



Drumbeat: April 9, 2011

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[Saudi Has Enough Spare Capacity To Meet Global Demand - Oil Min](#)

RIYADH (Dow Jones)-Saudi Arabia's oil minister said Saturday that the kingdom has enough spare crude capacity to meet any increased global demand or potential supply shortage in the market.

There is a balance between supply and demand in the market, which has enough inventories, Ali al-Naimi said in remarks carried by state-run Saudi Press Agency, or SPA. The comments mark the latest effort by Saudi Arabia to reassure the market in the wake of rising anxiety over the Libya outages.

Current high prices are caused primarily by speculation, misinformation and unjustified fear about the future of supply and demand, he said, according to SPA.

[Limits to 'Disaster Memory,' Even Etched in Stone](#)

I encourage you to read "[Tsunami-hit towns forgot warnings from ancestors.](#)" a haunting and fascinating Associated Press story by Jay Alabaster describing centuries-old stone tablets warning of coastal tsunami risk that dot the Japanese coast ravaged by the great earthquake and resulting waves on March 11th.

This is an example of how "disaster memory," conveyed from generation to generation, can — at least for a time — limit losses from inevitable, but rare, calamities. The inscription inscribed on one stone (pictured at right) was quoted in the article:

High dwellings are the peace and harmony of our descendants.... Remember the calamity of the great tsunamis. Do not build any homes below this point.



[The Scientific Curmudgeon - Green alarmists](#)

Before he persists in this sort of fear-mongering, McKibben should consider cross-cultural studies of war carried out by the anthropologists Carol and (the late) Melvin Ember. For decades they tried and failed to find evidence of a straightforward linkage between scarcity of resources and violent conflict in hundreds of simple and complex societies. In most societies war neither broke out as populations surged nor subsided as population fell. And no correlation was found between warfare and persistent, chronic scarcity of food and other resources.

What the Embers did find in an analysis of 186 "mostly pre-industrial societies" was something more subtle. The strongest correlate of warfare was a history of unpredictable natural disasters - such as floods, droughts and insect infestations - that had disrupted food supplies. The Embers were careful to note that it was not the disasters themselves that precipitated war, but the memory of past disasters and hence the fear of future ones. Another correlate was a society's distrust of neighboring societies. "Fear appears to be a common thread in the two obtained predictors of wars-fear of nature and fear of others," the Embers concluded in a paper published in 1992.

In other words, wars stemmed from factors that were not ecological so much as psychological.

[Amrita Sen answers your questions – Part two](#)

There has always been the view that subsidies are distorting oil demand in emerging markets and artificially boosting consumption. While in countries like India and China, there has very clearly been a move towards moving away from subsidies, there are still regions in the world, in particular, the Middle East, where subsidies are large and given the recent uprising, they are likely to stay.

Interestingly, our analysis shows that when subsidies are high, a marginal increase in subsidies leads to a more-than proportional increase in the normal level of consumption (this can be thought of as a "waste-effect", such as leaving the car engine on for air-conditioning while going shopping as is prevalent in the ME).

When subsidies decrease, there might be an initial large decrease in consumption due to a knee-jerk reaction and the easing off any wasteful consumption. However, after this initial decrease, any further decline in subsidies is likely to lead to a much smaller fall in consumption, as in many of these countries, income effects (a \$1 increase in GDP) dominate price effects (a \$1 increase in prices).

[ANALYSIS-China fuel hike not enough to preclude shortage](#)

BEIJING (Reuters) - Retail fuel prices in China are lagging the rally in international crude, eroding refiners' incentive to supply the country's surging gasoline and diesel demand.

Chinese consumption was expected to provide a third of the world's oil demand growth this year, but growth could be threatened if refiners cut output to avoid losses -- the sort of response that led to widespread fuel shortages in the country 2007 and 2008.

[SBP quarterly report: Rising global oil prices fuel major concerns](#)

KARACHI: The State Bank of Pakistan has warned that the government's inability to bridge its fiscal deficit means that the country is likely to be more adversely affected by rising oil prices than its regional peers.

