



DrumBeat: November 30, 2008

Posted by [Leanan](#) on November 30, 2008 - 10:33am

Topic: [Miscellaneous](#)

[Oil majors eye \\$5-billion ships to cut costs](#)

London — Oil and gas companies are racing to develop a new type of vessel they hope will revolutionize offshore gas production but even if the untested technology works, its deployment could be blocked by resource holders who fear it will undermine development goals.

The industry hopes to build a fleet of ships or barges that can sail or be towed to offshore gas discoveries, extract gas, freeze it to liquefied natural gas (LNG) and offload the LNG to tankers for shipping to lucrative Western and Asian markets.

[Aramco halts plan for Dammam oilfield - sources](#)

DUBAI (Reuters) - Top oil exporter Saudi Arabia has cancelled plans for a \$1 billion project to restart production from the country's first oil discovery due to the potentially high costs, industry sources said on Sunday.

State oil giant Aramco has put under review contracts for some of its biggest expansion projects, signed at the height of the commodities price boom. Aramco aims to negotiate cheaper deals reflecting the sharp fall in the cost of raw materials.

[OPEC Warns of Collapsing Demand](#)

OPEC's Secretariat has warned of a collapse in the global demand for crude oil. It made this warning in the last issue of its monthly bulletin on oil markets, highlighting a few major market developments that have led to this warning. Among these was the decline in demand in comparison to last year, the expectation that demand would further drop in the third quarter of the year, the collapse in the average price of OPEC's oil basket to below \$50 at present, and the rapid decline in demand for oil in the US. driven by these factors, OPEC issued this warning, the first of its kind after years of significantly high demand for oil.

[Iran plans to replace oil with nuclear energy](#)

Iran's Deputy Foreign Minister Hossein Sheikholeslam said his country needs nuclear energy as a substitute for its oil resources.

"Iran will have oil for over 100 years but once its energy resources is depleted, nuclear energy will be the only logical substitute," the Islamic republic news agency quoted Sheikholeslam as saying.

[Memo to Obama: Help develop local responses to food and energy crises](#)

As our petroleum bills drain our cash reserves — making it more difficult for us to address the challenges facing our countries — our problems are aggravated by the fact that the cost of foodstuffs is rising. This has had profound effects on the quality of life and the livelihoods of all our citizens, especially the poor.

The solution: Invest a portion of the profits earned from today's high oil prices to benefit the countries that have been worse hit by the increases.

[America needs Big Three to succeed developing next generation of vehicles](#)

Not only would the immediate economic ripple of a GM, Ford or Chrysler failure be of tsunami-like proportions, but the inevitably stalled or lost progress on alternatives to the internal combustion engine would be catastrophic. Understand that the new propulsion technology in which the auto industry is playing a lead role is not just about selling cars that use a lot less gas, but also about the future power of military equipment and the platform from which the United States deals with other nations, some of which sell us a lot of oil but really don't like us very much.

[Uganda: In a land of plenty, why do they still go hungry?](#)

By long cultural tradition, the people of Katine measure wealth in the number of cattle they own. In the absence of banks, cows are in effect a savings account, used for dowry in marriage and a safety net when crops fail. 'Without cows, you are nothing' is a familiar refrain.

After a period of civil war 20 years ago, many lost those precious savings when the Karamojong, a pastoral ethnic group from north-east Uganda, attacked and raided their cattle. Then, just when people were rebuilding their herds, rebels from the anti-government Lord's Resistance Army occupied Katine in 2003, stealing or slaughtering animals. Many residents fled, returning later to find themselves impoverished.

[Suburbia's shallow critique](#)

First, we as a nation need to have a thoughtful and respectful discussion about the future of our vast suburban landscapes -- a discussion that does not treat "the suburbs" as a mere straw man, that transcends single issues such as traffic or "big box" stores, that avoids simple solutions and that finally recognizes the numerous profound ways in which Americans and these landscapes are entwined.

Second, for this to happen we need to move beyond the often counterproductive and shrill suburban critiques that have dominated so much of the public debate in past years.

[America Cannot Tolerate Unending Immigration from Somalia, Sudan, Bhutan, Myanmar or Anywhere Else](#)

Beyond the sob stories and the human misery, those reporters never talk about the horrific impact of adding 2.4 million immigrants to the USA annually. Each one causes a 12.6 'ecological footprint' whereby 12.6 acres of land must be destroyed to support that person. The average immigrant causes an immediate 10 times more negative impact to as high as 30 times more impact on our delicate environment. Each immigrant overloads our carrying capacity. Those people represent a growing hyper-population load on the United States that cannot be tolerated as we head into the "Post Oil Era" whereby we cannot support 300 million U.S. citizens and growing toward 400 million in 30 years.

[Did peak oil go away? No](#)

ATHENS -- With the price of oil plummeting below \$50 a barrel, shedding close to \$100 since July, and commensurate readings appearing at the gas pump, people have something to feel good about during an otherwise dismal economic time. Unfortunately, it may mislead the less informed to dismiss warnings about imminent peak oil as so much Y2K false alarm.

