



Drumbeat April 1, 2011

Posted by [nate hagens](#) on April 1, 2011 - 9:59am

Topic: [Miscellaneous](#)

(*Leanan will return with her regular Saturday Drumbeat of energy and related news tomorrow morning.*)

[FED to add gasoline and oil to balance sheet in QE3](#)

In a news conference Friday morning, Janet Yellen, Vice Chair of the Federal Reserve stated: "We are pleased with the impact of QE1 and QE2 on the economy. But high oil prices remain a problem. As we transition to QE3 beginning July 3, 2011, the Federal Reserve will begin to add unleaded gasoline, distillate, crude oil, and some propane to its balance sheet. It has become obvious that energy underpins our economy and in order to facilitate growth the Fed has to become more accomodative with energy products. We have staff researching whether future quantitative easing should involve other natural resources such as soil and water, though at this point we think that premature and likely unnecessary".

[Alaskan Senators want more energy specifics](#)

Obama used the speech to lay out a four-part energy security policy with the ambitious goal of cutting U.S. imports of oil by one-third over the next decade. He called for increasing domestic production including the nation's natural gas reserves, developing low carbon-emission technologies such as nuclear energy, and promoting more energy efficiency.

Alaskans were crestfallen the state was mentioned just once as a domestic energy source.

[FEMA announces new Emergency Measures dealing with 'Currency and Energy' risks](#)

Heywood Jelppus of FEMA announced a major new initiative for the government emergency management arm yesterday. "We have plans to deal with terrorist attacks, floods, hurricanes and even asteroids. It never occurred to us until we read the tea leaves of QE3 at the same time of seeing supply chain disruptions from the Japanese tsunami that we need economic/trade collapse insurance. FEMA will be helping civic leaders create emergency blueprints for local and regionally sourced basic needs."

[Tainter's Law - Where is the Physics?](#)

Some consequences of the model are obvious. It tells us that as long as we base our existence on non-renewable resources, we must eventually run out of them. But it gives us also some non-obvious hint on the path we are going to follow in this cycle. In particular, the model tells us that we will likely keep increasing the size and complexity of our society even with a diminishing flux of resources into the economy. In this sense, it confirms Tainter's intuition, but it tells us something more; that is it extends Tainter's curve beyond the limit of the plot shown in his 1996 paper. It says that after the phase of increasing complexity and reduced returns, the curve will loop back and, eventually, both complexity and production will go to zero as the economy completes its cycle based on non-renewable resources.

[Peak oil guru Matt Savinar offers an in-depth analysis of Libya situation](#)

In a new report former lawyer-cum-energy activist Matt Savinar outlines what to expect with regards to Libya including timelines and event predictions on the evolving situation.
No wait, that's "Libra". Nevermind.

[U.S. consumers face "serious" inflation warns CEO of WalMart](#)

The world's largest retailer is working with suppliers to minimize the effect of cost increases and believes its low-cost business model will position it better than its competitors. Still, inflation is "going to be serious," Wal-Mart U.S. CEO Bill Simon said. Simon declined to comment on the rumours that WalMart would be adding silver and gold eagles to its product list

[Worlds largest money manager: United States will default on its debt](#)

The PIMCO chief investment officer says the US has a total debt burden of \$75 trillion if entitlements such as those for medical care and social security are included. In his latest Investment Outlook, Gross writes that unless large cuts are made to entitlements, the only way the government can afford this amount of debt is to default.

[Corporations fail self-awareness test. Gain status as "special" persons.](#)

As reported in the April 10 issue of Science, a team of ethologists at Purdue University has demonstrated that corporations do not recognize themselves in a mirror, and so do not meet the crucial cognitive benchmark shared by humans, chimps, gorillas, and dolphins. "All we see is social and confrontive behaviors, the figurative presenting of

teeth and baring of hindquarters," said Dr. Ian Larkey, co-author of the study. "They don't use the mirror for self-examination; which is to say that their response is more like that of a parakeet than a chimp." Asked whether it is a good thing that the course of our civilization being largely directed by gigantic immortal, belligerent, unsleeping multiheaded tax-avoiding parakeets whose unnatural lusts can never be sated, Dr. Larkey declined to comment, noting that "corporations have the rights of personhood in this country" and that is not my place to criticize the law". In a related study last year, the same researchers did find that nearly 5% of nonprofit corporations tested could distinguish shinola from various other substances, showing "evidence for basic pattern-matching" which was suggestive of some level of rudimentary awareness.

