



DrumBeat: December 7, 2008

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Topic: [Miscellaneous](#)

[The singularity: The fantasy and its effect](#)

...There is the perception that technological progress is speeding up. But is it? After one hundred years, we are still dependent on the internal combustion engine for almost all of our land and much of our sea transportation. We were promised miracle cures for genetic diseases a decade ago, but they haven't arrived. After a half a century of research, we expected fusion reactors to be in place. But the latest international project promises to bring us commercial fusion power only by the mid-21st century. In truth, it is not altogether clear that we will ever be able to master fusion energy. Our main fuels by far remain fossil fuels, 86 percent by energy content. And, these fuels are heading toward depletion faster than anyone anticipated as the world economy and population grow, and as more and more people want access to high-energy lifestyles.

In reality, technology sometimes progresses in fits and starts, and sometimes not at all. Joseph Tainter, author of "The Collapse of Complex Societies," suggests that we may have reached an era of diminishing returns for technology and for the complexity it fosters. Complexity, Tainter explains, can increase the power and reach of a civilization. But increasing complexity will also eventually have diminishing and even negative returns to a society thereby endangering its very cohesiveness. He cites Roman and Mayan civilizations as examples.

[Oil price could fall to \\$US25 a barrel, analysts say](#)

CRUDE oil prices have collapsed to just above \$US40 a barrel as the global recession deepens in the United States, Japan and across Europe.

Some analysts are even tipping that prices could go as low as \$US25 a barrel next year if the global downturn hits hard in China and OPEC doesn't drastically slash its production levels.

Any optimism that oil prices had stabilised at around the \$US50 mark have evaporated in the past week as it becomes clear the US, Europe and Japan, which collectively consumed almost 50 per cent of the world's oil in 2007, are entering their first simultaneous recession since World War II.

China is responsible for only 9 per cent of global oil demand.

[Iran lets 'private' Iranian firms trade oil](#)

Iran, the world's fourth-largest oil producer, is permitting local private firms and not just foreign companies to enter the trade in Iranian crude, officials said on Sunday.

Deputy Oil Minister Akbar Torkan referred to two Iranian entities now permitted to carry out the business and said it was part of a drive to boost the private sector. But he told Reuters the state would still control crude production.

[Iran set for a year of living dangerously](#)

Iran enters 2009 with economic woes to the fore and plummeting oil revenues set to restrict President Mahmoud Ahmadinejad's public spending in an election year marked by continued international tension.

[Chavez Says Venezuela Economy to Face Difficult Years](#)

Bloomberg) -- Venezuelan President Hugo Chavez said his country's economy will face difficult years ahead as the world financial crisis expands and demand for oil, Venezuela's principal export, wanes.

Venezuela is prepared to confront the crisis and should restrict spending to strictly necessary items while saving as much as possible, Chavez said in comments on state television.

[Arabs urged to pursue petrochemical projects](#)

Gulf states and other Arab oil producers need to push ahead with costly petrochemical projects to diversify their economies despite the ongoing global financial crisis, according to an official study.

Although the tightening in the world credit markets could hamper the implementation of some of those projects, Arab states could still resort to the equity option by inviting more foreign partners into such ventures to secure funds, said the study by the 10-nation Organisation of Arab of Petroleum Exporting Countries (Oapec).

[More than 160 US, NATO vehicles burned in Pakistan](#)

PESHAWAR, Pakistan – Militants torched 160 vehicles, including dozens of Humvees destined for U.S. and allied forces fighting in Afghanistan, in the boldest attack so far on

the critical military supply line through Pakistan.

[Sudan confirms troop build-up in oil region](#)

KHARTOUM (Reuters) – Sudan's government on Sunday confirmed it had moved troops to a volatile energy-rich central region, telling state media it wanted to halt "feverish attempts" to attack the area by Darfur rebels.

The deployment into South Kordofan raised tension in the province that contains key oil fields and borders some of Sudan's most sensitive areas, including the western Darfur region, southern Sudan and the contested town of Abyei.

[New US military report on global warming raises worry](#)

WASHINGTON - A new US military report has come under scrutiny for asserting that the scientific data on what is causing global warming is "contradictory" - a position one leading specialist said indicates the government still hasn't fully embraced the urgency of climate change.

...A section of the 56-page report on climate change and natural disasters prompted criticism yesterday from some leading specialists who said that spreading the inaccurate perception that the causes of climate change remain an open question could result in government agencies not taking the issue seriously enough.

[Shell consortium to pull out of UK wind project](#)

LONDON (Reuters) - British oil major Royal Dutch Shell Plc confirmed on Sunday that the company and its partners have withdrawn from a major UK wind energy project.

The consortium of Shell, Scottish Power and Denmark's Dong Energy have abandoned the Cirrus Array project off the Northwest coast after denying a month ago that it had exited the project.

[Repsol Boss Snubs The Russians](#)

Spanish oil and gas company Repsol's chairman, Antoni Brufau, said last week he would resign if the company did not remain Spanish, independent and private: "If these conditions are not met, I will no longer head up the company." The statement appears to underscore Spaniards' unhappiness about a possible sale of a substantial stake in the company's to Russia's Lukoil.

