



Drumbeat: August 25, 2010

Posted by [Leanan](#) on August 25, 2010 - 9:06am

Topic: [Miscellaneous](#)

[Electricity crisis hits Venezuelan oil exports](#)

The electricity crisis hitting Venezuela threatens to reduce further fuel exports, which recorded a year-on-year decrease of 16.3 percent in the second quarter of 2010, thus worsening the negative effects of the economic fall on the oil sector.

The Venezuelan government was forced this year to install dozens of thermal power plants to alleviate a stringent electricity rationing. Fueling these plants is costing several billion dollars in refined products that were intended for export.

“The Coming Famine” – and as I discussed in The Times and at TED – that’s simply impossible. Why? Because we have most likely seen peak everything – and meat and much of the other stuff that constitute some 80 percent of the calories in the typical American diet take way more energy, water and land to produce than unprocessed plants. (*The review is [here](#).)*

[Asia's glaciers in retreat, could signal crop failure and flooding in the future](#)

Asia's glaciers are retreating, which could mean drought, plus crop losses upstream and flood conditions downstream for millions of people.

[Statoil not investing in Mexico](#)

Statoil chief Helge Lund said Norway’s largest oil and natural gas company will refrain from investing in Mexico for now as the business environment for the sector is still unclear.

[Venezuela eyes Sept PDVSA issue, Q4 growth](#)

CARACAS (Reuters) - Venezuela is preparing a \$2 billion dollar-denominated bond issue by state oil firm PDVSA for September, a senior government source told Reuters on Wednesday.

"We're getting it ready for the start of September, during the first two weeks," the

source said.

[Enbridge pipeline has dent at St. Clair River](#)

The Enbridge Energy pipeline that ruptured in Marshall last month, spilling more than 800,000 gallons of oil, shows structural anomalies closer to Metro Detroit that need to be investigated, according U.S. Rep. Candice Miller.

[Cuba looks cooperate on offshore safety](#)

Cuba's oil industry wants to work with its counterparts in the United States and Mexico to promote safe drilling practices and avoid the kind of well blowout and spill seen recently in the Gulf of Mexico, a leading drilling industry expert said today.

[Nuclear safety agency model may aid oil drilling](#)

(Reuters) - Oil exploration companies like BP Plc and their drilling partners could learn from a little-known U.S. nuclear industry watchdog group that focuses on sharing safety know-how and peer criticism, executives involved with the group said.

[BP tells U.S. panel Halliburton should have warned of well hazard](#)

In a new twist in the case, BP has declared that Halliburton, which had warned that the cement job on the Macondo well might not function properly, should have stopped the operation outright. If Halliburton knew the cement process was unsafe, it had an obligation to refuse to proceed - and to do otherwise would be, BP said in a statement, "morally repugnant."

[Louisiana's Treasurer Says `Chuckleheads' Caused Gulf Oil Spill](#)

Louisiana Treasurer John Kennedy said "chuckleheads" on the Deepwater Horizon drilling rig caused the explosion and oil spill, and said the isolated incident shouldn't delay resuming Gulf of Mexico exploration.

[U.S. spill panel skewers offshore drilling policy](#)

(Reuters) - The BP oil spill in the Gulf of Mexico was a massive "failure" in oversight for the oil industry and the U.S. government, the co-chairman of the White House oil spill commission said on Wednesday.

[BP executive says blowout preventer was not connected properly](#)

As BP and Transocean officials struggled to contain the oil gusher in the Gulf of Mexico, they discovered that the plumbing on the blowout preventer was connected improperly, a BP executive testified Wednesday.

"It would mean that the pipe rams could not be closed," said Harry Thierens, BP executive vice president for drilling and completions. "I was frankly astonished that this could have happened."

[Removal of BP's blowout preventer delayed - US gov't](#)

(Reuters) - BP Plc's efforts to fish out pipe remnants inside equipment atop its blown-out Gulf of Mexico well delayed retrieval of a failed blowout preventer, the top official overseeing the oil spill response said on Wednesday.

"We probably took a 24- to 36-hour hit on the timeline," retired Coast Guard Admiral Thad Allen said.

[BP VP: 12-24 Hours Wasted after Oil Rig Exploded](#)

(AP) A BP vice president says critical time was wasted in the hours after the Gulf of Mexico well explosion trying to learn what changes had been made to a device meant to prevent oil from leaking from the blown-out well.

[AAA predicts Labor Day travel boost, but expects shorter trips](#)

DENVER — More Americans will get away for the Labor Day weekend this year, yet stick closer to home as they try to get the most for their money, AAA said Thursday.

