



Drumbeat: August 23, 2010

Posted by [Leanan](#) on August 23, 2010 - 9:16am

Topic: [Miscellaneous](#)

[Kurt Cobb: The illusion of individual risk](#)

So much of the freedom of action we take for granted today is, in fact, a product of the availability of huge amounts of energy. Of course, not to allow the individual some range of action to take risks would indeed make our lives exceedingly frustrating and dull and our societies stagnant. But as we head down the slope of energy and resource constraints, we as a society are going to have to rethink the idea that the risks associated with access to resources are an individual risk. They are increasingly going to become a societal risk to which we will need to apply some restraints regardless of the ability to pay in order to insure the stability and integrity of society as a whole.

rn, squash, brussels sprouts, the occasional celeriac and, once when I was feeling particularly energetic, a couple of small but undeniable artichokes. You'll get no argument from me about the pleasures and advantages to the palate and the spirit of eating what's local, fresh and in season.

But the local food movement now threatens to devolve into another one of those self-indulgent — and self-defeating — do-gooder dogmas. Arbitrary rules, without any real scientific basis, are repeated as gospel by “locavores,” celebrity chefs and mainstream environmental organizations. Words like “sustainability” and “food-miles” are thrown around without any clear understanding of the larger picture of energy and land use.

[U.S. research vessel sees few signs of spilled oil](#)

(Reuters) - Scientists above a U.S. research ship have started an around-the-clock search for elusive signs of oil lurking beneath the Gulf of Mexico's surface in what they jokingly call "Operation Dipstick."

As debate rages among scientists over how much oil remains in the water after BP Plc's massive oil spill, their research vessel circles above the blown-out Macondo well, some 40 miles southeast of the mouth of the Mississippi River.

[Chevron says seeking to sell Colonial Pipeline stake](#)

(Reuters) - Chevron Corp (CVX.N) said Monday it was pursuing the sale of its 23.4

percent stake in the Colonial Pipeline, the largest U.S. oil products pipeline.

"We believe there is significant market interest in this asset given Colonial's size, market access, steady cash flows and expansion potential," said Mickey Driver, a spokesman for the company.

[Iran Inaugurates New Gas Pipeline to Pakistan](#)

Iran inaugurated part of what it said is a new gas pipeline between its main South Pars gas field and neighboring Pakistan. Tehran said new economic sanctions will not stop the deal with Pakistan.

[Kurt Cobb: The illusion of individual risk](#)

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[The Big SUV's death rattle](#)

The mini-boom in SUVs is thought to be a sign that one, like frogs in boiling water, Americans have become accustomed to higher gasoline prices, and two, they won't give up their oversize vehicles until someone pries their cold dead hands off the steering wheel.

In reality, the phenomenon may be nothing more than a death rattle. Customers are hurrying to buy SUVs before they become extinct.

[Shell Starts Drilling Deepwater Oil Well Near Tupi Field Offshore Brazil](#)

Royal Dutch Shell Plc, Europe's largest oil company, started drilling a well off Brazil's coast near the Tupi field, the largest discovery in the Americas in more than three decades, said the nation's oil regulator.

The regulator, known as ANP, announced Shell's drilling development, 1-SHEL-23-RJS, today on its website. The well is in the Santos Basin's BM-S-54 block, north of Tupi, which was the Americas' largest discovery since Mexico's Cantarell in 1976. The well is also close to the Iara and Iracema oil fields.

[Pemex and Statoil set to talk Gulf](#)

Norwegian giant Statoil is set to hold talks with Pemex this week as the Mexican company looks to attract foreign partners to its oil sector.

[Riis-Johansen says rules must be strict](#)

Ensuring high safety and environmental standards is key to maintaining confidence in Norway's oil industry following the Deepwater Horizon disaster, the country's energy minister said

[Nigeria seeks bidders for power distribution firms](#)

ABUJA (Reuters) - Nigeria is seeking bidders for 11 electricity distribution firms in deals that could unlock billions of dollars of foreign investment and help end chronic power shortages, the privatisation agency said on Monday.

