



Drumbeat: September 24, 2011

Posted by [Leanan](#) on September 24, 2011 - 9:47am

[Oil Era's Twilight Drives Depression, Debt Crisis, Rifkin Says](#)

The world economy will face shocks and depressions, punctuated by ever-shorter and weaker recoveries, as long as it relies on outdated fossil fuels, says Jeremy Rifkin, author of "The Third Industrial Revolution."

"There will be cycles of growth, collapse, growth, collapse, every three years or so," he said in an interview in Berlin, where he was scheduled to speak on a panel about sustainable growth introduced by Chancellor Angela Merkel.

We are on the cusp of a major upheaval as the world switches to renewable energies and our power-distribution networks undergo a transition similar to that experienced by communications systems with the advent of the Internet, he said.

[Oil Falls Below \\$80 on Recession Fears](#)

Oil sank below \$80 a barrel and capped the biggest weekly drop since May as a pledge by Group of 20 nations to tackle rising risks failed to ease concern that the global economy is on the brink of another recession.

Futures fell 0.8 percent in New York as losses in silver, lead, gold and zinc took the Standard & Poor's GSCI Index of 24 commodities to its lowest level since December. Prices trimmed an intraday decline as equities and the euro rebounded on speculation global central banks will take coordinated measures to prevent a financial crisis.

[US gains six rigs](#)

The number of rigs operating in the US edged up by six this week to total 1991, according to Houston-based oilfield services company Baker Hughes.

[Abundant U.S. Natural Gas Supply Slakes Asian Demand](#)

Gas prices are expected to remain depressed in the U.S. with the EIA weekly report on gas inventories in the U.S. showing a higher than expected build-up of reserves as the increase in production outstripped demand. Players like Anadarko Petroleum have used

technologies such as hydraulic fracturing (“fracking”) and horizontal drilling to boost the American gas supply. In contrast to low prices in the U.S., strong growth in liquefied natural gas demand from China, Japan and India is resulting in prices for liquefied gas rising despite macroeconomic concerns. Analysts expect exports from the U.S. to meet international demand over the long term. Natural gas sales are an important driver for firms such as Exxon Mobil, Chevron, ConocoPhillips and BP.

[Ukraine president to seek gas price cuts from Russia's Medvedev](#)

Moscow - Ukrainian President Viktor Yanukovich was set to travel to Moscow Saturday to seek lower gas prices in meetings with his Russian counterpart, Dmitry Medvedev.

[Russia keeps gas export duty break for Turkey](#)

(Reuters) - Russia will postpone for a year cancelling zero export duties for gas destined for Turkey via the Blue Stream pipeline, which would have eased the tax burden for its top gas producer Gazprom, Finance Minister Alexei Kudrin said.

[Saleh Calls for Yemen Truce as Rallies, Violence Mark President's Return](#)

President Ali Abdullah Saleh called for a truce as he returned to Yemen today after more than three months abroad, amid fighting between government troops and opposition forces demanding his ouster.

[Libyan forces push into Gadhafi's hometown](#)

<http://www.usatoday.com/news/world/story/2011-09-24/Libya-Gadhafi-hometown/50536748/1>

[Foreign oil companies return to Libyan fields](#)

Foreign oil companies are returning to Libya to revive its most important industry after half a year of civil war.

An offshore field operated by a Total joint venture was due to start pumping yesterday and could begin exporting in as little as three weeks, an executive told Dow Jones.

[Judge asked to lift megaload block](#)

MISSOULA — A Montana judge says he will rule next month whether to repeal or change his order to keep an Exxon Mobil subsidiary's oversized oil refinery rigs bound

for Canada off Montana highways.

[Canadian government says it supports projects like Enbridge's proposed Asia pipeline](#)

TORONTO — Canada's natural resource minister said Friday the country needs Enbridge's proposed Northern Gateway pipeline to the Pacific coast to be built so that it can diversify its energy exports to China.

Natural Resource Minister Joe Oliver noted in a speech that the U.S. is basically Canada's only energy customer. Oliver said it is a key strategic objective to diversify the customer base.

[Foreign interests attack oil sands](#)

I believe foreign countries are behind some of the noise and mischief in the United States to try to shut down Canada's oil sands and block construction of the proposed pipeline to bring 700,000 more barrels day to Texas refineries.

The new global reality, since the UN Copenhagen failure to come to any workable agreement to reduce pollution or population worldwide, is that powerful, transnational nonstate players are roaming the world, in the environmental space, replacing smaller and local activists. They are run by faceless persons, they cross borders, they have planetary mandates to attack fossil fuel or any energy development and are armed with funds, media smarts and political influence. They prey on countries where there is an open and transparent system of environmental management even though they often are not transparent themselves in terms of their backers, financing sources and agenda.

