



## Drumbeat: April 19, 2009

Posted by [Leanan](#) on April 19, 2009 - 9:50am

Topic: [Miscellaneous](#)

### [Life in a hot, hungry world](#)

A billion starving people, high food prices and low stocks, widespread droughts and floods, wars over basic resources, a doubling in the numbers of refugees: world food security is no longer what it was during most of our lifetimes.

But the instability we see today is but a foreshadowing of the famines and conflicts to come, unless we take some urgently-needed and comprehensive measures to prevent them.

The reason is that there are powerful forces driving the instability which are not easily remedied, and each of these plays into the others in unpredictable ways.

### [Funds try to spot the great oil rebound](#)

Oil is too cheap. At around \$50 a barrel, it is trading far below the production costs of almost all new sources of crude and energy substitutes.

### [Oil boom helps UAE become second largest Arab economy](#)

Heavy investments boosted the UAE economy by at least 20 per cent in current prices during the oil boom of the past eight years to catapult the country to the second largest Arab economy after Saudi Arabia, official figures have shown.

Cumulative public and private investment climbed a staggering Dh900.6 billion during 2001-08, more than double their size in the previous eight years, showed the figures by the Ministry of Economy.

### [Why Refinery Closings Can Make Oil ETFs Attractive](#)

U.S. oil refineries are suffering from the simple outcome of supply versus demand, and numbers indicate that certain refineries will be forced to shut down soon, possibly

leading to the streamlining of related ETFs.

## [Natural Happiness](#)

There is a considerable mismatch between the world in which our minds evolved and our current existence. Our species has spent almost all of its existence on the African savanna. While there is debate over the details, we know for sure that our minds were not adapted to cope with a world of billions of people. The life of a modern city dweller, surrounded by strangers, is an evolutionary novelty. Thousands of years ago, there was no television or Internet, no McDonald's, birth-control pills, Viagra, plastic surgery, alarm clocks, artificial lighting or paternity tests. Instead, there was plenty of nature. We lived surrounded by trees and water and animals and sky.

This history has left its mark on our minds. Children are irrepressible taxonomizers, placing the world of distinct individuals into categories based on their appearance, their patterns of movement and their presumed deeper natures, and some psychologists have argued that the hard-wired capacity to organize and structure the world is specially adapted to nature: we are natural-born zoologists and botanists. We may also have evolved to get pleasure from certain aspects of the natural world. About 25 years ago, the Harvard biologist E. O. Wilson popularized the "biophilia" hypothesis: the idea that our evolutionary history has blessed us with an innate affinity for living things. We thrive in the presence of nature and suffer in its absence.

## [Urban sprawl is killing us, but there's another way](#)

AS THE days grow cooler, many of us are breathing a sigh of relief that the past summer has finally come to an end. As well as the unprecedented and tragic bushfire season, severe summer conditions induced a string of urban disasters that, due to poor planning, were waiting to happen: public transport failures, traffic nightmares and water shortages.

In response, the State Government is proposing quick fixes that involve new roads, longer freeways, rail tunnels and a desalination plant, solutions that will cost taxpayers billions of dollars. Yet in the face of unbounded urban sprawl, such answers are short-term and ultimately unsustainable. If the urban juggernaut of Melbourne continues to roll, expanding at its current rate of 1.65 per cent (or 63,000 people) per year, further road and public transport overhauls, as well as additional desalination plants, are likely to be on the agenda within another 15 years.

## [Not so high and mighty](#)

FBR Capital Markets noted in a recent report that oil-dependent governments will be strapped for cash and could have to cut oil field spending to fund other social programs.

So the publicly traded international oil companies, or IOCs, with their bountiful cash and

technical expertise, may not seem as expendable anymore.

### [Carolyn Baker: Economic Recovery? No Thank You](#)

What if it's true; what if this isn't, as Richard Heinberg says, "a recession that never ends"? Do I enjoy seeing throngs of homeless people gather in tent cities, live out of their cars, or simply roam the streets and back alleys of America in search of whatever crumbs of sustenance they can obtain? Do I take some sick pleasure in skyrocketing unemployment rates or burgeoning bankruptcy filings? What if, once again, empire triumphs over adversity and reclaims the level of prosperity its citizens enjoyed in the nineties? What if the likes of Nouriel Roubini, Gerald Celente, and Peter Schiff are proven to be paranoid nut jobs who really need to be on antidepressants? How much egg will I end up having on my face, and will that actually confirm that Peak Oil and climate change are bogus theories that have nothing to do with economic well being?

### [A Presidential Energy Policy: Twenty-five Points Addressing the Siamese Twins of Energy and Money](#)

A world-recognized expert who saw today's crisis coming and started warning in amazingly precise detail in 2000 now gives us the biggest exposé of all time. Refined in chilling detail in "Prezpol", the "map" Ruppert has been making for thirty years has already saved thousands of families from the current economic meltdown. Mike's writings, lectures and DVDs have reached people in more than forty countries since 1998.