[Richard Heinberg: Community Economic Laboratories \(CELs\)](#)

As America adjusts to the New Reality of tight credit, chronically less-affordable energy, high unemployment rates, rising levels of homelessness, and steeply declining tax revenues, new strategies will be needed to help swelling ranks of low-income people adjust and adapt. National policies designed to ease credit, lower mortgage rates, or provide basic financial assistance (including extended unemployment benefits) may help over the short term, but over the longer term many needs will be better met locally by largely volunteer-driven non-profit organizations, co-ops, and hybrid public-private agencies and programs.

One strategy worth exploring is the seeding of a loosely coordinated national network of locally-based Community Economic Laboratories (CELs).

[Straw theft is omen for the future of food](#)

Demand for potash will increase as the global population grows – and prices are likely to move higher. This means grain prices are likely to rise too.

This is bad news for farmers – and ultimately consumers – because it means the price of rearing animals is probably going to rise because of increasing feed costs. But it's not just feed prices that are going up and squeezing farmers' margins – the price of straw and hay is also heading higher.

The hot weather earlier this year and the increasing use of straw as biomass for generating power is causing a straw shortage.

[Pakistan: A Question of Water](#)

This may not be the most tactful time to bring it up, with much of Pakistan underwater and many millions homeless, but Pakistan's real problem is not too much water. It is too little water - and one day it could cause a war.

[Can Africa break its 'resource curse'?](#)

London, England (CNN) -- Many African countries are blessed with oil and mineral wealth that has the potential to transform their economies. But historically, those resources have often been more of a curse than a blessing.

There are numerous examples of African nations where the discovery of natural resources has been followed by economic instability, conflict and environmental damage. So common is the phenomenon that it even has its own name -- the "resource curse."

Michael T. Klare is a professor of peace and world security studies at Hampshire College in Massachusetts, United States, and the author of the books "Resource Wars" and "Blood and Oil."

[Venezuela, More Deadly Than Iraq, Wonders Why](#)

CARACAS, Venezuela — Some here joke that they might be safer if they lived in Baghdad. The numbers bear them out.

In Iraq, a country with about the same population as Venezuela, there were 4,644 civilian deaths from violence in 2009, according to Iraq Body Count; in Venezuela that year, the number of murders climbed above 16,000.

Even Mexico's infamous drug war has claimed fewer lives.

[Norway's oil past its prime but still alluring](#)

Norway (Reuters) - Norway's oil and gas production will remain attractive in the years ahead despite declining oil output, especially for smaller oil companies and offshore services looking for drilling and upgrade contracts.

[China's nine-day traffic jam stretches 100km](#)

BEIJING (AFP) – Thousands of vehicles were bogged down Monday in a more than 100-kilometre (62-mile) traffic jam leading to Beijing that has lasted nine days and highlights China's growing road congestion woes.

The Beijing-Tibet expressway slowed to a crawl on August 14 due to a spike in traffic by cargo-bearing heavy trucks heading to the capital, and compounded by road maintenance work that began five days later, the Global Times said.

The state-run newspaper said the jam between Beijing and Jining city had given birth to a mini-economy with local merchants capitalising on the stranded drivers' predicament by selling them water and food at inflated prices.

[Hearings into cause of oil spill begin in Houston](#)

HOUSTON — Federal investigators are hearing testimony from BP executives in a joint probe into the cause of the explosion that led to the massive oil spill in the Gulf of Mexico.

[Bjork Takes On Magma in Drive to Give Iceland Voters Final Say](#)

Singer-songwriter Björk Guðmundsdóttir is spearheading a push that one poll shows is backed by 85 percent of Icelanders to put foreign energy takeovers to referenda if enough people oppose the deals.

[Iran says it will mass produce assault boats](#)

TEHRAN, Iran – State TV says Iran has inaugurated production lines for two types of assault boats. The defense minister describes them as a boost to the country's navy.

Monday's report says one of the boats — dubbed Zolfaghar, after a famed sword — has been equipped with cruise missiles. The second, Seraj or Light, is a high-speed patrol boat with a fiberglass body.