[As sales fall, is the hybrid car fad over?](#)

Will it turn out that hybrid cars were just a fad that will go the way of bell-bottom pants?

The sales numbers so far this year seem to point to the possibility. Ford Escape Hybrid sales were off 23.7% through the first seven months of the year, Toyota Camry hybrid sales were down 42.5% and Honda Civic Hybrid sales fell 72%, Autodata reports. Toyota Prius sales are up only 4% even though the model is still fairly new.

[Americans want smaller homes, not McMansions](#)

Is the McMansion era over? This is the question that Trulia, a real estate site, asks in releasing survey results that suggest -- yes, in fact -- it is.

Slightly more than half of Americans, or 55%, say 1,400 to 2,600 square feet would be their ideal home size. Only 9% say their dream home is 3,200 square feet, according to July 22-26 Trulia-Harris Interactive Survey.

[Green technology is key to future](#)

GREEN, clean industries are the way of the future but Fraser Coast people must act now if the region's idyllic lifestyle is to be maintained, says Maggie John of Transition Towns.

“Oil has fuelled much of the massive population growth and the extraordinary achievements of the last 150 years. It is the lifeblood of industrial society,” Ms John said.

[Group calls for more home-growing](#)

A BROMSGROVE group, which has held a meeting to highlight the problem of climate change and peak oil, is urging more residents, local farmers, garden centres, schools and other groups to get in touch and help format a strategy to cut food miles.

Transition Town Bromsgrove's (TTB) last meeting saw two main questions posed - one about how interest in local food issues could be raised and another on how self-production of food within Bromsgrove district could be increased.

[Honolulu's long-standing trash woes growing worse](#)

HONOLULU – Gigantic piles of shrink-wrapped garbage have been moldering in the heat of a Hawaii industrial park for more than five months, waiting for a place to be shipped.

That wait appeared to end Monday when city officials inked a deal to dispose of the 40 million-pound pile of odious rubbish over the next six months by mostly burning it in an existing waste-to-power plant.

But bigger problems remain for Honolulu as the state's largest city struggles to find a home for all its waste.

[Electricity crisis hits Venezuelan oil exports](#)

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The Venezuelan government was forced this year to install dozens of thermal power plants to alleviate a stringent electricity rationing. Fueling these plants is costing several billion dollars in refined products that were intended for export.

[Egypt's energy crisis stirs public unrest](#)

The Egyptian government has announced its intention to continue decreasing electric output pending the end of a heat-wave which saw temperatures climb to 40 degrees Celsius.

[Pemex Chief: Watching Mkt to Decide When to Begin Crude Imports](#)

MEXICO CITY (MNI) - Mexico's state oil company Pemex will begin importing crude oil for the first time in decades after watching the markets for the best moment to buy, Pemex Director General Juan Jose Suarez said Tuesday.

Suarez told local radio that Pemex is concluding the analysis of how different mixtures on the market react in the country's refineries, and will wait for an opportunity to buy, making the plan seem much more definite than it did only a day earlier.

"We will be watching for opportunities, and when they come, we will carry out" the import, Suarez said in an interview with Radio Formula.

[Aramco, Exxon Said to Plan 2013 Shutdown for Maintenance at Yanbu Refinery](#)

While countries in the Persian Gulf hold more than half the world's crude oil reserves, they import fuels for lack of processing capacity. Imports help cover supply when refineries undergo maintenance when temperatures are cooler.

Saudi Aramco is buying gasoline from September through the end of the year, traders with knowledge of the tenders said last week. The company is buying at least four cargoes of gasoline a month, according to the traders, who asked not to be identified since the talks aren't public.

[Five gang members held for stealing fuel from tourist buses](#)

A GANG that stole fuel from tourist buses which came to the city for the World Expo has been busted.

The gang had three cars which were refitted and equipped with oil suction tubes, police said. In total the converted cars could carry 1,000 liters of fuel, according to local police.

[Hezbollah chief calls for nuclear energy](#)

BEIRUT, Lebanon (UPI) -- Lebanon has the right to consider nuclear power as a way to address an energy crisis in the country, the Hezbollah secretary-general declared.

Lebanon has suffered from rolling blackouts since the 25-year civil war ended in 1990.

[Demystifying nuclear power](#)

Zhou Shirong is deputy director of nuclear safety at China's environmental protection ministry. Here, he talks to Cao Haidong and Meng Dengke about managing construction standards – and public anxiety.