[Old Hippy smugness index rises on Japan, Mideast, Debt woes](#)

(FORBES) The smugness of old hippies rose nearly 21% for the month of March as compared to the same month last year, report the managers of Vanguard's signature indexed fund (HIPY). "We speculate that it's some combined effect of delayed confirmation bias and schadenfreude" said Milt K. Weinman, Sr. VP of the fund, "but there's no doubting the effect is real. Old Hippies are measurably more smug than they were a year ago, even factoring in the diabetes numbers". The fund seeks to track the investing decisions of 1000 old hippies, and has been "a real market-mover", in the words of Sam Prechter, one of the few old hippies still in the stock market

[Wisconsin manure digester ready to provide electricity](#)

WAUNAKEE - Sure, the cows on the farm run by Chuck Ripp and his brothers near here generate a lot of manure — about 7 million gallons a year. But now they will generate electricity. When it is in full operation, the digester plant with its three huge tanks will process manure from three adjacent farms and a total of 2,500 cows. It will remove about 60 percent of weed-growing phosphorus from the manure. The digester will produce methane and that methane will be used to power generators that will churn out \$2 million a year in electricity, enough to allow Alliant Energy to power 2,500 homes.

It was not known how much electricity could be created by throwing both the grass and the cows themselves into the digester directly

[Obama initiates "War on entropy"](#)

In a bold initiative in response to polls showing lukewarm support for a "limp-wristed" leadership style (The Gallup Organization), President Obama today declared a "war on entropy". "For too long, Americans have generously supported the intrusive disorganization and inefficiency of an increase in entropy, and that must come to an end." said the President, speaking from the congressional floor. The move is widely seen as a shrewd political move to get in front an expected ruling of the Supreme Court, which is considering the constitutionality of the second law of thermodynamics and widely expected to strike it down later this month. "While Americans can tolerate and

even welcome a certain amount of disorder, the long-term trend for the nation and the universe is both clear and sobering. The sooner we start the war on entropy, the sooner we can win" stated Obama.

[MIT Energy guru plans to bring power to 3 billion people with 1 bottle of human waste water](#)

Tata's hope is that Nocera's "personalized energy" can produce a stand-alone, mini-power plant, perhaps a refrigerator-sized box, that could reinvent rural electricity supply and bring power to about three billion people worldwide who don't have it.

Nocera said MIT's technique has seen more than a year of preliminary research and hopes to produce enough electricity from a bottle-and-half of water, however dirty, to power a small home.

A Tata spokesperson was unconcerned that 'No cera' means 'it won't be' in spanish.

[Primate Scream: Bonobos make most noise when mating with highest ranking partners](#)

The new study by researchers at the University of St Andrews suggests that females produce copulation calls as a way of showing off high powered relationships during sexual interactions. The researcher concluded, "Our results highlight the social significance of sex in this species and suggest that copulation calls in bonobos have undergone an evolutionary transition from a purely reproductive function to a more general social function.

"Like humans, sex among bonobos is not only used for reproduction, but it is also important in friendships and bonding, and keeping close to those in power."

[Creationist Paleontologists Discover Dinosaur Saddle](#)

Mud Flaps, Arizona, March 29, 2011 -- A team of creationist paleontologists from the Discovery Institute's main field research arm announced today that they had discovered the remains of a large manmade object confirmed to be an ancient dinosaur saddle.

"We were going on the assumption that evidence of man's domestication of certain dinosaurs would have called for large fences, supports for the dinosaur corrals, so that's what we started looking for," said Dr. Booble. "We found a number of poles buried in several feet of sand almost immediately with the help of infrared satellite photos of the area. Then we just started digging, and boom, there it was."

[Canadian Defense Minister - "We can get energy using technology from aliens"](#)

"Hellyer insists he has seen UFOs. In his book, "Light at the End of the Tunnel," he said he also believes that the U.S. has a "shadow government" that has black ops installations that have already created new forms of energy using extra-terrestrial technology.

"I do not have proof of that," he told AOL News. "But I believe that they have developed energy sources, and publicly I'm saying that if they do not exist in commercial form, that extraterrestrials would certainly give us that information if we would ask them for it and stop shooting at them."

[Group Warns EPA to massively increase 'safe' amounts of radiation](#)

Drinking water, for example, would have a huge increase in allowable public exposure to radioactivity, the group says, that would include:

A nearly 1000-fold increase in strontium-90

A 3000 to 100,000-fold hike for iodine-131

An almost 25,000 rise for nickel-63

The new radiation guidance would also allow long-term cleanup standards thousands of times more lax than anything EPA has ever before accepted, permitting doses to the public that EPA itself estimates would cause a cancer in as much as every fourth person exposed, the group says.

