



Drumbeat, July 25, 2009

Posted by [Gail the Actuary](#) on July 25, 2009 - 8:58am

Topic: [Miscellaneous](#)

[Kurt Cobb: The big question](#)

Let me illustrate the pitfalls of sacrificing for future generations. Let's say we decide to go on a severe fossil fuel diet starting today and remain on that diet indefinitely in order to lessen the ravages of peak fossil fuels and climate change. Many decades later our descendents wake up to a world with a steady, livable climate and with a relative abundance of fossil fuels that are now used almost exclusively as chemical feedstocks except in a few small instances. These descendents decide that their lives could be improved somewhat quite cheaply by burning a little more fossil fuel. After all, the danger of catastrophic climate change has passed, and greenhouse gas levels have actually come down. Why not ease restrictions on burning fossil fuels?

Of course, this modest lifting of restraints probably won't last long as the flush of enhanced living standards encourages a call for burning additional fossil fuels to increase living standards a bit more. And, of course, this unfortunate path could lead my hypothetical future society right back onto the road to collapse and destruction.

[Phosphorus Matters II: Keeping Phosphorus on Farms](#)

In many soils phosphorus is naturally present in sufficient amounts, however, it may be chemically locked up and not available for plants. Most of agricultural soils in Western Europe and North America are oversupplied with huge amounts of superphosphate fertilizers, which results in binding phosphorus up with other elements so it ends up unused in the soil. In consequence, the concentration of phosphorus may be as high as 750 ppm, while only 45 ppm is necessary for growing grains (2). To determine whether you have a sufficient level of phosphorus in your soil, the surest way is to make a soil test. If the amount of phosphorus seems to be okay, but your plants show signs of phosphorus deficiency (purplish leaves, stunted stems), you may need help from a specially skilled team of phosphorus extractors – fungi. Fungi are decay experts in soils. The enzymes that they secrete allow them to break up lignin, cellulose, chitin shells of insects and bones of animals, which are too difficult to digest for bacteria. A single teaspoon of a healthy soil may contain several meters of fungal hyphae, invisible to the naked eye (3).

[Dave Cohen: Is business-as-usual likely in a peak oil scenario?](#)

Thus, in a peak oil future—

1. business-as-usual (BAU) means economies & emissions grow without limit, BUT
2. an insufficient oil supply creates oil price spikes
3. such oil shocks reduce fossil fuel demand across the board, thus reducing CO₂ emissions
4. the permanent peak & decline of oil production itself, aside from the direct effects of oil price shocks, will reduce emissions over time (the dashed line in Figure 2) if fossil-fuel based substitutes are not immediately available
5. if CO₂ emissions are not growing, the economy is in recession

Rising emissions, a proxy for fossil fuel consumption, appear to be a necessary condition (#5) supporting past or future economic growth. Thus, given the well-supported assumptions #2 through #4 above, we are not entitled to conclude that—

- Business-as-usual (BAU) will continue if the peak oil hypothesis is correct

[Crude rises for second week on weaker dollar, stocks' rally](#)

Crude-oil futures rose above \$68 a barrel Friday, gaining for a second week in a row, as a weaker dollar and resilient U.S. stocks boosted prices while worries continued that oil's recent run-up can't be justified by energy-market fundamentals.

[In Alaska, Qiveters Never Win](#)

We have high suicide and school dropout rates, and problems of poverty and alcohol and drug abuse. The Anchorage area faces an energy shortage due to declining gas fields and the villages face almost insurmountable energy costs; key resource development projects are languishing, and there is no revenue sharing for Alaska for offshore oil development even though we have 33,000 miles of coastline.

In short, Alaska had a governor who had the stature within the state, nationally and internationally, to deal with our problems. She could have used her position to find solutions to the high costs and financial insecurities of our far-northern state. Instead, she abandoned her role as the state's leader in midstream, making her the only governor in our state's history to "qivit" in the true sense of the word, at a time when we need strong leadership. Good luck, Governor Parnell — may the great Arctic spirits be with you.

