



Drumbeat: October 18, 2009

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There Is Great Fear Upon The Land

North Korea has failed to cope with the food shortage situation over the Summer. The solution was supposed to be the "150 Day Battle" program, that put hundreds of thousands of urban people on the farms, in a vain attempt to save the harvest. It failed. Factories and construction projects are still stalled because of a lack of components, raw materials or building materials. So the government has declared a "100 Day Battle," and told the urban "volunteers" to just stay on the farms (where they can more effectively

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scrounge for food, and not disturb the people remaining in the cities, with the sight of more starving people.)

India's natural gas tied up in \$17B family feud

MUMBAI, India -- An ashen Anil Ambani, one of the world's richest men, stood before a clutter of television cameras, close to tears.

"There is only pain, hurt and emotion," he said, his voice catching.

There is also, by some calculations, at least \$17 billion at stake.

Anil and his brother Mukesh - ranked by Forbes magazine as the world's 34th and 7th richest individuals - are locked in an increasingly bitter fight over India's biggest natural gas deposit.

Analysis: Angola Rises As West Africa's Production Leader

The strength of West Africa's offshore developments, particularly in Nigeria and Angola, is propelling the region to grow faster than any other in the energy industry. Industry experts predict annual project spending will hit \$13 billion by next year.

This is remarkable considering Nigeria's production has dropped off by 20% since 2006. The Movement for the Emancipation of the Niger Delta (MEND) has attacked and kidnapped major industry employees, which has led to the production decrease. Nigeria currently produces about 1.7 MMb/d of oil, down from about 2.6 MMb/d in 2005. The country's natural gas production comes in around 185 tcf.

Zambia suspends import tax on fuel to avert crisis

LUSAKA (Reuters) - Zambia has suspended a 25 percent duty on fuel imports to avert a fuel crisis after oil marketing companies (OMCs) said they would delay diesel and petrol imports until the tax was scrapped, a minister said on Saturday.

Energy minister Kenneth Konga told Reuters the government had decided to waive the duty during the period of the shutdown of Zambia's sole 24,000 barrels-per-day Indeni oil refinery.

Halliburton Sees Signs of Recovery in Oil Patch

Oil field services giant Halliburton Co. said third quarter earnings fell 61 percent amid weaker oil and gas activity compared with a year ago, particularly in North America, but was encouraged by improving conditions in international markets.

Venezuelan government ponders tax on high electricity consumption

Once again, President Hugo Chávez urged people to moderate their consumption of electricity. On this opportunity, he announced the implementation of a "set of measures" aimed at reducing high levels of energy demand.

The Head of State said he asked Rafael Ramírez, the Minister of Energy and Petroleum, to draft a resolution to levy a tax on high power consumption and subsidize low power consumption.

New duo spark price war in energy market

Energy Smart meters and clearer bills will help customers and keep costs low.

UK Report Warns of Oil Shortage

A new report by a prominent energy research firm warns that the world's oil supply could start to dry up over the next 10 years. In a report unveiled at an International Energy Agency meeting in Paris, the UK Energy Research Center said petroleum production is likely to peak by the year 2020 leading to global shortages as supplies taper off.

The world's demand for oil is unsustainable. That's the warning from a new report delivered at the International Energy Agency's ministerial meeting in Paris.

Julian Darley - Commentary: Response to "Energy Crisis is postponed as new gas rescues the world"

It is hard to know where to begin regarding Ambrose Evans-Pritchard's article entitled "Energy crisis is postponed as new gas rescues the world." But since the speculative world he invokes has more to with Alice In Wonderland than the hard reality of engineering and science, let us begin - at the end.

Evans-Pritchard caps his evangelistic encomium with this: "I am not qualified to judge where gas excitement crosses into hyperbole. I pass on the story because the claims of BP and Statoil are so extraordinary that we may need to rewrite the geo-strategy textbooks for the next half century."