[Calls to tackle rising oil imports](#)

BEIJING - China, which is set to import more than 55 percent of its oil needs this year, should seek greater diversification of oil imports, build more stockpiles and improve conservation to enhance energy security, said analysts.

The country will see a continuous increase in oil imports, as domestic production cannot keep pace with the fast growing economy, said Zhou Dadi, a researcher with the Energy Research Institute under the National Development and Reform Commission.

"We should have long-term plans to address oil security," he added.

[Oil hovers below \\$74 amid growth uncertainty](#)

KUALA LUMPUR, Malaysia – Oil prices hovered below \$74 a barrel Monday in Asia as uncertainty about the global economy's prospects outweighed possible production disruptions in the Gulf of Mexico due to hurricane season.

[Hedge Funds Cut Gasoline Bets Most Since 2006](#)

(Bloomberg) -- Hedge funds cut bullish bets on gasoline by the most in almost four years as petroleum stockpiles surpassed the highest level since 1990 and the U.S. vacation season drew to an end.

Hedge funds and other large speculators reduced wagers on rising prices by 74 percent the week ended Aug. 17, the most since October 2006, the Commodity Futures Trading Commission reported on Aug. 20. Gasoline has dropped 21 percent since reaching its 2010 high of \$2.4351 a gallon on the New York Mercantile Exchange on May 3.

[Kuwait signs oil pact with Iraq](#)

KUWAIT CITY // Kuwait has signed an agreement to share oil from cross-border fields with Iraq and is waiting for its northern neighbour to reciprocate, the emirate's oil minister has said.

The deal could help to smooth the often thorny relationship between the two countries 20 years after Saddam Hussein's armies occupied Kuwait – an incursion that sparked the First Gulf War.

[OPEC Export Revenues on The Rise](#)

2010 OPEC oil export revenue levels have seen a significant recovery from the previous year-an \$181B increase-according to projections from the EIA August 2010 Short-Term Energy Outlook (STEO).

[Kuwait in \\$35bn oil upgrade](#)

KUWAIT CITY // Kuwait is about to embark on major oil projects worth almost US\$35 billion (Dh128.45bn) as part of the government's four-year development plan, says Sheikh Ahmed Abdullah Al Sabah, the oil minister.

The investments include a fourth refinery, a project that has stalled before in the country's parliament.

[Pakistan Gas Import Plans Delayed by Floods, Iran Sanctions](#)

Pakistan, experiencing its worst- ever flooding, will face increasing shortages of natural gas and electricity because of international sanctions against Iran and a contract dispute with an European energy supplier.

"Pakistan is desperate as it faces huge power shortages," said Alexis Aik, head of the global gas team at FACTS Global Energy in Singapore. "It was looking to speed up liquefied natural gas imports, which are more viable than pipeline imports."

[Iran Says Turkey May Help Build Two Petrochemical Units in Country's South](#)

Turkey and Iran may jointly build two petrochemical units, state-run Press TV news channel reported, citing Iran's Deputy Oil Minister.

Iran and Turkey are discussing construction of an urea and an ammonia unit in the industrial hub of Assaluyeh in southern Iran, Press TV said, citing Abdolhossein Bayat, who is also the managing director of National Iranian Petrochemical Co.

[SKorea's pension fund eyes US pipeline stake](#)

SEOUL, South Korea — South Korea's national pension fund says it is interested in buying Chevron's 23.4 percent stake in Colonial Pipeline.

National Pension Service official Kim Hee-seok said on Monday that the fund is in talks with the U.S. oil pipeline operator, but emphasized that nothing has been decided on who will buy the stake.

[Nabucco Gas Project Plans Georgian, Iraqi Feeder Pipelines; Avoids Iran](#)

Nabucco Gas Pipeline International GmbH plans to supply the natural-gas transmission route to Europe with links to Turkey's borders with Georgia and Iraq and has decided against a link to the country's border with Iran.

[China's 1st deep-water drilling vessel being built](#)

DALIAN - Construction of the world's largest deep-water oil drilling vessel has started in northeast China's Liaoning province.