For there is a dark side to this otherwise salutary turn of events. Rather than rendering moot the question of peak oil, the falling prices of petroleum actually exacerbate it. This is because, while the current economic free fall will continue to lower demand for petroleum and drive down prices, these lower prices have also fallen below the cost of bringing new oil into production.

[Gas above \\$2 a gallon in only 3 states](#)

NEW YORK (CNNMoney.com) -- Just 4-1/2 months after setting record highs, the average price of regular unleaded gasoline is above \$2 a gallon in only 3 states and the District of Columbia, according to a survey released Sunday.

[Oil price rebound may be five years off](#)

The recent collapse in oil prices to roughly US\$55 per barrel makes this summer's rise to US\$150 per barrel feel like a bad dream.

Higher oil prices were a red herring that diverted central bankers' attention from the global credit crisis to fighting inflation. Even now that the focus has firmly shifted to promoting economic growth, the prospect for a firm recovery in oil prices could still be years off.

[Low oil prices depress Saudi foreign asset growth](#)

Saudi Arabia's foreign assets gained about SR48 billion (Dh47bn) in October, but the growth was far lower than in previous months due to a plunge in oil prices, according to official Saudi figures.

[Gold: The Next Reserve Currency Player](#)

The parabolic rise last year in oil prices gave them daily billion dollar payouts. The drastic fall has still left them able to pay off substantial social commitments to their populaces and have enough left over to make forays into the Sovereign Wealth Fund arena. However, there is a future to consider and oil will not be around forever. The twin conundrums the Kuwaitis and Saudis have faced in particular is how to protect themselves from the fallout of either unacceptably low or high oil prices and (critically) depreciating value of the currency they receive for their precious oil - US Dollars.

[Gulf states should up development aid - UN official](#)

DOHA, Nov 30 (Reuters) - Oil-rich Gulf Arab states should give more development aid to poor nations and raise transparency if they want a bigger voice on the world stage in the wake of the financial crisis, a senior U.N. official said on Sunday.

"If you want to become a full global player, it comes with responsibilities," said Salil Shetty, director of the U.N.'s Millennium Campaign, which aims to halve extreme poverty and boost life expectancy by 2015.

"If Gulf states are serious, let's have some cash down," Shetty said in an interview on the sidelines of a U.N. aid meeting in Qatar's capital.

[Britain's cars may go electric by 2025](#)

BRITAIN'S roads would become green, clean and silent if the plans to be set out by the government's Committee on Climate Change tomorrow were realised.

It will warn that motorists must get rid of their dependence on the internal combustion engine and switch in large numbers to vehicles powered by electricity, hydrogen and other low or zero-emission fuels.

[Iran says oil market oversupplied by two million bpd](#)

TEHRAN (AFP) – Crude producer Iran said on Sunday that the world oil market is oversupplied by two million barrels a day after OPEC decided to leave its oil output quota unchanged amid falling prices.

"There is oversupply of two million barrels per day on the market and we are seeking to create a balance between demand and supply," Oil Minister Gholam Hossein Nozari told reporters.

[State's future Moore's passion](#)

This was her professional life for 13 years. She became the highest paid woman in banking. In 1991, she married Texas investment tycoon Richard Rainwater. In 1993, she left her job at the bank in New York to become president of Rainwater Inc. She was 39 and on the verge of a new career, still in the "get-rich" phase of her life.

Rainwater was a successful funds manager-turned-private investor from Fort Worth, Texas, who had gained a reputation for taking big risks that paid off handsomely. He bought 15 million square feet of real estate in Houston and Dallas after an episode of panic selling in the mid-1990s. Then he caught wind of the "peak oil" theory, which says that there is a possible peak in worldwide oil production, and decided to invest heavily while prices were low.

[Fuel Ethanol Margins: Boom and Bust Cycles](#)

Short-term profit margins for dry mill ethanol producers have been consistently low by historic standards since the last quarter of 2007, even as the prices of crude oil and gasoline rose through mid-July and have since fallen dramatically. Profit margins during the first half of 2008, when oil and gasoline prices were rising, were held down by high input costs and a substantial growth in production capacity in the wake of the 2006 boom in ethanol markets. The bottom line: In spite of being the recipient of government subsidies and mandates, ethanol has not avoided the boom and bust cycles seen in other commodities, though it has followed a different tempo. In fact, ethanol was already in a bust period when the current financial crisis, which has now added to the industry's problems, hit.

[Political critics owe American oil firms an apology](#)

Apologize and do it now, Barack Obama, John McCain and all you members of Congress who ranted about Big Oil's price-gouging and the way future-markets speculators were abusing the wallets of consumers at the gas pump.

Those prices have come down to the lowest level in almost four years, something like \$2 a gallon on the average, and you know why — slackening demand caused chiefly by a worldwide economic downturn.

[Pataki to play role in energy foundation](#)

ALBANY (AP) — Former Gov. George E. Pataki is joining a Cold War foundation to advocate independence from oil producers unfriendly to the United States.

The American Security Council Foundation plans to issue white papers and run media campaigns supporting that policy. Pataki said projects could include pushing for transmission systems to take advantage of solar panel installations in the Southwest and wind farms on the Plains.