This book was written to help the American people... and people in all countries. It was written to help an American president realistically and effectively prepare for what is already underway... the collapse of industrial civilization. There are many things that can still be done to prevent a massive die off that is just beginning and which might number in the billions. This book spells them out clearly.

### [Ugly numbers expected from Canada's oil patch](#)

CALGARY, Alberta (Reuters) - It won't be pretty when Canada's biggest energy companies unveil what are bound to be their weakest quarterly results in years.

Low prices are almost certain to have slashed profits for oil and gas producers, who begin their first-quarter earning season in earnest this week.

### [Opec sees contango easing as crude stockpiles decline](#)

Organisation of Petroleum Exporting Countries (Opec) sees a depressive contango

(future price exceeding current price) that had built up in first two months of 2009, easing in March.

The impact of the development was evident on freight rates of very large crude carriers (VLCCs) and smaller crude carriers, Opec said. Analysts say the contango particularly eased towards the last quarter of March.

### [U.S. warm to Venezuelan overture to return ambassadors](#)

(CNN) -- Venezuela President Hugo Chavez is considering naming an ambassador to the United States, signaling a shift in the historically tense relations between the two nations -- one that the Obama administration welcomed.

### [Fortune 500: Exxon Mobil back on top](#)

The oil giant retakes the No. 1 slot, as U.S.'s largest firms suffer their worst slump ever.

### [The Ethicist: The Heat Is On](#)

I'm the proud owner of a new, highly efficient, green condominium. However, this winter I noticed something strange. If I turn off my furnace, my apartment stays warm even in subzero temperatures because of ambient heat coming through the walls and ceiling of my neighbors. Is it ethical to keep the furnace off? It seems a little like stealing to me.

### [Wind Power Drives Need For Grid Changes](#)

If the North American electric supply is going to operate reliably after adding a lot of wind turbines, big changes will be needed to accommodate their quick increases and decreases in power, according to a task force report on integrating "variable generation," set up by the North American Electric Reliability Corporation, a regulatory body.

There is not much choice but to change, said Richard P. Sergel, the president and chief executive of the organization. "The need to integrate these resources is no longer a question. It's a priority," he said in a briefing with reporters.

### [Environmental benefits of electric cars dismissed as 'fiction'](#)

The amount of energy used by coal fired power stations to create the electricity to recharge electric vehicles makes them half as efficient as diesel cars, according to the research.

Britain's carbon emissions could even go up if there is a sudden surge in demand for electric cars, the new research warned.

### [Lack of permanent Arctic ice surprises explorers](#)

OTTAWA (Reuters) - The head of a British team walking to the North Pole on a mission to gauge how fast Arctic ice sheets are melting said on Friday he was surprised by how little permanent ice he had found so far.

Pen Hadow and two other adventurers set off in early March on a 1,000-km (620-mile) trek from Canada's Arctic to the North Pole. The team was set down in an area where scientists had been sure there would be permanent multiyear ice.

But so far, the average depth of the ice has been just under 1.8 meters (6 feet), suggesting they are finding predominantly new first-year ice that is likely to melt in summer months.

### [Waterman finds Chesapeake Bay 'dying daily'](#)

"Too much phosphorous, too much fertilizer, too much untreated waste," Pierce says.

Where does it come from?

"We the people that live in the Chesapeake watershed mainly. We the people," he says.

### [Recession slowing water investment to a drip](#)

LOS ANGELES (Reuters) - Water scarcity means big growth for companies that purify, transport, and distribute the world's most essential resource, but a global recession that has halted new projects and put off price hikes means water investors will have to wait for the boom years.

### [Why we forgot how to grow food: As a food shortage looms, people are digging for Britain — and their dinner table](#)

About 40% of the food we eat is imported. That includes an astounding 95% of our fruit and most of the wheat in our bread. This reliance on goods from abroad is perilous. During the 2000 fuel strike, Sainsbury's chief executive wrote to the prime minister to warn that food supplies would run out "in days rather than weeks". Supermarkets rationed bread, sugar and milk. The situation is now arguably worse: world food reserves are at historically low levels, and last year several countries stopped exporting staples because their own populations were going hungry.

If the problems were only temporary, it would be bad enough. But they're not. We have become dependent on fossil fuels that are starting to run out. Taking account of all the oil- and gas-derived fertilisers, pesticides, distribution and retail practices, our modern farming uses an incredibly wasteful 10 calories of energy to put a single calorie of food on your plate.