[Norway oil fund gives Israeli outfits the boot](#)

Norway has excluded two Israeli companies from its \$450 billion oil fund, claiming the outfits' activities in the Palestinian Occupied Territories are in breach of the fourth Geneva Convention.

[Green light for Egypt clean fuel plant](#)

Egyptian Refining Company (ERC), the joint venture leading a US\$3.7 billion (Dh13.57bn) project to build a petroleum refinery within sight of the pyramids of Giza, has secured \$2.6bn from a banking syndicate to finance the development.

"We are delighted to announce the debt package for what we believe stands as one of the largest project finance deals ever assembled in Africa," said Marwan Elaraby, the managing director of Egypt's Citadel Capital, which owns 85 per cent of ERC.

[Sinopec Margins Set to Extend Slump as Fuel Prices Trail Crude](#)

China Petroleum & Chemical Corp., Asia's biggest refiner, may extend a slump in profit from making gasoline and diesel as government price controls prevent the company from passing on higher crude-oil costs to customers.

Margins from processing oil fell 45 percent in the first six months as crude costs surged 84 percent, the company known as Sinopec said in its earnings statement yesterday. The stock declined the most in almost two months after second-quarter net income dropped 10 percent from a year earlier compared with a 40 percent increase in the preceding three months.

[Compensation czar takes charge of \\$20 billion BP fund](#)

NEW ORLEANS (Reuters) – A \$20 billion compensation fund for economic victims of the BP Gulf oil spill opens for business on Monday amid accusations that the rules established by its administrator are unfair.

Kenneth Feinberg who will run the fund said those who sustained financial loss because of the spill could claim for damages and he promised claimants more generous treatment than they would get if they sued the energy giant for damages.

[Gulf claims chief defends no-sue rule](#)

NEW ORLEANS — The new administrator for damage claims from gulf oil spill victims said yesterday that it was his idea, not BP's, to require that anyone who receives a final settlement from the \$20 billion compensation fund give up the right to sue the oil company.

[Oil's gone? Dispute's not evaporating](#)

But did the worst offshore oil spill in U.S. history really just evaporate? The government says so, but then again, it also reiterated BP's low-ball estimates of the oil flow early on, just as it supported BP's contention that there were no underwater plumes of oil. Now it tells us the oil is mostly gone.

['Cash for clunkers' car dealers investigated](#)

WASHINGTON — The government is investigating at least 20 car dealerships it claims violated the rules of last year's cash-for-clunkers program. Government auditors say up to \$94 million in rebates may be ineligible because they lack the proper documentation.

One year after the \$3 billion car-buying frenzy, the National Highway Traffic Safety Administration has reached an enforcement phase. Nine dealers have paid a total of \$71,500 in fines.

[Shakeup for Wellington property](#)

In residential areas changes include density restrictions increasing to medium in areas around some housing centres, starting with Johnsonville and Kilbirnie.

“This is an important step in allowing more people to live closer to services and public transport, and to a more sustainable city better equipped to adjust to the threats of climate change and peak oil,” a council spokesman said.

“We have some greenfields development provided for, but it is also important that we don't rely on sprawl as so many cities have with all the transport problems that brings.”

[Proliferation of old-style coal plants increases despite public outcry](#)

WYODAK, WYO. -- Utilities across the country are building dozens of old-style coal plants that will cement the industry's standing as the largest industrial source of climate-changing gases for years to come.

[Going Green, Without Being Preachy About It](#)

With a white Kangol cap tipped on his shaved head just so on a recent swampy morning, Sean Meenan led a group of girls, ages 11 to 14, around the cobalt blue, lime green and Sunkist orange outdoor patio of Habana Outpost, the ecologically conscious restaurant he owns in Fort Greene, Brooklyn.

He showed off the solar panels, a rainwater-collection system that feeds the toilets, a recycling and composting station, wheat-board wall paneling and corn-based plastic cups. There was even a blender powered by a bicycle.