He admits his lack of gas qualifications but surely he is enough of a journalist - and an economist - to ask some basic fact-checking questions. If he had, he would have discovered that people like Aubrey McClendon, CEO of Chesapeake Energy, have been

brazenly hyping shale gas - even employing well known gas expert Tommy Lee Jones to promote the stuff - in the hope of making a fortune. Given that Mr McClendon is reputed to have lost around \$2bn in the recent financial debacle, his keenness is perhaps understandable (though he still managed to earn more than \$100m last year).

Kjell Aleklett - ASPO-8: The 2009 International Peak Oil Conference in Denver

This year's international ASPO conference in Denver was organized in collaboration with ASPO-USA and coincided with their national annual conference. Sunday's parallel sessions held before the formal start of the conference offered interested Denver residents the opportunity to inform themselves about Peak Oil. Meanwhile, Peak Oil identities from around the world were given the opportunity to give presentations on their various activities and research results.

I was very happy to open the international proceedings on Sunday with a presentation on "The Peak of the Oil Age". Then we discussed renewable energy in Spain, methods to reduce Canada's CO₂ footprint and Venezuela and the economic crisis. My Ph.D. student, Bengt Söderberg was given the opportunity to present part of his doctoral work concerning the future natural gas crisis in Europe. Professor Lee's presentation on "Peak Oil in China" was an interesting run-through of the significance of this question at various levels. The international symposium concluded with a presentation based in Switzerland. It concerned EROI, i.e. how much energy is returned on invested energy. All the contributions were very interesting and I can only say that there are amazingly many areas where energy is high up on the agenda.

Musings: Peak Oil Will Influence The Shape of Our Future World

The two authors have the same theme -- how Americans will have to give up traveling, abandon eating foods that come from great distances away and find new ways to work. These books, listed on the non-fiction book lists, amaze me because they truly are fictional works. Admittedly they are based on reasonable premises, but they are largely speculation about how the world of the future will unfold.

Author writes about how life will different with more expensive oil

Rubin starts off his book by explaining "Hubbert's Peak," basically an explanation of why oil production is destined to decline over time. Eisenhower was still in the White House when M. King Hubbert made his prediction and Nixon occupied the White House when it started to come true as the production of oil in the State of Texas began to supply a diminishing proportion of U.S. needs.

Hubbert never predicted that oil production would collapse or oil would become impossible to find, but he did suggest it would become ever more costly to extract from the earth, Rubin notes.

Oil in a Culture of Control

Oil is a global commodity, although, to be sure, it's whereabouts are distributed unequally across the globe. Nevertheless, a disruption in supply anywhere in the world has ramifications for consumers everywhere. The damage caused by such a disruption in any given country depends upon that particular countries dependence on oil, and benefits and losses upon the ratio between "imported" and "exported" quantities. In the oil markets, seemingly minor disruptions in the supply of oil can result in a drastic spike in prices; for instance, in Oil ShockWave, a crisis simulation by Securing America's Future Energy (SAFE), an approximate four percent drop in global supply resulted in a 177% increase in the price of oil (from \$58 a barrel to \$161 a barrel).

Washington state project could charge up electric car corridors

WASHINGTON -- A year from now, roughly 1,000 all-electric vehicles will be whispering around Washington state's Puget Sound as part of a federally funded project that eventually may lead to an electronic corridor stretching from Eugene, Ore. , to Vancouver, B.C. , where drivers could swipe a credit card and receive a 15-minute charge to speed them on their way.

Washington is one of five states with metro markets selected to participate in the 36month study, funded by a \$100 million grant from the Department of Energy under the economic recovery program.

Texas site to harness ocean for power, water

Renew Blue's Seadog pump, which uses wave and tidal power to produce electricity and can be harnessed for desalination, is about to be put to the commercial test off the coast of Texas.

A Real Stimulus Plan: Meeting The Challenges Not Yet Met

The only reason the U.S. has not experienced major, recurring power blackouts in the last two years is because of the Great Recession. When the economy recovers, the inadequacy of our antiquated grid will be obvious. Again, nothing is being done.

Frustrated Liberal Lawmaker Balances Beliefs and Politics

Instead of forging ahead, Mr. Blumenauer, 61, finds himself fighting to retain one of the touchstones for liberals this year, a public insurance option in the health care overhaul, and is watching his hopes of curbing global warming grow cold in the Senate. Mr.

