



Drumbeat: February 7, 2011

Posted by [Leanan](#) on February 7, 2011 - 8:11am

[Thomas Homer-Dixon: Economies Can't Just Keep On Growing](#)

Humanity has made great strides over the past 2,000 years, and we often assume that our path, notwithstanding a few bumps along the way, goes ever upward. But we are wrong: Within this century, environmental and resource constraints will likely bring global economic growth to a halt.

Many other interesting articles in [Foreign Policy's special 40th anniversary issue](#).

[World Social Forum starts as turmoil strikes Arab world](#)

Bolivia's leftist President Evo Morales told the crowd that capitalism was "dying in the face of a people's rebellion."

"There is a rebellion of the Arab peoples against US imperialism. The peoples' struggle is unstoppable. Even if the US government spends millions and millions to end these social movements, it is certain that they will not end.

"Capitalism is suffering a financial crisis, an energy crisis and is bringing us a food crisis. And it is the poor - be they farmers, workers or townspeople - who must pay for this crisis of capitalism."

[Kurt Cobb: Is the modern anti-tax movement a product of increasing complexity?](#)

It is Tainter's notion of diminishing returns that sheds light on the modern anti-tax movement. It seems no accident that the movement grows up in an era, the 1970s, of constrained energy supplies. These supplies are essential to maintaining the complex functioning of industrial societies. In the earlier part of the century the colossal achievements of the Federal Government led people to respect its efficacy. It softened the blow of the Great Depression, led the country to victory in World War II, and built a superhighway system that connected the entire country as well as other infrastructure to power the economy and to protect the environment. But these were the low-hanging fruit.

Today, adding lanes to highways relieves congestion only until enough development takes place next to it to clog it all over again. We've reached the point of diminishing returns.

[Why Does Energy Efficiency's Promise Remain Unfulfilled?](#)

Among the many measures the world can take to wean itself off fossil fuels, few match the benefits of making homes, business, and cars more energy-efficient. But financial and psychological barriers have kept individuals, businesses, and governments from realizing efficiency's great potential.

[Texas to Probe Rolling Blackouts](#)

Texas officials have ordered an investigation into rolling blackouts that struck the state's electric grid last week, including whether market manipulation played a role along with harsh weather in disrupting natural-gas and electricity supplies to millions of people.

[New Mexico Legislature to talk gas outages](#)

The New Mexico House Energy and Natural Resources Committee is calling on utility executives and regulators to address the causes of natural gas shutdowns that occurred across large swaths of the state last week.

[Brown, BP Cleared of Lobbying for Release of Lockerbie Bomber Al-Megrahi](#)

Former Prime Minister Gordon Brown's government and oil company BP Plc were both cleared of lobbying for the release of Lockerbie bomber Abdel Basset Al-Megrahi from a Scottish jail in a report by the U.K.'s top civil servant.

[East Africa Gas Potential Grows With New Anadarko Discovery](#)

LONDON -(Dow Jones)- The potential for East Africa to become a significant new natural gas producer grew Monday as Anadarko Petroleum Corp. (APC) said it had made the fourth major deepwater discovery off Mozambique's coast.

[Energy crisis is Achilles' heel for Bangladesh](#)

Finance Minister AMA Muhith yesterday likened the energy situation to Achilles' heel and said he is tired of speaking about the crisis, a deadly weakness of the country.

"I do not want to talk about the energy crunch as I have become tired mentioning it. It is an Achilles' heel not of this government, but of the country. There must be an improvement in the near future," he said while addressing a team of business leaders in his office at the secretariat in the city.

[Iraqi Electricity Ministry demands \\$6bn to resolve energy crisis](#)

Baghdad - A spokesman for the Iraqi Ministry of Electricity said on Saturday that resolving the energy crisis that has plagued the country in recent years will cost an estimated \$6bn.

[Fuel shortage hits crisis level](#)

Malawi's fuel shortage hit crisis levels over the weekend, forcing some motorists to buy petrol on the black market at almost double the official price.

The Petroleum Importers Limited (PIL), a consortium of private oil companies that buys Malawi's fuel, on Sunday attributed the critical shortage, more pronounced with the petrol, to lack of foreign currency to pay suppliers.

[Iran subsidy cut hits demand](#)

Iranian gas demand is falling in response to subsidy cuts.

The first utility bills with higher rates for gas are only now being distributed within the country, but consumption has already fallen sharply in anticipation of the price rises, said Hatef Haeri, a consultant with ICG Group of France, which has regional offices in Dubai and Tehran.