[Aramco Issues \\$7 Billion of Contracts for Wasit, Riyadh Reports](#)

Saudi Aramco has spent around 26.3 billion Saudi riyals (\$7 billion) on contracts to develop the Wasit offshore natural-gas field, al-Riyadh said, citing Khalid Halwani, a consultant at a sub-contracting company involved with the project.

[Saudi Aramco to Expand Into Vietnam, Indonesia After China](#)

Saudi Aramco, the world's largest oil exporting company, is planning to expand into Vietnam and Indonesia, adding to its business in Asia.

[Libyan military surges on key rebel-held outpost](#)

AJDABIYA, Libya (AP) — Libyan government troops shelled rebels' main front-line outpost and advanced in guerrilla-style units Saturday, killing at least three opposition fighters in what appeared to be their most serious push into the heart of rebel territory since international airstrikes began.

[Libya crisis proving bad for business in Tripoli](#)

Many shops and restaurants are shut but hospitals and schools are functioning and there is little evidence of food shortages.

[Syrian rights group says funeral comes under fire](#)

BEIRUT (AP) — Syrian security forces fired live ammunition Saturday to disperse a funeral march after at least 37 people were killed a day earlier in the single bloodiest day of the country's three-week uprising, a human rights group said.

[Anger flares at Egypt army for lethal protest raid](#)

CAIRO (AP) — Demonstrators burned cars and barricaded themselves with barbed wire in Cairo's central Tahrir Square, demanding the resignation of the military's chief Saturday hours after troops violently dispersed a protest there, killing at least one and

injuring 71.

['Days, not weeks' should haunt Obama](#)

We played a lead role in the "no fly zone" military missions starting March 19. On Monday, NATO announced U.S. war planes were shifting to a "supporting role." But that was two-and-a-half weeks after fighting started, and we're still there.

That might not sound like a big deal. Except it emphasizes that Obama, like several presidents before him, simply doesn't understand that "war is hell," as Civil War Gen. William Tecumseh Sherman so aptly put it.

[48-ft. wall of water hit Japan nuclear site](#)

Tokyo (CNN) -- A brief video clip released Saturday captures the massive tsunami that crippled Japan's Fukushima Daiichi power plant, showing the wall of water that slammed into the facility and created an ongoing crisis.

The video shows the giant wave generated by the historic March 11 earthquake crashing over the plant's seawall and engulfing the facility, with one sheet of spray rising higher than the buildings that house the plant's six reactors. Tokyo Electric Power, the plant's owner, told reporters the wall of water was likely 14 to 15 meters (45 to 48 feet) higher than normal sea levels -- easily overwhelming the plant's 5-meter seawall.

[Nuke crisis and falling oil supplies boost reign of dirty King Coal](#)

Deffeyes predicts in the book that public reluctance to use more nuclear power will change as shortages occur, and I predict that disaster in Japan is not going to change that.

Consideration about safety of nuclear waste disposal must give way to real-time craving for such amenities as air-conditioning, television, and neonlights.

[Geothermal Energy Use on the Rise in U.S.](#)

Geothermal energy is essentially free heat that comes from under your feet, and according to the annual report by the Geothermal Energy Association, the United States is using more of it.

['Global agriculture facing convergence of pressures'](#)

BRISBANE (Commodity Online) : Global agriculture is now facing a convergence of

pressures – climate variability and climate change, land degradation, loss of biodiversity, food crisis, energy crisis, growing populations – which may be seen as “a perfect storm”, Dr William Dar, Director General of the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) said.

[Energy of Innovation \(The TV Show\)](#)

It's not American Idol, by any means, but I was invited to sit on a panel helping a Washington, D.C., audience weigh the attributes and faults of seven finalists in a nationwide search for talented innovators pursuing energy breakthroughs. The result is “Planet Forward: Energy Innovation,” a one-hour special being shown on many PBS stations around the country tonight at 9:30. Here's a snippet:

[Besieged Libyan City Gets Aid as U.S. General Sees Stalemate](#)

Libyan rebels and Muammar Qaddafi's forces are locked in a military impasse, a U.S. general warned, as Nomura Holdings Inc. said that the country's oil output won't rebound to pre-war levels when the fighting ends.