[India: Commuters flock to fill up their petrol tanks](#)

CHENNAI: N Chokalingam is a very happy man. As he oversees dealings in the Bharath Petroleum outlet at Nanandanam, this manager's face breaks into a smile. "Look at the vehicles streaming in. Sales are definitely going to increase," he says.

The outlet that sells an average of four kilolitres a day had sold five kilolitres before Saturday evening. "There will definitely be a 25% increase and people will stop rationing of fuel," he adds. With petrol prices and diesel prices decreasing by Rs 5 and Rs 2 respectively, most petrol bunk dealers in the city echo Chokalingam's view.

[Oil's fall pinches Latin nations](#)

BOGOTÁ, COLOMBIA — During the five-year bonanza of rising oil prices, resource nationalism took hold across Latin America, and energy-producing countries boosted spending, raised taxes on foreign oil companies and salted away billions in petrodollars.

But with the onset of the global economic crisis and the collapse in oil prices, Venezuela, Mexico and other regional energy producers are feeling the squeeze.

If prices don't rebound soon, the countries will be forced to cut spending on popular programs or dig into their reserves. Governments also will probably see slowdowns or cancellations of energy projects ranging from explorations to biofuels plants.

"The old assumptions are out the window," said RoseAnne Franco, a Latin America analyst at PFC Energy in Washington. Lower prices "are forcing a very strong readjustment for all concerned."

[List of delayed Gulf oil-refining projects grows](#)

The list of delayed Gulf oil-refining projects is growing as demand for fuel shrinks rapidly throughout the industrialised world.

[John "Nuke Bailout" Bryson must NOT be Secretary of Energy](#)

John Bryson will forever epitomize the bailout of the nuke power industry and the horrific catastrophe of electric utility deregulation, including the contrived energy crisis that cost Californians tens of billions of dollars and allowed them to be robbed by the disgraced Enron.

[Lipstick on Baltimore](#)

I suspect that market forces would have worked to keep the cities and suburbs in

balance, that they would have fostered the co-existence of multiple modes of transit between them, which in turn would have kept center cities and surrounding towns both distinct and compact, both internally walkable and efficiently linked by road and rail. Instead, the federal government catered to the fantasy that no one should ever have to walk again anywhere. In turn the built environment transformed into a place where no one can ever walk. A byproduct of all this is that the land between distinct urban zones that used to be devoted to local food production (“farms”) have been gleefully paved over to cater to the auto-dependence fetish.

[Think tank: A high energy solution](#) - *Cliff-top reservoirs could meet all of our power needs*

Ireland has many high cliff areas, so my proposal would be to build vast reservoirs on top of these cliffs and use wind power to pump salt water to them from the ocean. These reservoirs can be thought of as energy-storage areas.

The principle is simple: during times of high-wind activity, turbines would provide the energy to pump the sea water from the ocean, thus filling the reservoirs. In times of peak-energy demand, the reservoirs could be emptied.

[Will solar power ever be as cheap as coal?](#)

“Solar power is the energy of the future – and always will be.”

That tired joke, which has dogged solar-generated electricity for decades due to its high cost, could be retired far sooner than many think.

While solar contributes less than 1 percent of the energy generated in the United States today, its costs are turning sharply downward.

[Ancient skills 'could reverse global warming'](#)

Ancient techniques pioneered by pre-Columbian Amazonian Indians are about to be pressed into service in Britain and Central America in the most serious commercial attempt yet to reverse global warming.

Trials are to be started in Sussex and Belize early in the new year, backed with venture capital from Silicon Valley, on techniques to take carbon from the atmosphere and bury it in the soil, where it should act as a powerful fertiliser.

The plan is to scale up rapidly into a worldwide enterprise to reverse the build-up of carbon dioxide, the main cause of global warming, in the atmosphere and eventually bring it back to pre-Industrial Revolution levels.

[In China, OPEC's nightmare comes true](#)

China's decision to link domestic fuel prices indirectly to the international crude oil market, subject to a price cap, while hiking the consumption tax on petrol and diesel and phasing out a variety of road tolls and other fees shows Saudi Arabia's worst fears about high prices and demand destruction are starting to come true.

It seems likely to confirm the kingdom's determination to see prices stabilise around \$75 per barrel, well below recent price peaks, and far below the level sought by some other OPEC members, as well as international oil companies and advocates of alternative energy.

[Crude's collapse oiled the Bank's wheels](#)

T Boone Pickens, the legendary US energy investor, said oil would never again go below \$100 a barrel and his view was echoed by many lesser lights. Some journalists went out of their way to deny a speculative element in the spike, even as some investment banks continued to pump up the oil story and funds poured into commodity-index futures. Arjun Murti, Goldman Sachs's energy strategist, said the price could reach \$200 in the second half of this year and plenty of rival banks pushed the rising oil story. Jeff Rubin, chief economist at CIBC World Markets, was also a \$200 man.

Peak-oil enthusiasts explained every price rise as further evidence that global production had reached its maximum. Weekly rags spouted "sell your house, buy commodities" nonsense. I hope nobody did.