[Pipeline that failed under Yellowstone flows again today](#)

BILLINGS — A failed Exxon Mobil pipeline that spilled an estimated 42,000 gallons of oil into the Yellowstone River was expected to restart operations today after federal officials approved repairs meant to prevent another accident.

[Global Resource Crunch](#)

I want to make this as simple as possible.

The world is in for a serious resource crunch.

That stark reality may be lost on you as we trudge through the other problems that have come to dominate day-to-day American life. It's also a hard concept to grasp when dealing with so much data and propaganda.

[Mr. Yergin Is Too Optimistic About the Availability of Oil](#)

Mr. Yergin expresses a conventional view that is likely to please his clients. However, careful examination of the data, some college math and an Excel spreadsheet present a different picture: Hubbert-like curves accurately describe oil production for the world to the present, and estimates of recoverable oil in place constrain future production to a period of decline, reaching half-maximum around 2050. Unconventional oil may add to this, but likely at a total rate of about half that at present.

[Don't Peak: On ill-considered peak oil debates](#)

The term "peak oil" draws attention to the wrong issue. Try an analogy: During any given football game, there will be a point at which the football reaches its maximum height. Call it "peak ball." Two things are obvious: first, after peak ball, the football will never again be that high; and second, the peak ball moment has almost nothing to do with the overall game. If you want to understand the football game, don't worry about peak ball. People who frame the discussion in terms of peak ball will miss the point; the game's real action is elsewhere.

[Hess CEO: An Oil Insider Not Willing To Sugarcoat Our Peak Oil Problem](#)

At the time of his address in 2009 oil was back down in the \$70 range as a result of the financial crisis which temporarily wiped away 2 million barrels per day of oil demand. Even at this time Hess considered that the \$140 per barrel reached in 2008 was not an aberration, but rather a warning.

Hess presciently suggested that once economic growth recovered that it was likely that the oil market would return to the conditions of 2008. We haven't quite gotten there, but global oil prices haven't been that far off for most of 2011 (remember WTI crude prices are the exception not the norm).

[Breaking Oil's Monopoly on Transportation](#)

The Council's issue statement is worth a read and stands apart from some other similarly-well-intended efforts for its clear recognition that our energy security problem with oil has nearly nothing to do with electricity, and thus won't lend itself to leverage from renewable electricity sources until large numbers of electric vehicles are on the road. That could take decades, as I've noted elsewhere. However, I wish the group had spent more time pondering the source of oil's *natural* monopoly in transportation energy, because I think it might have given them pause concerning methanol, one of the competing fuels they're trying to promote.

[The great energy debate](#)

Some people see shale gas as the answer to our energy needs. Others believe that

renewables are the way forward. Unfortunately, there's no easy way of telling what the future might bring.

[German enviro chief's message to Ontarians: 'Be patient'](#)

"If we take seriously the data about peak oil, the hunger for energy in developing countries, climate change – each of these will lead us to a transformation of energy systems. There's enough room for Ontario to be in the game, to be ahead of that transformation."

Lehman did, however, point out some missteps Ontario has made. He was "astonished" the feed-in-tariff rate for solar was set so high. That needs to come down.

[Robert Redford: Punching Back at Big Oil](#)

When you challenge Big Oil in Houston, you can bet the industry is going to punch back. So when I wrote in the *Houston Chronicle* earlier this month that we should say no to the Keystone XL pipeline, I wasn't surprised when the project's chief executive weighed in with a different view.

The corporate rejoinder, written by Alex Pourbaix, president for energy and oil pipelines for the TransCanada Corp., purported to cite "errors" in my oped. Let's set the record straight, point by point.

[Information Is Beautiful Awards](#)

Welcome to our first challenge. It's called Stock Check.

We'd like you to visualise this data on the Earth's non-renewable resources. Stuff like tin, aluminium, gold, coal, oil – the stuff that we can't replace. (Unless a huge, ore-bearing comet slams into the planet, of course).

We've done a metric tonne of research into the reserves of various earth metals and minerals. Now we're looking for a graphic that conveys it all.

[A World Without Oil](#)

Can you imagine a world without oil? I can. Even with all the oil in which we're swimming today – as pictured by this excellent graphic from the latest issue of *Momentum* from the Institute on the Environment at the University of Minnesota – I can see a world powered by renewables, generating electricity to fire up electric vehicles and to produce hydrogen for fuel cells. That's part of the vision that *Moving Planet* is hoping to further embolden our imaginations with tomorrow.

[Practicing the permaculture he preaches](#)

One day, Willoughby believes, there will be no gas for your cars and your toilet will not flush. If that day comes — and Willoughby thinks it will soon — he will wake again on the floor of his dome, load wood into his generator, and his life will not have changed at all.