[Hominid species found that lacked ambition - didn't want 'more'](#)

In the latest in a series of new hominid species discoveries, scientists have found remains of what appears to be a new cousin to modern humans. The tentative name for the sub-species was homo-pacificus, due to the fact that there was no evidence of aggression or competition found in the primitive remains. "Its very fascinating - everything we have found showed a total lack of individuality, aggression, violence, and ambition. It was as if the least capable in each generation had offspring. With mutations like that they obviously died out. Duh.", stated lead study author Homer Nunculus of UC San Diego.

[Obama Cabinet members agree on Value system change for America](#)

Cabinet members agreed Thursday that the USA needs a new value system and that the pursuit of paper profits as a 'marker' for success had become outdated given the global situation. However, the group of senior politicians was divided on what should replace our current value system and voted to defer the debate until after the quarterly earnings season.

[Natural Gas Evangelist Gains convert in Obama](#)

T. Boone Pickens, 82, a Texas hedge fund manager and former corporate raider who made his billions in the U.S. oil patch, is now a leading evangelist for U.S. natural gas.

He claims the Pickens Plan, a lavishly marketed campaign launched in 2008, which earlier failed to gain support in Washington, would cut 2.5 million barrels a day from U.S. oil imports by converting the country's heavy vehicle fleet from diesel to natural gas.

Ongoing battle to determine who is 'cleverest' in the energy industry

In a vitriolic debate that has now escalated to the highest courts in the nation, representatives from the renewable energy industry continued to clash Thursday with the fossil/nuclear fuel industry regarding who is cleverer. Spokeswoman Jewel Gainer from the Renewable Energy Alliance said 'It's pretty obvious that we are cleverer as we are starting from scratch. How clever do you need to go in and harness 300 million year old plankton'? Representatives from the fossil fuel industry rebutted loudly saying that their seismologists and reservoir engineers were far more clever and probably better at Scrabble as well.

New pro-austerity riots - thousands clamor to sacrifice living standards

In an accelerating trend intended as an antidote to the recent riots against austerity, organizers around the country expect millions to riot for sacrifice this weekend. "We have essentially been spoon fed for a generation and have therefore have completely unrealistic expectations about our future. Whats happening to Americ isn't anyones fault. So we need to stop complaining about reduced salaries and living standards due to energy limits and credit overshoot and start to actively embrace sacrifice –for the greater good. Stated Melody Harmonie, Chairwoman of Sacrifice Through Future Underconsumption – STFU. "By the way", she added, "Those people rioting against austerity measures are pussies."

EROEI advocates "just plain lazy", say economists.

In a rebuke to theorists attempting to popularize a somewhat confusing energy-analysis concept, the National Association of Independent Economists announced today that its proponents are "slackers", that EROEI is "laziness by another name" and "is basically un-American".

This resonated strongly with Montana rancher and home-school science teacher Ferd Hastings, who was interviewed while holding his pig into an apple tree to graze. "Them EE-roy boys are so lazy and introspective they prob'ly don't scratch their hineys without a government grant, peer-reviewed study and clear tenure track", said Hastings. Asked why he was holding a pig into the air for the duration of the interview, Hastings quipped "What's time to a pig?"

New post of "Wisdom czar" created in Washington

In response to growing recognition that government policies are aimlessly and increasingly ineffective at addressing societies complex problems, White House officials are reportedly to create a new Cabinet position of 'Wisdom'. Press Secretary Carney explains 'The government of this great nation has enormous intellectual assets. We have of late recognized however, a lack of cohesive strategy amongst the various experts. Towards that end, next week the President will appoint a new 'Wisdom Czar' in charge of making sense of the bigger picture. The only details I can give you at this point is that the appointee will likely be trained in systems thinking, and have experience in humility. I can say that no one is excluded being appointed other than Lawrence Summers, obviously.'

Majority of Americans believe God is in control of our future

Even more white evangelicals, 59%, believe that natural disasters are a sign from God, while only about one-third of Catholics and white mainline Protestants share that view. Two thirds of white evangelicals also believe that natural disasters are evidence of the "end times," according to the survey. At the same time, most Americans believe God is responsible for everything that happens in the world, according to the survey, which was released Thursday.

Turning in land, gold, energy and stuff for cash

In a reversal of the trend of the past few years, sources at several banks assert that people are selling land, gold and physical property in return for cash in record amounts. Says Phil Moneytree 'I don't know what happened, but all of a sudden people want cash. They are selling anything and everything to get as much cash as they can. Obviously they know money doesn't grow on trees and are trying to save as much as possible in order to get through the tough periods ahead.'

