



About that savior technology . . .

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It has become one of the mantras that are beginning to appear that "technology" will solve the peak oil issue. We have had it from even the highest temporal authority that this is so. So you would think, with all the money they have, and recognizing the problem, that there would be one industry that would be really plowing the money into research.

From "*The Color of Oil*" by Professors Michael Economides and Ronald Oligney (both Professors who should know).

Many unique features distinguish the technology of the petroleum industry. First, there is little doubt that technology is crucial, and that deployment and integration of technology is essential to the industry's success. Yet, this technology is highly diversified and applied to industry segments with different needs. The scope is wide. Seismic exploration and processing, enhanced oil recovery and the construction of deepwater production facilities have little in common.

Why is it, then that the petroleum industry, so technically dependent, is the industry with the smallest R & D spending? The healthcare sector leads all industries, with 11% of sales going into R&D; the electrical and electronics industry spends 5.5%, and the chemical industry spends 4.1%. In this light, the petroleum industry's R & D spending of less than 0.5% of sales is striking.

Given the recent public relations campaign by some of these oil companies, it is interesting to note the additional comment:

"Relating with a dean of a prestigious university is mutually beneficial: the dean gets paid very well, albeit for a short time, and the managers get the necessary boost of confidence in their self-worth by the association. "Memoranda of understanding" are produced by the dozens, often not worth more than the paper they are written on, and having an impact that is even smaller. "

. In this case they were, I suspect, talking about deans of schools abroad, but one wonders whether this is not also true at home ?

Um! And lest I be accused of partisan rhetoric, it should be noted that there used to be a Government Agency charged with innovation in the mining industry - I do believe it is one of the few Federal Agencies that was deliberately eliminated. Hmm! Must be that vision thing. Almost on a par with killing the British Coal Industry wouldn't you think. (er! and yes I know, the question is, do you?)



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