U.S. Army General Carter Ham, who commanded the opening phase of the allied military operation, told a U.S. Senate committee yesterday that the conflict is in a stalemate and the use of NATO air power is “increasingly problematic” when it comes to hitting regime forces without endangering civilians and opposition fighters.

Foreign staff members have fled from Libya's oil fields since anti-government protests broke out in mid-February and escalated into armed conflict, meaning the country's oil output would remain below one-third of its previous level in the immediate aftermath of a cease-fire, Michael Lo, a Hong Kong- based analyst at Nomura, wrote in a report.

[Oil closes above \\$112 amid fears about shipments](#)

NEW YORK — Oil surged above \$112 per barrel Friday following a drop in the dollar and continued jitters about shipments from the world's major oil suppliers.

[Zuma Heads to Libya to Discuss Cease-Fire; NATO Confirms Airstrike Mishap](#)

South African President Jacob Zuma will travel to Libya to discuss a cease-fire with Muammar Qaddafi and rebel forces, while NATO confirmed its airstrikes mistakenly killed Libyan rebels using tanks against government forces near the eastern oil port of Brega.

[Kuwait Energy may put off IPO due to unrest](#)

Kuwait Energy may defer plans for an initial public offering of its shares on the London

Stock Exchange amid regional political unrest.

[And like that – blink! – a new war](#)

And who dares doubt that this is about the West passing the mark of peak oil supply? If Libya didn't have oil, it would be ignored, as Congo is – or Zimbabwe.

The West didn't give a damn when Israel pummeled Lebanon into rubble or reduced Gaza to dust. When they killed civilians, it was, at best, "collateral damage." Former U.S. Secretary of State Condoleezza Rice, when asked about Israel's relentless bombings of civilian targets during its obliteration of Lebanese infrastructure, called it "the sound of freedom being born."

[Oil Supply: A Peak Oil 'Quake'](#)

In 2005 when I first joined Titan I was exposed to a new term that I had never heard before – 'Peak Oil'. Now over five years later, I have come to know more about the potential imminent danger, pain, and devastation of Peak Oil and what it will mean to every single person who lives on this planet and depends on oil energy for their sheer existence.

[Seven Lessons From Lawrence Livermore Laboratory's Energy Use Graph](#)

1. Superficially, we have two almost completely separate energy problems.

Coal and natural gas go to buildings and industry, and oil goes to cars. Overall, outside of a little overlap in the industrial sector, they serve completely different functions. They both contribute greenhouse gases, but that is only one of the problems we face in a world of peak oil and dependence on foreign sources.

[Growing Rice in Vermont and Designing for Peak Oil](#)

I don't know much about growing rice, but I do know that it tends to be a warm climate crop. So when fellow TreeHugger Mat emailed me about an outfit trying to grow rice in Vermont, I was intrigued. But it turned out that growing rice was just one small part of what Whole Systems Design are up to. In fact, these guys are trying to create designs for entire, habitable, and truly resilient human habitats that can survive any of the challenges our uncertain future throws at us.

[The Fantasy of Survivalism](#)

A certain amount of precaution is simple prudence, of course. If, like me, you live in Los Angeles, it's wise to keep plenty of water and other supplies on hand. Serious

earthquakes are rare, but unlike hurricanes and blizzards, they strike without warning. You won't have time to shop right before the Big One hits.

But the survivalist instinct mostly plays to a perverse fantasy. It's both comforting and thrillingly seductive to imagine that you're completely independent, that you don't need anyone or anything beyond your home, that you can master any challenge. In the survivalist imagination, a future disaster becomes a high-stakes opportunity to demonstrate competence and superiority.

[Visund gas leak 'stopped'](#)

A gas leak reported on a Statoil platform in the North Sea on Saturday has been stopped but the facility remains shut in.

[Global oil market oversupplied - Iran OPEC governor](#)

TEHRAN (Reuters)- Iran sees the global oil market as oversupplied, despite prices that have been pushed up by upheaval in the Middle East, its OPEC governor was quoted as saying in a newspaper published on Saturday.