[Fertilizer-Producing Island Cannot Grow Vegetables. It's a Lesson for Us All.](#)

There has been a lot of talk about the difference between resilience and sustainability of late—with the notion of resilience becoming increasingly important as we realize just how fragile our cultural and economic systems may be. But in a world where peak oil looks ever more likely, and where peak fertilizer may not be far behind, could there be anything less resilient than an island economy that is reliant on phosphate mining for fertilizer; imports all of its fresh veggies by plane; and cannot grow veggies in its soil due to a root-eating pest!?

[Green Hands, green heart](#)

Clifford Dean Scholz is working on spreading green know-how, and he's doing it handily.

Clifford started the Green Hands Reskilling Initiative earlier this year. Its motif is a Green Hand sign that you place in your window to let others know you have green skills to teach and talk about. It's like the Blue "Helping Hand" signs from the '60s and '70s, but for grownups.

[Designing Sustainable Structures From the Land Up](#)

Some of the most interesting coverage so far is from The Dirt, the blog of the American Society of Landscape Architects. That might seem odd in some ways. What do solar panels have to do with gardens and lawns?

[Republicans Attack on Handling of Stimulus Money and Green Jobs](#)

WASHINGTON — The battle over Solyndra, the California solar equipment manufacturer that took \$528 million in government loan guarantees and then declared bankruptcy, moved on to a second House committee on Thursday as Republicans broadened their attack on the Obama administration's management of stimulus money and its pursuit of alternative energy as a way to spur employment.

[Blame-China Chorus Grows as Solyndra Falls](#)

The collapse of Solyndra LLC has renewed demands from U.S. lawmakers and union

leaders that the Obama administration pursue unfair-trade complaints against China for out-sized subsidies to its clean-energy companies.

[SolarCity Says Loan Guarantee Rejected](#)

The bankruptcy of Solyndra LLC may have scuttled the conditional loan guarantee of SolarCity Corp.

SolarCity, a Foster City, California-based developer of rooftop residential solar projects, said today that the U.S. Energy Department will not complete the \$275 million guarantee that was offered one day after Solyndra filed for bankruptcy.

[Solyndra haunts other government-backed solar firms](#)

NEW YORK (CNNMoney) -- At least three other government-backed solar firms face the same challenging market conditions that brought down Solyndra, the now bankrupt solar panel maker that could cost taxpayers over \$500 million.

[Energy Department OKs new loan guarantees for green projects](#)

Reporting from Los Angeles and Washington— The Department of Energy granted final approval to three new loan guarantees for green energy projects, even as it faced continued scrutiny over \$528 million in government loan assurances to solar panel maker Solyndra, which went bankrupt.

[Japan finds radiation in rice](#)

TOKYO (AP) – Japan is ordering more tests on rice growing near a crippled nuclear plant after finding elevated levels of radiation, government officials said Saturday.

[SSE ditches nuclear power for gas, wind and biomass](#)

Scottish and Southern (SSE), the UK's second-biggest energy generator, has abandoned its quest to develop nuclear power in favour of producing more electricity from renewable energy sources such as wind farms and biomass plants.

Dealing a blow to government plans to ramp up nuclear generation, SSE has pulled out of a joint venture with France's GDF Suez and Spain's Iberdrola that would have involved it in atomic energy for the first time.

[Bill Gates backs financial transaction tax to aid poor](#)

(Reuters) - A report by Microsoft founder Bill Gates to Group of 20 ministers on Friday proposes raising new funding for poorer countries by taxing financial transactions, tobacco, and shipping and aviation fuels, according to details of a G20 report obtained by Reuters.

The Gates Foundation was tasked by current G20 chair, France, to look at how the governments of its member countries could raise new money for aid to developing nations, including plugging an estimated \$80-100 billion funding gap to help the poor adapt to climate change.

[Putin touts Arctic Northeast passage](#)

MOSCOW — Russian Prime Minister Vladimir Putin pledged on Thursday to turn the Northeast passage into a key shipping route and modernise its Arctic infrastructure as Moscow seeks to stake out a claim over the energy-rich region.

[Russia paints 'No Trespassing' sign in the Arctic](#)

As global warming intensifies the race to lay claim to the Arctic and its massive oil and gas reserves, Russia vowed to increase its military presence in the region, telling NATO to stay out.

"Our northern border used to be closed because of ice and a severe climate," Interfax quoted Anton Vasilev, a special ambassador for Russia's Foreign Ministry, as saying. "But as the ice is going away we cannot leave 20,000 kilometres unwatched. We can't leave ourselves in a position where we are undefended."



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