[Job Losses Over Drilling Ban Fail to Materialize](#)

WASHINGTON — When the Obama administration called a halt to virtually all deepwater drilling activity in the Gulf of Mexico after the Deepwater Horizon blowout and fire in April, oil executives, economists and local officials complained that the six-month moratorium would cost thousands of jobs and billions of dollars in lost revenue.

Oil supply firms went to court to have the moratorium overturned, calling it illegal and warning that it would exacerbate the nation's economic woes, lead to oil shortages and cause an exodus of drilling rigs from the gulf to other fields around the world. Two federal courts agreed.

Yet the worst of those forecasts has failed to materialize, as companies wait to see how long the moratorium will last before making critical decisions on spending cuts and layoffs. Unemployment claims related to the oil industry along the Gulf Coast have been in the hundreds, not the thousands, and while oil production from the gulf is down because of the drilling halt, supplies from the region are expected to rebound in future years. Only 2 of the 33 deepwater rigs operating in the gulf before the BP rig exploded have left for other fields.

[BP Oil Spill Has Little Impact on Global Drilling](#)

A negative impact has been even harder to find in other countries despite the fact that

companies around the world use much the same equipment under similar industry protocols. Large offshore accidents in Mexican, British and Australian waters since the late 1970s barely slowed deepwater development, and history may well be repeating itself.

[BP vice president testifies before federal panel](#)

HOUSTON -- A BP vice president says critical time was wasted in the hours after the Gulf of Mexico well explosion trying to learn what changes had been made to a device meant to prevent oil from leaking from the blown-out well.

[UN report on Nigeria oil spills relies too heavily on data from Shell](#)

Report blaming 90% of spills in Ogoniland on locals stealing crude from pipelines allows companies to shirk responsibility.

[Belarus eyes self-sufficiency via Iran, Venezuela oil deposits](#)

Belarus planned to produce 9.3 million tons of crude oil in Iran over the next 10 years, RIA Novosti news agency reported Wednesday.

The Belarus-Iranian joint venture, Belpars Petroleum Co. Ltd, will develop oil reserves in Jufair and build its infrastructure, according to a document entitled Belarus' Strategy of Development of Energy Potential.

[Coordinated attacks kill dozens in Iraq](#)

BAGHDAD — Suicide bombers killed more than 50 people in apparently coordinated attacks on Iraqi security forces in Baghdad and elsewhere on Wednesday, less than a week before U.S. troops formally end combat operations.

[Oil's Not Running Out... Yet](#)

It's a cliché, but true nonetheless, that the world runs on oil. Remove the oil and within a few days we'd be back in the Middle Ages, albeit with better teeth (at least for a while).

Investors should be aware that the market for oil is changing; it is becoming much more difficult to produce oil cheaply and this will create some interesting opportunities in the future.

[FACTBOX - Key facts about biofuels in Brazil](#)

GETULIO VARGAS Brazil (Reuters) - Brazil is seeking to boost its production of biodiesel and create jobs in the countryside by encouraging biofuels companies to buy raw materials from small farmers.

The biodiesel push is meant to mirror a sugar-cane ethanol program that has vastly reduced Brazil's reliance on fossil fuels for motor vehicle use.

The following are key facts about Brazil's biofuels sector:

[Sharon Astyk: Could rationing be made palatable?](#)

Could a system of energy rationing, or even rationing of high energy goods and foods work in the US? The conventional answer is that it is politically impossible to even consider it, and that the public would never go along with it. But a closer look at the history of rationing during the second World War suggests that it might not be so unthinkable, and that in fact, rationing has historically been viewed as highly positive, pro-democratic and good public policy by the general populace. Now there are obvious historical differences between now and the past, but the framing of rationing may be more important than the exact historical context - in World War II, for example, where few real risks of famine or severe shortage existed, rationing was quite popular. Now, facing actual shortages and potential crisis, rationing is probably not as hard to sell as many people believe.

[Bill McKibben - Beyond Oil: Activism and Politics](#)

On May 6, a little more than two weeks after the explosion of the Deepwater Horizon drilling rig, the first oil washed ashore. It was found on the beaches of the Chandeleur Islands off the coast of Louisiana -- one of America's first wildlife refuges, established by Teddy Roosevelt in 1904 after a decade-long struggle with the plume trade, which was killing off our seabirds. We don't normally think of hydrocarbons as possessing a strong sense of irony, but there you go.