[The Philippines: Oil firms roll back petrol, diesel prices](#)

Manila: The “Big 3” oil companies reduced their petrol and diesel prices by five pesos and two pesos per liter, respectively, in their biggest cuts yet since world oil prices started falling.

[Nigeria: Power Woes to Worsen](#)

Nigeria's power generation problems may worsen following the shutting down of a major gas facility belonging to Anglo Dutch giant, Shell Petroleum Development Company (SPDC), at Soku, the country's oil and gas nerve center.

Power generation has already dropped by over 800 megawatts owing to inadequate gas supply to Egbin and Sapele Power Stations.

[Germans Split Over "Climate-Friendly" Big Cars](#)

Car-buyers are being tugged two ways in a German debate over carbon-dioxide emissions: Should they buy cars for the fast lane, or downsize to smaller cars more suited to the slow lane of German autobahns?

[Ocean currents can power the world, say scientists](#)

A revolutionary device that can harness energy from slow-moving rivers and ocean currents could provide enough power for the entire world, scientists claim.

[Tide turns for ocean energy](#)

AN AUSTRALIAN company, using technology that a young Queensland engineer designed, is expected this week to announce a string of international contracts.

Atlantis Resources Corporation has developed turbines that can generate electricity from the sea's movement. It has begun trials at San Remo in Victoria.

[Loophole in 'botched' law threatens Britain's biofuels industry](#)

The British biofuels industry has warned that oil companies are set to save millions of pounds because of a mistake by government lawyers in drafting biofuels legislation – an error that could lead to the demise of the UK's alternative fuel industry.

[A Land Rush in Wyoming Spurred by Wind Power](#)

A quiet land rush is under way among the buttes of southeastern Wyoming, and it is changing the local rancher culture. The whipping winds cursed by descendants of the original homesteaders now have real value for out-of-state developers who dream of wind farms or of selling the rights to bigger companies.

But as developers descend upon the area, drawing comparisons to the oil patch “land men” in the movie “There Will Be Blood,” the ranchers of Albany, Converse and Platte Counties are rewriting the old script.

[Scientist: South Florida Will Be Water by End of Century](#)

TALLAHASSEE, Fla. — Scientists and economists Tuesday warned lawmakers of consequences Florida faces from climate change, including more destructive hurricanes and a rising sea level, but they also said the state could be a leader in reducing global warming.

Harold Wanless, chairman of the University of Miami's Department of Geological Sciences, predicted a 1.5 foot rise in sea level in 50 years and a three- to five-foot increase by the end of the century.

"Three feet's going to get messy," he said. "Four feet becomes extremely difficult to live

in South Florida and five feet probably impossible."

[Shorter Winters Making Some Seeds Sprout Later](#)

Global warming may be bringing an earlier spring bloom to the northern United States and Canada, but in some parts of the South, it's actually making seeds sprout later, a new study shows.

[Greenhouse gases will heat up planet 'for ever'](#)

One of the main researchers – Professor David Archer of Chicago University – warns that "the climatic impacts of releasing fossil fuel carbon dioxide into the atmosphere will last longer than Stonehenge, longer than time capsules, far longer than the age of human civilisation so far. Ultimate recovery takes place on timescales of hundreds of thousands of years, a geologic longevity typically associated in public perceptions with nuclear waste."

[Climate change remains a top priority](#)

Skeptics believed that the fiscal crisis would force Obama to put his plans to address global warming on the back burner. But in a videotaped speech to a climate summit co-hosted by California Gov. Arnold Schwarzenegger this month, Obama said, "Now is the time to confront this challenge once and for all. Delay is no longer an option."

[Australia squibs on climate promise](#)

THE Rudd Government has reneged on a commitment to present its 2020 target to cut greenhouse gases to UN climate talks that start today. The back-peddalling comes amid wrangling in cabinet over how far to go with curbing emissions.

[Don't Count On Magic](#)

Former Vice President Al Gore—now a Nobel Prize winner and the world's most prominent environmentalist—isn't looking for another job in Washington. But his eloquent warnings about the dangers of global climate change have obviously helped shape the priorities of the incoming Obama administration. Gore sat down with NEWSWEEK's Fareed Zakaria recently to talk about a bailout for Detroit, the greening of China and the elusive promise of "clean coal."

[Climate change gathers steam, say scientists](#)

PARIS (AFP) – Earth's climate appears to be changing more quickly and deeply than a benchmark UN report for policymakers predicted, top scientists said ahead of international climate talks starting Monday in Poland.

Evidence published since the Intergovernmental Panel for Climate Change's (IPCC) February 2007 report suggests that future global warming may be driven not just by things over which humans have a degree of control, such as burning fossil fuels or destroying forest, a half-dozen climate experts told AFP.

Even without additional drivers, the IPCC has warned that current rates of greenhouse gas emissions, if unchecked, would unleash devastating droughts, floods and huge increases in human misery by century's end.

But the new studies, they say, indicate that human activity may be triggering powerful natural forces that would be nearly impossible to reverse and that could push temperatures up even further.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](http://creativecommons.org/licenses/by-sa/3.0/).