"Just the announcement of the new prices caused gas consumption to drop 14 per cent," Mr Haeri told the Gas Arabia conference in Abu Dhabi last week. "Power consumption has fallen by 6.2 per cent since the subsidy removals were announced."

[Oil Rises for First Day in Three in London on Egypt, Equities](#)

Oil rose in London for the first time in three days on concern that political upheaval in Egypt remains unresolved and may threaten supplies of crude from the Middle East.

North Sea Brent traded around \$100 a barrel, extending its premium over futures in New York to the widest in three days. Hedge funds had raised bullish bets on oil by the most in eight weeks on concern the unrest would spread. Oil recouped earlier losses today as equities climbed for a fourth day in Europe on growing signs of economic recovery.

[Average cost of gas nationwide rises to \\$3.13](#)

NEW YORK — The average price of a gallon of gasoline in the United States rose slightly in the last two weeks and will likely hold steady for some time, according to an industry analyst.

[U.S. faces \\$70 billion inflation hit](#)

If the recent run-up in energy and agricultural commodities persists, U.S. consumers will have to shell out \$20 billion more for energy and \$50 billion more for food this year, Capital Economics estimates.

[U.K. Natural Gas Falls as Norway Plants Return to Full Capacity](#)

U.K. natural gas fell as Norway's two biggest processing plants resumed normal operations after halts and Britain's nuclear electricity supplies increased, damping demand for gas in power generation.

[Hedge Fund Oil Wagers Surge Most in Eight Weeks on Egypt](#)

Hedge funds raised bullish bets on oil by the most in eight weeks on concern that political unrest in Egypt will spread and disrupt supplies from oil-producing countries in the Middle East.

[Egypt unrest may push oil above \\$110 - Kuwait official](#)

(Reuters) - Global oil prices could exceed \$110 a barrel if political unrest in Egypt continues, a member of Kuwait's Supreme Petroleum Council said on Sunday.

[Leary: Risks to the Suez Canal Set the Stage for Falsely Hying the Price of Oil](#)

Over the past days, the airwaves and talking heads have been frightening us with somber predictions of what would happen to the price of oil should current events in Egypt shutter the canal. The oil boys and their allies can barely contain themselves in their appearances of concern and like minded predictions of calamity, such as today's Reuters report quoting Imad al-Atiqi, member of Kuwait's Supreme Petroleum Council -- "I expect oil to reach \$110 during the first half of 2011... A huge amount of oil passes through the Suez Canal..." thereby ever nudging oil prices skyward with Brent Crude already surpassing \$100 a barrel. Yet has anyone stopped to determine what the closure of the Suez Canal would actually mean to the oil market in dollars and cents?

[Mubarak Divides Egypt Opposition Parties to Carry Out Mandate](#)

Egyptian President Hosni Mubarak, who may have won concessions yesterday allowing him to serve the rest of his mandate, did so with the same tactics that kept him in office since 1981: Divide and conquer the opposition.

[For Apache in Egypt, the oil keeps flowing](#)

FORTUNE -- As the political unrest in Egypt continues, corporate America is watching and holding its breath. Already, many companies with operations in Egypt have had to adjust. Procter & Gamble (PG, Fortune 500), for example, had to close its Cairo facilities and evacuate foreign national employees. The protest is affecting the worldwide commodities markets too -- oil prices spiked to \$100 this week and have stayed high on the assumption that the conflict in Egypt could disrupt crucial oil transit routes.

[Egyptian government makes new promises of reform](#)

CAIRO – The Egyptian government pledged Monday to investigate official corruption and election fraud but thousands of protesters swore not to move from the heart of downtown Cairo until President Hosni Mubarak steps down.

After two weeks of instability that pushed the most populous Arab nation to the edge of anarchy, the crisis appears to be settling into at least temporary stasis.

[Efforts to pivot from Hosni Mubarak led by past lessons](#)

WASHINGTON — The autocratic leader has protected U.S. strategic interests during decades in power, prompting American officials to give little more than lip service to the need for democratic reforms — until they watch in surprise and alarm as he faces a popular uprising.

We've seen this movie before.

[Egypt has a population crisis as well as a democracy crisis](#)

Egypt's problems run much deeper than its autocratic regime, and one of its biggest problems is unsustainable population growth.

[Freedom in Mideast Carries Cost We All Might Pay](#)

Clearly, a fire has begun. Whether it spreads or not depends on the quality of the tinder in neighboring states, and the Middle East is home to some of the most oppressive regimes on the planet.