Blumenauer, a seven-term congressman, is bracing for a tough vote on sending more troops to Afghanistan while he frets about the detention facility at Guantánamo Bay remaining open.

"It has been a hard landing for a lot of the people that I represent," Mr. Blumenauer, referring to his largely liberal constituency, said as he assessed the first months of the Obama administration.

California appears poised to be first to ban power-guzzling big-screen TVs

Industry lobbying efforts appear to elicit little sympathy from the state Energy Commission, which may vote as soon as Nov. 4.

Activists push for cleaner Northwest energy

PORTLAND, Ore. -- The final public hearing on the latest Northwest regional power plan drew a much larger crowd than in the past, as activists continued their push for cleaner energy in the coming decades.

About 130 people came to the Northwest Power and Conservation Council hearing Wednesday in Portland, many with anti-coal signs or T-shirts.

It's Fish vs. Lawns, Not North vs. South

Gov. Arnold Schwarzenegger and legislative leaders have been haggling behind closed doors for months seeking a historic agreement to make California's water supply more reliable while restoring and preserving the Delta and its wildlife habitat. Some in the Bay Area fear that the true aim of these talks is to allow construction of a new canal to send still more water south for farmers to grow crops in the desert and Angelenos to fill their pools and wash their BMWs.

But Bay Area interests have been fighting as hard as anyone to protect their right to pull water from the Delta and the rivers that feed it.

Drying up of lightbulbs has German in a lather

As a European Union ban on making or importing certain incandescent lightbulbs takes hold, Ulf Erdmann Ziegler has hoarded 3,000 to last a lifetime -- he hopes. The ban aims to slow global warming.

"Going green at home can cost a lot if you want it to, but it doesn't have to," said Glenn Croston, author of "75 Green Businesses" and "Starting Green."

"There are plenty of eco-luxuries available that are quite costly, but there are plenty of green choices you can make that cost little or save you money."

Beijing's Air Is Cleaner, but Far From Clean

BEIJING — This city's network of arterials, five ring roads bisected by nine more freeways, is barely two decades old, but it already is sclerotic. Roughly four million vehicles clog Beijing roads, seven times the number about 15 years ago. On any given day, another 1,500 new vehicles join the crush.

So it is no surprise that Beijing has some of the worst air pollution of any big city on earth.

No, the surprise is this: Beijing's air is actually getting cleaner.

Population is not to blame for climate change

We are shocked and angered that the ACF has supported Labor MP Kelvin Thomson's calls to cut Australia's migration rates.

These proposals pander to racism and offer no solution to environmental degradation. They divert attention away from the real cause of environmental disaster — government inaction and corporate polluters.

Cooling the Hysteria: Time to Ask the "Nasty Questions"

"Climate change is a reality; the debate is over," Tom Strickland, Assistant Secretary of Interior, recently told reporters before releasing a plan intended to mitigate warming's effect on natural resources.

Well the fat lady's not singing yet. Debate on the science of climate change is heating up as scientists forecast the climate is now cooling down.

Illusions on the edge of a precipice

The climate crisis is not a negotiable issue and politicians must start paying attention to science.

World's 17 biggest polluters hold summit to seek breakthrough on global warming deal

LONDON (AP) - Representatives of the world's 17 biggest and most polluting nations were holding talks Sunday to search for a breakthrough on financing efforts to contain climate change and reduce gas emissions causing global warming.

Pressure has been mounting for the United States to finalize its position before a decisive December conference in Denmark meant to cap two years of negotiations on a global climate change treaty.

Global warming blamed for aspen die-off across the West

Reporting from Paonia, Colo. - From the hillsides of extinct volcanoes in Arizona to the jagged peaks of Idaho, aspen trees are falling by the tens of thousands, the latest example of how climate change is dramatically altering the American West.

Starting seven years ago, foresters noticed massive aspen die-offs caused by parasitical insects, one of them so rare it is hardly even written about in scientific literature. But with warming temperatures and the effects of a brutal drought still lingering, the parasites are flourishing at the expense of the tree, beloved for its slender branches and heart-shaped leaves that turn a brilliant yellow in autumn.

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