[National alarm over continuing and severe food and water shortages](#)

The Kenyan government on Wednesday raised an alarm of severe food, water and energy shortages facing the east African nation.

Prime Minister Raila Odinga told Parliament that over 10 million people are in urgent need of food assistance, noting that a very worrying situation and forecasts in food, water and energy are grim, blaming it on destruction of environment.

"We are paying the price of decades of wanton destruction of our environment, which has seen our forest cover decline from 12 percent at independence to about 1.2 percent today.

"We have consistently abused our water towers, slashed and burnt our forests and farmed in our river basins," he told lawmakers.

[U.S. natgas rig count climbs 10 to 675 for week](#)

The number of rigs drilling for natural gas in the United States rose 10 this week to 675 after sinking last week to its lowest level in more than seven years, according to a report on Friday by oil services firm Baker Hughes in Houston. . .

But while the steep decline in gas drilling this year has started to slow production and tighten supplies, most traders agreed it has not been enough yet to offset recession-related cuts in industrial demand and slight gains in imports of LNG.

The U.S. Energy Information Administration estimates that domestic gas production fell for a fourth straight month in June, with output dropping below the same year-ago month for the first time this year.

[Paramount set to curtail natural gas production](#)

TORONTO - Paramount Energy Trust (PMT_u.TO) said on Wednesday it will curtail natural gas production due to the downturn in natural gas prices.

The trust said it has, or will have, 35 million cubic feet per day temporarily shut in. It also said that if the shut-in lasts through October, its estimated 2009 average production will be cut to about 160 million cubic feet per day.

[UPDATE 1-US Natural Gas Fund says not caused price swings](#)

The giant United States Natural Gas Fund, LP (UNG.P) said on Friday its activities did not cause the rapid rise in natural gas prices in 2008 or the steep fall in 2009. . .

UNG is still awaiting word from the U.S. Securities and Exchange Commission on approval to issue up to 1 billion new units after it effectively ran out of shares to issue in

early July.

[Kern County oil flop - Occidental Petroleum - peak oil](#)

For the sake of more enjoyment, let's look at the impossible for a second. Assuming that Occidental Petroleum defies logic and is able to produce all 250 million barrels in a single day. Taking our current demand into account, we've managed to free ourselves of foreign oil imports for a mere twelve days.

[Walmart Partners With Universities to Create Sustainability Index](#)

A collaboration of NGOs, businesses, universities and the government is coming together to create the world's first consumer sustainability index. The index will offer information concerning the sustainability of products sitting on Walmart shelves.

[Wal-Mart's \(Un\)sustainability Index](#)

On close examination, Wal-Mart's latest plan is, like many of its previous social responsibility initiatives, rather thin. All the company is doing at first is to ask suppliers to answer 15 questions. Ten of these involve environmental issues such as greenhouse gas emissions, water use, waste generation and raw materials sourcing. The final five questions are listed under the heading of "People and Community: Ensuring Responsible and Ethical Production."

Two of them involve "social compliance." It is an amazing act of chutzpah for Wal-Mart, which probably keeps more sweatshops in business than any other company, to claim moral authority to ask suppliers about the treatment of workers in their supply chain.

[Cash-Strapped California's IOUs: Just the Latest Sub for Dollars](#)

In the 1930s, Some Used Shells and Wood As Scrip; the Minneapolis Sauerkraut Note

During the Great Depression, hundreds of communities as strapped for cash as California is today circulated their own temporary currencies. An estimated \$1 billion in this scrip was issued by towns and counties, not to mention corporations, school boards, newspapers and a few wealthy individuals. Most promissory notes looked like paper currency, but scrip was also printed on leather, metal, fish-skin parchment and, in Tenino, Wash., on slabs of two-ply Sitka Spruce.



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