[How Will Temporary Decline in Oil Prices Impact Energy Sector?](#)

Oil prices have fallen off a cliff recently and everybody's breathing a sigh of relief as prices tumble at the gas pump. Late last week I read on Bloomberg that Francisco Blanch, a commodity strategist at Merrill Lynch, is forecasting a market bottom in the \$25 range and a 2009 average price in the \$50 range. The relief is welcome but I have enough experience in the oil business to know that we're merely experiencing that pleasant calm that comes when the eye of a hurricane passes overhead. This is no time to go out and buy a gas-guzzler!

[Is an Oil Rebound Imminent?](#)

I'm not about to call an oil bottom but there certainly are some signs that suggest the bottom is drawing near. I remember thinking oil was going to bottom at 95, then 60, and here we are at 40 and all the peak oil enthusiasts are saying we are going to rebound just as fast as we have collapsed. Here's my take on where we stand.

[Regulators give environmental OK to LNG plant](#)

BALTIMORE (AP) — A proposed liquefied natural gas terminal near Baltimore cleared a key regulatory hurdle Friday when the Federal Energy Regulatory Commission concluded it would not be too harmful to the environment.

[More consolidation likely in oil industry](#)

HOUSTON -- Big Oil is set to spend billions on new exploration in 2009, but in addition to ocean beds thousands of feet below the water's surface, major producers are surveying the balance sheets of vulnerable companies in the sector.

[North Sea oil firm up for sale](#)

Oilexco has been caught out by a dwindling cash pile, a large cost base and a heavy reliance on the capital markets to fund an aggressive drilling programme. It needs to make nearly \$600m in debt and rig-contract payments in the next year alone, according to company filings. The oil price, meanwhile, continues to plumb new lows, hitting \$39.57 last Friday.

[Brazil's new oil reserves still buried in doubts](#)

BRASILIA: Despite tumbling oil prices, Brazil's government insists it will develop massive offshore oil deposits, but critics say geological hurdles, regulatory uncertainty and depressed markets could delay the country's hope for a fast track to oil wealth.

[Libya could buy up to 10 pct of Eni - ambassador](#)

ROME (Reuters) - Libya would be interested in buying up to 10 percent of Italian oil giant Eni, the North African country's ambassador to Italy said in an interview published on Sunday.

[Detroit has run out of road. The car's future lies in Europe](#)

The world is near peak oil production. Energy prices will be volatile, but this summer's top figure is a forerunner of what is to come. Cars and, with them, concepts of how mobility is to be created have to change. That, in turn, demands a new role for public leadership. Governments, consumers and companies must agree a new vision and then it must be regulated and legislated for.

It was telling that as Detroit's CEOs were suffering humiliation in Washington, Germany's BMW was unveiling a battery-powered Mini E two years before GM's Volt

hits the streets - and with treble the range. If anything, the German love affair with the car trumps America's and its car companies try to resist regulation no less aggressively. But European political systems are less open to being completely bent by corporate lobbying and regulation is seen as more legitimate.

[Argentine automakers to sell at cost, protect jobs](#)

BUENOS AIRES (Reuters) - Argentine automakers will sell basic models at cost through state-subsidized loans in a plan to protect jobs in Latin America's third-biggest economy from the global economic slowdown, government officials said on Saturday.

[Private schools, parents feel pinch](#)

Parents this year have seen their investment portfolios dwindle, food prices spike and gasoline costs seesaw wildly.

As the economy worsens, households with children in private schools are digging deeper to pay thousands of dollars in tuition. Lower Shore private schools say requests for financial aid are up, and they're bracing for potential drops in enrollment when parents sign next year's contracts in the winter and spring.

[How a 24-year-old secret technology can save the planet](#)

Now, suppose Hansen skipped the climate science lecture and simply told world leaders that there's now a new technology available for generating electric power. It's cheaper and cleaner than coal, produces minimal waste and generates power 24/7. The fuel supply is virtually inexhaustible and is safer than coal. The technology uses as fuel the long-lived "waste" from today's reactors, and you can build a plant anywhere you can locate a coal plant.

What world leader could resist such a pitch?

[Melting ice may slow global warming](#)

Collapsing antarctic ice sheets, which have become potent symbols of global warming, may actually turn out to help in the battle against climate change and soaring carbon emissions.

Professor Rob Raiswell, a geologist at the University of Leeds, says that as the sheets break off the ice covering the continent, floating icebergs are produced that gouge minerals from the bedrock as they make their way to the sea. Raiswell believes that the accumulated frozen mud could breathe life into the icy waters around Antarctica,

triggering a large, natural removal of carbon dioxide from the atmosphere.

[Native hunters say climate affecting herds](#)

POZNAN, Poland — Chief Bill Erasmus of the Dene nation in northern Canada brought a stark warning about the climate crisis: The once abundant herds of caribou are dwindling, rivers are running lower and the ice is too thin to hunt on.

[Four harsh truths about climatic change](#)

Scientists are really scared. Their observations over the past two or three years suggest that everything is happening a lot faster than their climate models predicted. This creates a dilemma for them, because for the past decade they have been struggling against a well-funded campaign that cast doubt on the phenomenon of climate change.



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