Mayan forecast pushed back to 2014-5 due to austerity measures

The Mayan prophecy of 'end of times' in 2012 is being pushed back at least until 2014 due to government cutbacks and initiation of austerity measures, stated, Dewey Kallaps, a linguist at the State University of New York. "It seems that due to an unforeseen lack of credit, the Mayan calendar end date will probably be postponed a few years, which is of course good news for most people".

9.1 Quake hits Alaska. Satan emerges from fissure. Markets rally.

In a continuing string of geopolitical and natural disasters, another major earthquake struck at 11pm local time Thursday just south of Anchorage AK.. Apparently Satan came out of a crack in the earth saying 'I am here to take over the world'. The Nikkei, initially retreated after the news but ended in positive territory. S&P Futures are up

17.90 to 1,342.60 before the April employment report to be released at 8:30am EDT

[US Treasury Secretary admits America needs a new direction – claims not his responsibility.](#)

Geithner, from Thursday speech at Georgetown University: “Look – we hominids follow environmental cues on what to compete for in order to obtain status. Right now the cues are for more money. It’s my job to get people more money, not to choose the cues so get off my back. Also, if the readhead in the 2nd row has a moment to talk with me after this speech, Ill be in my limo.” His comments angered the business school students as well as the top 1% of the assembled audience.

[Wall St oil expert predicts new higher global capacity figures](#)

Hugh G. Quornucopean in a new report for Goldman Sachs writes “If you ignore the fact that new oil requires \$80-\$90 futures strip to be profitable, leave out the external costs of extraction in environmentally sensitive areas, and set aside potential limiters of non-energy inputs – like water, set aside unrest in the middle east, forget about massive OECD insolvency issues, and ignore human behavior, then we believe the oil capacity picture looks outright bullish”

[Quaddafis gas stations pose dilemma for europe](#)

An Associated Press investigation has found that several European countries have accepted assurances from Libya's Tamoil petroleum company that none of its profits reach Tripoli. In return, Tamoil has been allowed to continue operating unchecked, despite the fact its parent company is on a United Nations sanctions list.

[Hawking: Future doesn't exist. Short-term thinking, selfishness dramatically vindicated.](#)

Speaking from a London press conference with his signature synthesized voice, a smiling Stephen Hawking yesterday stunned the world by publishing a mathematical proof that the future does not, in fact, exist... and never has. The announcement has provocative implications, both economic and existential.

"It is now conclusive," said Hawking "that the hypothetical quantum domain we refer to as 'The Future' does not exist in the traditionally-applied sense. We are trapped in static block time, and the entire temporal extent of the universe is somewhere between 13 hours and two weeks. Indeed, my proof itself was created along with this wheelchair and computer out of a seething quantum froth less than twelve minutes ago along with the rest of the visible universe, and our heads full of memories." Stock markets cheered this revelation with significant rallies both on domestic and international bourses...

[Saudi Arabia upgrades proven chutzpah reserves. "More where that came from" says Prince.](#)

Responding to an article in NewScientist calling reported Saudi reserves of chutzpah "inflated", Interior Minister Saud al ibn Farouk today published revised chutzpah reserve numbers showing that proven reserves have increased by 3% over the last-reported estimates 6 months ago. "Oh, we've got it" said Farouk. Speculation has risen recently that the nation cannot maintain the existing chutzpah flow rate which supports both its economy and underpins the economic rationale of allies including the USA.

[Obama to alter closing address to include other countries being blessed by God](#)

In response to increasing questions about the implications of Obamas usual closing statement of "May God Bless you and may God Bless America", White House Press Secretary today confirmed that starting next week President Obama will make explicit what many have long suspected was implicit - that the American president does not want God to favor other countries unless they are close trading partners. Beginning with speeches on Monday Apr 4, Obama will close his talks with "May God Bless You, and God Bless America, friends of America, and those species we derive benefit from. Also may God give a mini-blessing to France"

[Koch Brothers/Fox News Joint Venture Buy Out Popular Energy Portal TheOilDrum.com](#)

REUTERS: The Institute for the Study of Energy and Our Future, producer of The Oil Drum energy blog, has been purchased by Koch Industries/FOX for \$8.6 million. A spokesman for the Koch brothers said they anticipate some changes to the content mix, and are considering a name change for the popular website. One possibility mentioned is "The Coal Bin", but the spokesman would not confirm this. The new name for the umbrella organization is tentatively "The Institute for the Selling of Energy and Our Future".



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](#).