[Statoil Chief Says Oil Producer Is Committed to Renewable Energy Projects](#)

Statoil ASA, Norway's biggest oil and gas producer, is committed to developing its renewable- energy investments, Chief Executive Officer Helge Lund said.

"We plan to develop and deliver on the positions we have taken," Lund said today at a press conference in Stavanger. "There's no reason in my view to question our commitment to our strategy. It remains firm and has broad support in the management team and the board of directors."

[South Africa: Renewable Energy 'Will Boost Jobs, Manufacturers'](#)

Johannesburg — ENVIRONMENTAL campaigners want the government to adopt ambitious targets on renewable energy. This would help SA secure global funds for climate mitigation, cut greenhouse gas emissions, create jobs, and create a secure energy supply, say the World Wide Fund for Nature (WWF) and Greenpeace.

By 2030, at least half of SA's electricity should come from renewable resources, according to a WWF report released last week.

[Nuclear Plant's Use of River Water Prompts \\$1.1 Billion Debate With State](#)

BUCHANAN, N.Y. — Just beneath the wind-stippled surface of the Hudson River here, huge pipes suck enough water into the Indian Point nuclear plant every second to fill three Olympic swimming pools. And each second they take in dozens of organisms — fish and crabs, but mostly larvae — that are at the center of a \$1.1 billion debate: should the plant have to put in cooling towers that would vastly reduce the intake of water?

[Australia Steps Up Renewable Energy Efforts](#)

SYDNEY — Australia has plans to build the biggest wind farm in the southern hemisphere by 2013, part of its scramble to fight climate change and harness its abundance of clean energy sources — wind, solar, waves, geothermal energy and bioenergy.

[A mixed result for the environment](#)

On the face of it, the failure of the Labor Party, under the leadership of Julia Gillard, to secure victory in the Australian elections is a setback for those who argue that democratic political systems are capable of meeting the immense challenge of climate change.

[Yasuní and the New Economics of Climate Change](#)

(CNN) -- Yasuní is both a place and a metaphor.

The place is a UNESCO Biosphere Reserve in the Ecuadorian Amazon where two indigenous communities, the Tagaeri and the Taromenane, live in voluntary isolation. Below the biosphere lie the oil fields Isphingo, Tambococha and Tiputini, abbreviated to ITT.

Yasuní the metaphor is the initiative for paying to keep that oil underground and leave the biological and cultural diversity undisturbed.

[Cuts jeopardizing quality of Environment Canada's weather service: report](#)

OTTAWA — Sustained cuts to Environment Canada weather-service programs have compromised the government's ability to assess climate change and left it with a "profoundly disturbing" quality of information in its data network, says a newly released internal government report.

The stinging assessment, obtained through an access-to-information request, suggests that Canada's climate network infrastructure is getting progressively worse and no longer meets international guidelines.

[Food crisis threatens Bolivia due to climate change](#)

Persistent drought, cold weather and flooding, all attributed to climate change, are threatening Bolivia with a food crisis, the United Nations Food and Agriculture Organization (FAO) and experts have recently warned.

FAO coordinator Einstein Tejada said one fifth of Bolivia's territory now suffer from the effects of climate change, causing food prices to rise.

[Thomas Homer-Dixon: Disaster at the Top of the World](#)

The Arctic is warming twice as fast as the rest of the planet, and this summer its sea ice is melting at a near-record pace. The sun is heating the newly open water, so it will take longer to refreeze this winter, and the resulting thinner ice will melt more easily next summer.

At the same time, warm Pacific Ocean water is pulsing through the Bering Strait into the Arctic basin, helping melt a large area of sea ice between Alaska and eastern Siberia. Scientists are just beginning to learn how this exposed water has changed the movement of heat energy and major air currents across the Arctic basin, in turn producing winds that push remaining sea ice down the coasts of Greenland into the Atlantic.

Globally, 2010 is on track to be the warmest year on record. In regions around the world, indications abound that earth's climate is quickly changing, like the devastating mudslides in China and weeks of searing heat in Russia. But in the world's capitals, movement on climate policy has nearly stopped.



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