[Natural gas comes into power](#)

The standing of gas as an alternative fuel supply has been greatly boosted in recent years, with industry analysts trumpeting the arrival of the energy of the future. But major costs, financial and environmental, may be attached to its mass production.

[US not ready for Arctic oil drilling, say officials](#)

WASHINGTON (AFP) – The United States is ill-equipped to deal with a major oil catastrophe in Alaska, the Coast Guard admiral who led the US response to the massive Gulf of Mexico oil spill and others have warned.

Only one of the US Coast Guard's three ice breakers is operational and would be available to respond to a disaster off Alaska's northern coast, which is icebound for much of the year, retired admiral Thad Allen told reporters this week.

Former Alaska lieutenant governor Fran Ulmer said that before drilling in the Arctic, the United States must "invest in the Coast Guard."

[A Snow Dragon in the Arctic](#)

China is stepping up its activities in a warming and changing Arctic Ocean Basin. While Beijing's interests and policy objectives there remain unclear, it is increasingly active and vocal on the international stage on issues concerning the region.

[Israel to step up LNG import plans after Egypt cut](#)

JERUSALEM (AFP) – Israel is to step up plans for an offshore platform for importing liquefied natural gas in the wake of the weekend attack on an Egyptian gas pipeline, a cabinet minister said on Sunday.

[Alaska lawmakers propose ditching pipeline plan](#)

JUNEAU, Alaska – Alaska lawmakers introduced legislation Friday to abandon a centerpiece of former Gov. Sarah Palin's administration: a state-sanctioned effort to advance a major natural gas pipeline.

The measure sponsored by at least five Republican representatives underscored the impatience and skepticism that many lawmakers have expressed about the current process and a belief the state is no closer than it was several years ago to realizing the long-hoped-for line.

[BP ex-CEO in talks on Abu Dhabi oil firm: report](#)

LONDON (Reuters) – Former BP boss Tony Hayward has been approached to launch a new Abu Dhabi-backed oil firm less than six months after he quit in the wake of the Gulf of Mexico oil spill, the Sunday Times reported.

The new oil firm would have several billion dollars in funding from Abu Dhabi's sovereign wealth fund, the paper said, adding that the plan was still in its early stages and was one of several Hayward is considering.

[Chesapeake Energy to Raise \\$5 Billion by Selling Shale Oil Fields, Stakes](#)

Chesapeake Energy Corp., the most- active U.S. natural-gas driller, intends to raise \$5 billion by selling its Fayetteville shale holdings and its stakes in two companies. It will use the money to cut debt.

[Iran boasts Mideast's biggest oil refinery](#)

Iran claimed to have the largest oil refinery in the Middle East after the inauguration on Saturday of an expansion to an existing facility by Oil Minister Masoud Mirkazemi, media reports said.

[Iran oil spill hits Gulf coast](#)

TEHERAN - AN AGEING oil pipeline has ruptured in southern Iran contaminating vast patches of the coast and farmland near the town of Deylam on the Gulf, the official IRNA news agency reported on Monday.

'Over 20 kilometres (12 miles) of Deylam coast and 500 hectares of farmland have been contaminated by the oil spill,' said Behrouz Atabakzadeh, the environmental protection chief in Bushehr province.

[Why oil \(not cars\) is driving Canada's economy](#)

Kriska Transportation president Mark Seymour knows exactly what happens when the price of oil pushes \$100 (U.S.) a barrel. Trucking companies like his hike their fuel surcharges – and Canadians pay more for all the things they buy.

“The bottom line is that it dramatically affects the price of goods to the consumer,” said Mr. Seymour, whose company runs 400 trucks from its headquarters in Prescott, Ont.

[AGL Cuts 2011 Profit Outlook After 'Extreme Weather'](#)

AGL Energy Ltd., the Australian power and gas retailer, cut its full-year profit forecast after surging temperatures boosted demand at a time when the utility had to buy supplies at increased wholesale prices.

[Nepal faces 14 hours of daily power cuts from Monday](#)

KATHMANDU — Nepal's state-run power distribution monopoly will enforce 14 hours of daily power cuts in the country from Monday, an official said Sunday. The Nepal Electricity Authority decided to raise power cuts from 12 hours daily after further drop in the water levels of rivers feeding the country's hydropower projects.

[Iran unveils missiles and satellites as warning to foes](#)

TEHRAN (Reuters) - Iran showed off new missile and satellite technology on Monday, and told its enemies it had "complete domination" of the entrance to the oil-rich Gulf.