In fact, the BP spill and its aftermath were a slap in the face of the environmental movement in so many ways. You would have thought the most visible ecological tragedy of our time might have led our government to take real action against our worst problems. Instead, the same week that the well was finally capped the Senate punted on doing anything -- *anything* -- about climate change.

[In pursuit of a richer lifestyle](#)

Some dreams just won't die. Switching the daily grind of the big smoke for a veggie patch and a few chickens in the hinterland, or by the sea, has lost none of its appeal. If

anything, baby boomers risk being shoved aside by Gen Xers as they desert the "corporate conveyer belt" in favour of a balanced life.

"Baby boomers are deeply hierarchical and competitive and want to be successful but Gen X haven't bought into that," says KPMG demographer Bernard Salt. "They see what is ahead of them, working 60 or 70 hours a week and think 'that is not for me'."

[Students imagine new possibilities in intensive summer agroecology program](#)

WOLF LAKE, Ind. – If there is a common thread among the seven students from five colleges who studied in Merry Lea Environmental Learning Center of Goshen College's Agroecology Summer Intensive (ASI) this year, it is one of new possibilities.

"Now I know that there are ways to survive as a small farmer," said Emma Regier, a biology major at Bethel College (North Newton, Kan).

[Oil analyst: U.S. policy detached from market reality](#)

The world is running out of oil.

This prediction could be made today, of course, but it also has been stated with moral certainty numerous times since 1909, Princeton researcher Roger Stern said Monday night at the University of Tulsa. The problem is not only that the forecast has been wrong, but that this "oil scarcity syndrome" has driven U.S. national security policy in the Middle East for most of the past century, he added.

"U.S. policy is detached from market realities," Stern told a crowd at Helmerich Hall. "So it has been led by allies such as the Saudis."

The National Energy Policy Institute invited Stern to present his talk titled "Peak Oil, War and Illusion." The think tank, based on the TU campus, is seeking domestic answers to help wean the U.S. off oil produced by hostile or duplicitous regimes such as the one in Saudi Arabia.

[Crude Oil Trades Near Seven-Week Low in New York Before U.S. Supply Report](#)

Crude oil traded near its lowest level in seven weeks before a U.S. government report on fuel supplies, paring earlier gains as equity markets retreated.

The U.S. Energy Department will probably report today that crude stockpiles gained 300,000 barrels last week after three weeks of declines, a Bloomberg survey showed. European stock indexes declined, led by shares of oil and gas companies.

"U.S. consumption is still very low, product inventories are sky-high," said Tobias

Merath, Zurich-based head of commodity research at Credit Suisse Group AG. “In every market we’ve seen fears of a double-dip recession and oil has been particularly affected.”

[Natural Gas Futures Premium at Narrowest in Seven Years](#)

Natural gas for January delivery is trading at the smallest premium to September futures in seven years as traders speculate that economic growth will slow.

[China's Crude Oil Demand Growth May Slow in Third Quarter as Economy Cools](#)

China’s apparent crude demand growth may slow “noticeably” in the third quarter as the world’s fastest-growing major economy cools, said the China Petroleum & Chemical Industry Association.

[Fuel Oil, Gasoil Refining Margins in Asia Increase as Supplies Fall: Wrap](#)

Refining margins for fuel oil and gasoil rose for a second day on concern that supplies will fall as the region imports less and refiners reduce utilization rates amid slowing economic growth.

[Growing dangers in new oil exploration](#)

Cairn, the next BP? asks the stencilled message that has appeared on various walls and pavements across Scotland since the start of the climate change protests last week. It is a neat epigram for the dilemma facing humanity in the wake of the Deepwater Horizon disaster.

Regardless of how quickly renewable energy is developed, the world will depend on oil for many years to come, to keep the lights on and the traffic moving (as well as making the steel to build offshore wind turbines). But at what price?

[Fossil Fuels Remain a Mainstay](#)

Scientists generally agree that to limit global warming to less than 2.4 °C--and avoid the worst effects of climate change--greenhouse-gas emissions must be reduced 50 percent by 2050. But humanity is a long way from being weaned from the petroleum, natural gas, and coal whose use causes much of this pollution.

In fact, global energy demand is expected to increase about 40 percent over the next two decades. By 2030, the use of petroleum, coal, and natural gas is expected to jump

by 23 percent, 44 percent, and 37 percent, respectively. "You look at the world of renewables and you see a lot of progress, but they are not going to outpace the growing demand for energy," says Peter Jackson, a senior director at IHS Cambridge Energy Research Associates, an energy consultancy and think tank.

