, agricultural production is likely to fall in many parts of the world, especially in poor countries near the equator and in Australia, a key producer of grain.

But parts of the United States, including Texas and states in the Southeast, also could see smaller harvests because of declines in rainfall. One study estimates that Texas' productive acreage could drop by 20 percent, even with development of more drought-

tolerant crops. Advertisement

Economists say that means Iowa and other Midwest states will be more important than ever to global food production.



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