[Iraq govt wants Kurd oil deals amended](#)

BAGHDAD - Iraqi Prime Minister Nuri al-Maliki was misquoted as saying the central government would honour Kurdish production-sharing oil contracts, Deputy Prime Minister Hussain al-Shahristani said on Monday.

Shares in Norwegian oil firm DNO had moved sharply higher on Monday on a media report quoting Maliki as saying Iraq would honour Kurdish production-sharing contracts like that of DNO.

[Solar farms sucking up green subsidies as well as sun](#)

Government funding aimed at encouraging self-generated green power is being diverted to large-scale solar panel installations.

[Ontario expects rates to drop for green power](#)

OTTAWA -- The Canadian province of Ontario is expected to reduce the rich rates it pays for green energy next year, but the government will introduce changes in a way that continues to support investment in clean power sources, the minister of energy told Reuters on Wednesday.

"I think most in the industry would expect that the rates will likely go down, but we're confident we'll do that in a way that maintains confidence in the investment climate in Ontario," Brad Duguid said in an interview.

[Scullery Made](#)

Whilst I, and many of my dark wardrobed colleagues, may spend hours lying awake at night antagonising over the nuances of the relationship between the stairs and the rising chimney breast (to my mind one of the key spatial manoeuvres in a home), it's often

ultimately the service spaces that are the central narrative of day to day life, regardless of the type or size of property.

Charles Moore's 1974 seminal work 'The Place of Houses' calls this the order of machines. Alongside his more seductive explorations into the order of rooms and the order of dreams I suspect the machines are too often neglected by his readers. In our 21st century adventure to peak oil and beyond I say this order needs to be shown a bit more respect.

The scullery needs to make a comeback.

[Car-Dependent Suburbs May Be Slums of The Future, Says Urban Planning Report](#)

The Australian Planner is the national journal published by the PIA, and the current edition, December 2010, is a special issue on Peak Oil, entitled "*Cities and Oil Vulnerability*". Not an unknown subject to many readers of these pixels, but not the usual sort of material normally found in such an august publication as a national urban planning journal.

[Back to basics cool again](#)

It was the death of the television that started it - the evolution of Daryl Neal and Natalie Hormann.

Not long ago, the couple were suburban professionals Neal's background is in industrial design and Hormann's is in law and corporate strategy - living in Lower Hutt with their two young sons.

[Community: In transition](#)

We may live in a remote outcrop in the middle of the North Sea, but in a sense our fortunes are further out of our hands than ever before. Rob Hopkins is the founder of the Transition movement, a loose global alliance aimed at helping communities meet the twin challenges posed by climate change and Peak Oil. He wrote in 2008 that our society is "in reality three days away from hunger at any moment, evoking the old saying that 'civilisation is only three meals deep'".

[Totnes: Britain's town of the future](#)

Totnes in Devon might be the most forward-thinking eco settlement in the world. As fossil-fuel reserves dwindle and the economy contracts, will resident-led Transition Towns become the way that we all live?

[Stolen Carbon Permits Won't Enter Market, Austrian Registry Says](#)

Emissions permits missing from Austria won't be allowed to re-enter the market, the country's registry said as Europe tries to rebound from hacking attacks.

[US won't halt climate action: Combet](#)

Global efforts to tackle climate change can progress even if the United States lacks the political will, the Gillard government believes.

A US emissions trading scheme is looking less likely, following congressional elections last year.

But Climate Change Minister Greg Combet says moves to reduce greenhouse gas emissions won't necessarily hinge on what the world's biggest economy does.

[Climate Change to Force Mass Migration, Study Warns](#)

That weather-related catastrophes cause a lot of destruction is well known. But the prospect that increasing floods, droughts and storms will prompt many millions of people to migrate to safer areas is still poorly understood and anticipated, according to a forthcoming report from the Asian Development Bank.

“In the past year alone, extreme weather in Malaysia, Pakistan, the People's Republic of China, the Philippines and Sri Lanka has caused temporary or longer-term dislocation of millions,” the organization, which is based in Manila, Philippines, said on Monday, citing the study, which is to be released in early March. “This process is set to accelerate in coming decades as climate change leads to more extreme weather.”

Matthew Schneider-Mayerson, a graduate student at the University of Minnesota, is writing a book about peak oilers. He has a lot of anecdotal information, but would like some statistically significant data. To that end, he's posted a survey [here](#).



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