[Drillers May Face Months of Waiting Even After Obama Lifts Deep-Water Ban](#)

President Barack Obama's administration may agree to an early end for its moratorium on deep-water oil and gas drilling while backing new regulations that may keep rigs idle for months afterward.

[Will Robots Clean Up Future Oil Spills?](#)

One result of the recent undersea oil gusher in the Gulf of Mexico is the emergence of a hot market for remedial technologies that go beyond the hapless boom-burn-disperse approach traditionally used to handle such spills.

[Norway launches more oil initiative](#)

Norway's Minister for Research and Higher Education Tora Aasland today launched a new research institute aimed at increasing safety and boosting oil recovery on the Norwegian shelf.

[Shell plant shut in Nigeria amid protests](#)

Shell has shut down an oil facility in southern Nigeria due to protests by a group of local women, a company spokesperson said on Wednesday, after a similar demonstration targeted a Chevron pipeline.

[Brazil, Petrobras clash over reserve size - report](#)

(Reuters) - Energy giant Petrobras and Brazil's government clashed over the size of oil reserves to be used in an oil-for-stock swap, Folha de S.Paulo newspaper reported on Wednesday, further complicating the operation amid a dispute over the price to be used for that oil.

The government believes an offshore area to be used in the exchange holds more than 4.5 billion barrels, while Petrobras management says the area holds less than 4 billion barrels, Folha reported, citing no sources.

[Statoil May Seek Own Shale Gas Projects, Expansion in China, CEO Lund Says](#)

Statoil ASA may take the lead on shale gas projects and is considering investments in China to tap demand in the world's fastest growing major economy, Chief Executive Officer Helge Lund said.

Norway's largest oil and gas company in 2008 bought a stake in U.S. gas shale areas from Chesapeake Energy Corp., which it added to this year, and it now has people working with the U.S. company to gain knowledge of how to extract the fuel. Resources are also in place in China for a potential expansion there, Lund said today in an interview in Stavanger, Norway.

[The Best Peak Oil Investments: Why Invest for Peak Oil?](#)

If increased volatility is not the result of speculation, it probably has to do with other changes in the structure of the oil market.

Except for geopolitical events such as the wars and oil embargoes mentioned above, the supply of oil tends not to be volatile. Demand fluctuates with changes in economic activity, and so the demand for oil will be more volatile when economic activity is more volatile. Hence, the price volatility associated with the large spike in oil prices leading up to 2008, along with the subsequent rapid decline and recovery may be attributable to changes in oil demand. However, the years from 2002 to 2007 were characterized by remarkably steady economic growth. Hence the high oil price volatility during 2002-07 must indicate that the ability of the oil supply to respond to changing demand had decreased compared to earlier periods.

['One Hundred Mornings' without electricity](#)

What would you do if the electric grid went dead tomorrow? If grocery stores shut down because trucks no longer had gas to make food deliveries? Self-sufficiency and food security are popular topics in the environmental community today — making for the popularity of books ranging from the somewhat ominous "The Post-Petroleum Survival Guide and Cookbook" to the more sanguine "Farm City".

And now, a film called "One Hundred Mornings" takes a look at the kind of life we might have in a post-petroleum scenario, when society breaks down and people have to quickly learn to fend for themselves.

[Grace Announces Rare Earth Surcharge for FCC Catalysts and Additives](#)

COLUMBIA, Md.--(BUSINESS WIRE)--Grace Davison, an operating segment of W. R. Grace & Co., today announced the implementation of a rare earth surcharge for its fluid

catalytic cracking (FCC) catalysts and additives for the petroleum refining industry. Effective October 1, 2010, Grace will implement a global rare earth surcharge due to rapidly escalating prices as a result of recently imposed export tariffs and quota restrictions by major producers in the rare earth market.

[The Gates Path to an Energy Revolution](#)

Jason Pontin, the editor in chief of Technology Review, recently spoke with Bill Gates about everything from software entrepreneurship to promoting polio vaccination in northern Nigeria. But the heart of the conversation, published today on the magazine's Web site, was about how to make non-polluting energy technologies so cheap that coal reverts to being the shiny black rock it was before the industrial revolution.

(The interview is [here](#))

[Biden: U.S. to halve cost of solar power by 2015](#)

Vice President Joe Biden released a report Tuesday that says the United States is on track, within five years, to halve the cost of solar power -- putting its on par with grid electricity -- and slash by 70% the cost of batteries for electric vehicles.

[Clean-power projects turn landfills' methane into electricity](#)

Landfills, with the tendency to belch noxious greenhouse gases, have long gotten a bad rap from environmentalists.