### [Thomas Homer-Dixon: A doomsayer, and a father, with a heart of faint hope](#)

His latest book, which consists of six essays by other writers sandwiched between an introduction and conclusion by Homer-Dixon and Garrison, highlights the two freight trains headed toward our species. The first is climate change. The other is fossil-fuel depletion. The conclusions are more downbeat than anything Homer Dixon has written before, ending with a vision of future generations looking back at us with scorn.

### [Manitoba labelled an energy winner](#)

SOME regions will lose out in the energy shift sparked by diminishing oil reserves and the threat of climate change, but hydro-rich Manitoba likely isn't one of them.

That's the verdict from Toronto environmental author Thomas Homer-Dixon, scheduled to speak in Winnipeg tonight in support of his latest book, *Carbon Shift*.

"There are going to be winners and losers in this changing world, and Manitoba is probably going to be well-situated," he said.

### [The End Is Near! \(Yay!\)](#)

Transition's approach is adamantly different from that of the survivalists I heard about, scattered in the mountains around Sandpoint in bunkers stocked with gold and guns. The movement may begin from a similarly dystopian idea: that cheap oil has recklessly vaulted humanity to a peak of production and consumption, and no combination of alternative technologies can generate enough energy, or be installed fast enough, to keep us at that height before the oil is gone. (Transition dismisses Al Gore types as "techno-optimists.") But Transition then takes an almost utopian turn. Hopkins insists that if an entire community faces this stark challenge together, it might be able to design an "elegant descent" from that peak. We can consciously plot a path into a lower-energy life — a life of walkable villages, local food and artisans and greater intimacy with the natural world — which, on balance, could actually be richer and more enjoyable than what we have now. Transition, Hopkins has written, meets our era's threats with a spirit of "elation, rather than the guilt, anger and horror" behind most environmental activism. "Change is inevitable," he told me, "but this is a change that could be fantastic."

### [Algeria oil minister favours new OPEC cuts-paper](#)

ALGIERS (Reuters) - OPEC will be taking a big risk if it does not make a further adjustment to oil supply, a newspaper quoted Algerian Energy and Mines Minister Chakib Khelil as saying on Sunday.

"In my opinion we are taking a big risk if we do not re-adjust supply. It would be better, given the circumstances, not to take such risks," Algeria's Liberte newspaper quoted Khelil as saying.

### [China CNOOC: No plan to buy oil firms during crisis](#)

BOAO (Reuters) - China's offshore oil specialist CNOOC has no plan to buy oil firms abroad during the global financial crisis, and will look instead for foreign partners to make joint investments, chairman Fu Chengyu said on Sunday. Awash with capital and facing strong domestic demand for fuel, Chinese energy firms have been encouraged by Beijing to take advantage of the financial crisis to make overseas acquisitions.

### [Oil profits could be lowest in a decade](#)

HOUSTON — The nation's biggest oil companies certainly won't need a bailout from the federal government, but they won't have to defend staggering profits anytime soon either.

When oil producers, service companies and other oil-sector outfits begin reporting first-quarter earnings this week, the results are expected to be the lowest in several years, a decade perhaps.

### [Gas Powers Dramatic Qatar Economic Growth - National Bank Of Kuwait](#)

KUWAIT CITY (AFP)--Qatar's economy made massive strides in 2008 as gas production enabled the tiny Gulf state to mitigate the impact of the global meltdown, a Kuwaiti bank said on Sunday.

National Bank of Kuwait (NBK.KW) said gross domestic product in Qatar - which has the third largest gas reserves on the planet - is estimated to have grown 18% in real terms last year, "an extremely fast pace by any standard."

### [Hyperion: Weak Oil Prices Won't Slow Project](#)

ELK POINT — An executive proposing a \$10 billion oil refinery for southeastern South Dakota says the project continues to move forward despite an economic downturn that has zapped crude oil prices and tightened credit markets.

The refinery would process 400,000 barrels of Canadian tar sands crude oil into low-sulphur gasoline and diesel. It would be the first new refinery built in the U.S. since 1976.

### [NATO forces foil attack on Norwegian tanker](#)

ON BOARD NRB CORTE-REAL (Reuters) - NATO forces foiled an attack by Somali pirates on a Norwegian oil tanker, and briefly detained seven gunmen after hunting them down under cover of darkness, NATO officials said Sunday.

It was the latest assault by sea gangs from Somalia who have hijacked dozens of ships, taken hundreds of sailors hostage and made tens of millions of dollars in ransoms -- defying an unprecedented deployment by foreign navies in the region.

### [Batteries Not Included](#)

Shai Agassi stood in a warehouse on the outskirts of Tel Aviv one afternoon last month and watched his battery-swapping robot go to work. He was conducting a demonstration of the curious machine that is central to his two-year-old clean-energy company, which is called Better Place. Agassi's grand plan is to kick-start the global adoption of electric cars by minimizing one of the biggest frustrations with the technology: the need for slow and frequent recharges. The robot is the key to his solution. Unlike most electric-car technologies, which generally require you to plug your car into a power source and recharge an onboard battery for hours, the Better Place robot is designed to reach under the chassis of an electric car, pluck its battery out and replace it with a new one, much the same way you'd put new batteries in a child's toy.