"Not only is there not a shortage of supply in the oil market but there is 1 million barrels (per day) of excess supply," Mohammad Ali Khatibi told Sharq daily in an interview.

[Nigeria voting slowly starts after bombing](#)

IBADAN, Nigeria—Nigeria's voters put their inked fingers to ballots Saturday for the first round in the nation's crucial April election, coming out to vote despite bomb attacks and communal violence.

[Water levels rising in nuclear reactor](#)

Tokyo Electric Power Co. said the water level rose in a trench at the No. 2 reactor at its Fukushima Dai-Ichi plant, adding to concern the utility may have to speed up transfer of the radioactive fluid to a waste- treatment facility and tanks.

[Lack of Data Heightens Japan's Nuclear Crisis](#)

TOKYO — Nearly one month after Japan's devastating nuclear accident, atomic energy experts, regulators and politicians around the world are still puzzling over a basic question: How much danger is still posed by the Fukushima Daiichi nuclear power plant?

[Report Says Coast Guard Was Unprepared for Spill](#)

NEW ORLEANS — An internal review of the Coast Guard's performance during the BP oil spill cleanup last year has concluded that the agency was caught badly unprepared and that the response operation was dogged from the beginning by significant planning failures.

[Is the bad economy good birth control?](#)

The Great Recession and its painful aftermath has had an indelible effect on most Americans' lives, and now some are wondering how deep an impact it will have on the next generation as well.

The Centers for Disease Control reported last month that fertility rates fell 4 percent between 2007 and 2009, to 66.7 births per 1,000 women ages 15 to 44. That's the largest drop in more than 30 years.

[Texas cities to get electric car charging networks](#)

Power supplier NRG Energy Inc. says it plans to install a network of 70 electric vehicle charging stations in the Dallas-Fort Worth metro area and another 50 in the Houston area by the end of next year.

[Electric cars mean many changes](#)

WASHINGTON — Entire industries grew up around gasoline-powered cars, ranging from the ubiquitous filling stations to fast-food restaurants along highway exits. Similarly, the rise of electric cars probably will transform more than just the automobile.

[Clean energy offers equal parts peaks and pitfalls for invest](#)

Global investment in clean energy last year rose by 30 per cent to US\$243 billion (Dh892bn), according to the World Economic Forum (WEF). Mid- to long-term investment opportunities are particularly strong in China, which alone accounts for \$51.1bn invested in clean-energy projects.

Year-on-year growth was spread evenly across three regions looked at by the WEF and Bloomberg New Energy Finance in the report, Green Investing 2011: Reducing the Cost of Financing. Europe, the Middle East and Africa grew by \$19bn to \$94.4bn and the Americas rose \$17bn to \$65.8bn. In Asia and Oceania, investment grew by \$20bn to \$82.8bn.

[Free lightbulbs land E.ON in the spotlight with regulator](#)

E.ON is under investigation by the energy regulator amid suspicions that hundreds of thousands of free lightbulbs meant to reduce UK carbon emissions were re-sold into Ireland.

[U.S. Northeast States to Auction 44.2 Million Carbon Permits](#)

A cap-and-trade program for power plants in the Northeast U.S. will auction 44.2 million carbon- dioxide permits on June 8.

The minimum allowable bid will be \$1.89 a permit, unchanged from the previous auction on March 9, the Regional Greenhouse Gas Initiative said today in a statement on its website.

[Taking On Climate Skepticism as a Field of Study](#)

"When I hear scientists say, 'The data speak for themselves,' I cringe," a social scientist says. "Data never speak."

[How Evolution Explains Altruism](#)

What do colon cancer, ant colonies, language and global warming have in common? This might sound like the front end of a joke, but in fact it's a serious challenge to the standard view of evolution. Martin A. Nowak, the director of the Program for Evolutionary Dynamics at Harvard, has devoted a brilliant career to showing that Darwin, and particularly his followers, batted only two for three. Random mutation and natural selection have indeed been powerful motors for change in the natural world — the struggle for existence pitting the fit against the fitter in a hullabaloo of rivalry. But most of the great innovations of life on earth, Nowak argues, from genes to cells to societies, have been due to a third motor, and “master architect,” of evolution: cooperation.



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