But now several clean-power technology companies believe waste can be a source of environmentally friendly energy.

[Province to test plug-in cars](#)

If all goes according to plan, 5 per cent of all cars in Ontario will be electric by 2020 — and this week, the province is one car closer to its goal.

Well, sort of. At its Scarborough headquarters Tuesday, Toyota Canada handed over the keys to one of its new Prius Plug-In Hybrids, which it will be lending to Ontario for a year.

[China to lift installed hydropower capacity by 50%](#)

China will expand its installed hydropower capacity to 300 million kilowatts by 2015

from the current 200 million in an effort to cut carbon dioxide emissions, the country's top energy official said here Wednesday.

Zhang Guobao, director of the National Energy Administration (NEA), told the popular web port Sina.com in an on-line interview that such an expansion is needed for China's goal to reduce its carbon dioxide emissions per unit of gross domestic product (GDP) by 40 to 45 percent by 2020.

[Grand Canyon's future at 'grave risk,' report says](#)

Haze blurs the skies over the Grand Canyon, tour planes break the backcountry silence, uranium mines are making a comeback near the canyon's rim and the Colorado River has lost its muddy mojo.

Add to those threats a perpetually underfunded budget and the picture that emerges is a national park where efforts to protect resources are increasingly compromised, a conservation group said Monday.

[Russian gas tanker forges Arctic passage to China](#)

MOSCOW (AFP) – A Russian gas tanker is this month making a historic voyage across the famed Northeast passage as receding ice opens up an elusive trade route from Asia to the West sought for centuries by explorers.

[Pro-Environment Groups Outmatched, Outspent in Battle Over Climate Change Legislation](#)

Clients in the oil and gas industry unleashed a fury of lobbying expenditures in 2009, spending \$175 million -- easily an industry record -- and outpacing the pro-environmental groups by nearly eight-fold, according to a Center for Responsive Politics analysis.

[James Hansen's Storms of my Grandchildren](#)

Just how many more emissions could we let off before reaching such runaway warming? Hansen points to several signs that we are already on the verge, and that continued "business-as-usual" fossil fuel use will most certainly tip us over, quite possibly within the next few decades. Calculating the degree of climate forcings on the planet, Hansen argues we need to not only begin reducing fossil fuel consumption, but get back to a carbon dioxide level of 350 parts per million (ppm), down from our present (and steadily growing) 387 ppm.

How? Looking at various government and agency estimates of how many fossil fuels remain (an issue with little consensus, to say the least, with many arguing we may have

already passed global peak oil production), Hansen determines that what oil and conventional gas remains is largely out of U.S. hands, but that runaway warming could be prevented by phasing out coal use, particularly since coal is more abundant and has a higher carbon output than oil or gas. To do so, Hansen calculates that we must half emissions by 2020, and phase out coal emissions by 2030.

[Global Warming Deniers Aren't "Experts" At All: It's Time for a New View of Science](#)

Imagine a gigantic banquet. Hundreds of millions of people come to eat. They eat and drink to their hearts' content— eating food that is better and more abundant than at the finest tables in ancient Athens or Rome, or even in the palaces of medieval Europe. Then, one day, a man arrives, wearing a white dinner jacket. He says he is holding the bill. Not surprisingly, the diners are in shock. Some begin to deny that this is their bill. Others deny that there even is a bill. Still others deny that they partook of the meal. One diner suggests that the man is not really a waiter, but is only trying to get attention for himself or to raise money for his own projects. Finally, the group concludes that if they simply ignore the waiter, he will go away.

This is where we stand today on the subject of global warming. For the past 150 years, industrial civilization has been dining on the energy stored in fossil fuels, and the bill has come due. Yet, we have sat around the dinner table denying that it is our bill, and doubting the credibility of the man who delivered it. The great economist John Maynard Keynes famously summarized all of economic theory in a single phrase: “There is no such thing as a free lunch.” And he was right. We have experienced prosperity unmatched in human history. We have feasted to our hearts' content. But the lunch was not free.

[Jeff Rubin: Unpaid environmental costs distort trade](#)

Greening our economy isn't just about what we produce—it's also about what we consume. Sending smokestack industries off to distant shores in search of cheap labor markets to make the things we consume may lessen the carbon footprint of our own economies, but it sure doesn't do much for the global footprint. And since there are no borders in the atmosphere, it's really the global imprint that counts.

Take steel, for example. The mass migration of North American steel production to China certainly hasn't lessened the industry's global environmental footprint.



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