### [Desert clash in West over solar power, water](#)

OAKLAND, Calif. - A westward dash to power electricity-hungry cities by cashing in on the desert's most abundant resource — sunshine — is clashing with efforts to protect the tiny pupfish and desert tortoise and stinginess over the region's rarest resource: water.

### [Patterns: Living Near a Highway Linked to Arthritis](#)

The risk for rheumatoid arthritis is not large — about 1 percent of the population is affected — but a new study suggests a surprising factor that seems to increase that risk: living near a highway.

Environmental pollutants, including cigarette smoke, have been shown to raise the risk, and this suggests that other factors that increase inflammation, like car and truck exhaust, may also be associated with the disease.



## [Vegetable oil carries RV down the road](#)

By Winston's estimate, there are fewer than 10,000 vehicles on the road that have undergone these diesel conversions. Now, he sells and installs his own kits -- and he's the only person in the Washington, D.C., area to offer the service.

Though his side business, named "Feed My Wheels dot com," has only converted a handful of vehicles, he recently took on his largest project by far -- a 1983 Itasca RV.

## [Why Isn't the Brain Green?](#)

Over the past few decades a great deal of research has addressed how we make decisions in financial settings or when confronted with choices having to do with health care and consumer products. A few years ago, a Columbia psychology professor named David H. Krantz teamed up with Elke Weber — who holds a chair at Columbia's business school as well as an appointment in the school's psychology department — to assemble an interdisciplinary group of economists, psychologists and anthropologists from around the world who would examine decision-making related to environmental issues. Aided by a \$6 million grant from the National Science Foundation, CRED has the primary objective of studying how perceptions of risk and uncertainty shape our responses to climate change and other weather phenomena like hurricanes and droughts. The goal, in other words, isn't so much to explore theories about how people relate to nature, which has been a longtime pursuit of some environmental psychologists and even academics like the Harvard biologist E. O. Wilson. Rather, it is to finance laboratory and field experiments in North America, South America, Europe and Africa and then place the findings within an environmental context.

## [The Science Guy - Questions for Steven Chu](#)

### **What can the government do to provide incentives for innovation in clean energy?**

In the case of a more mature technology like wind, what the government can best do is provide some stability so the companies can make long-term investments that will develop the wind industry and the wind turbines. That is what happened in Europe.

### **What do you mean by stability?**

For instance, in wind, there would be production tax credits. What we want is stability, so the investors know that the investment tax credit can be in place for a decade instead of two years.

## [Economic growth was built on Credit pyramid scheme](#)

Satyajit Das, the Australia-based author of *Traders, Guns & Money: Knowns and Unknowns in the Dazzling World of Derivatives*, who has warned about the dangers of credit derivatives, says the recovery will be muted.

Das argues the years of economic growth that preceded this recession were essentially a Ponzi scheme built on a foundation of excessive debt and a failure to properly cost carbon emissions.

### [California Seeks to Curb Appetite of Power-Hungry TVs](#)

SAN FRANCISCO — Estimating that televisions and their electronic accessories account for 10 percent of the electricity used in an average household, California's energy wardens want to put new flat-panel models on a diet.

### [Slump Tilts Priorities of Industry in China](#)

In the rush to invest \$585 billion in stimulus spending and revive flagging industrial production, China has at least temporarily backpedaled on some environmental restraints imposed, though with limited impact, during the country's long boom.

The Ministry of Environmental Protection, citing the urgency of fighting the downturn, adopted a new "green passage" policy that speeds approval of industrial projects. In one three-day stretch late last year, it gave the green light to 93 new investment plans valued at \$38 billion.

### [Lawmakers forge alternative to cap-and-trade proposal](#)

WASHINGTON — A growing number of lawmakers who are deeply involved in the effort to reduce greenhouse gases and global warming are beginning to question "cap-and-trade," the current hot-button solution to the problem.

### [US energy secretary: Islands could disappear](#)

US Energy Secretary Steven Chu is warning that if countries don't do something about climate change, "some island states will simply disappear."

The energy secretary is traveling with President Barack Obama to the two-island nation of Trinidad and Tobago for a summit of the Western Hemisphere's democracies. Chu told reporters at the Summit of the Americas on Saturday that Obama pushed leaders to work to stem rising temperatures.

[The Great Green Con: Labour's climate measures mainly hot air](#)

Britain's economic stimulus measures, promoted by Gordon Brown as part of a "global green new deal", will accelerate global warming instead of curbing it, an investigation by *The Independent on Sunday* has established.



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