



Drumbeat: January 27, 2012

Posted by [Leanan](#) on January 27, 2012 - 9:12am

[Everything You Know About Peak Oil Is Wrong](#)

We've been warned before. Four decades ago this year, five scientists from the Massachusetts Institute of Technology published an influential set of predictions regarding the sustainability of human progress. Titled *Limits to Growth*, their report suggested the world was heading toward economic collapse as it exhausted the natural resources, such as oil and copper, required for economic production. The report forecast that the world would run out of new gold in 2001 and petroleum by 2022, at the latest.

Over the intervening years, the threat of “peak oil” has stayed with us—the date when global petroleum production was to reach its supposed maximum, afterward and evermore to decline as dwindling reserves were tapped out. And the exhaustion of the world's oil reserves was just the start. A host of other critical natural resources, from phosphorus to uranium, have been declared peaking or already peaked.

Forty years later, however, rereading *Limits to Growth* invokes a growing sense of irony. Far from being depleted, worldwide reserves of minerals continue to climb. New technologies suggest the dawn of U.S. energy independence. The biggest concern isn't that the planet is running out of resources—it's having too many for the planet's own good.

[Oil supply limits and the continuing financial crisis](#)

Since 2005, (1) world oil supply has not increased, and (2) the world has undergone its most severe economic crisis since the Depression. In this paper, logical arguments and direct evidence are presented suggesting that a reduction in oil supply can be expected to reduce the ability of economies to use debt for leverage. The expected impact of reduced oil supply combined with this reduced leverage is similar to the actual impact of the 2008–2009 recession in OECD countries. If world oil supply should continue to remain generally flat, there appears to be a significant possibility that oil consumption in OECD countries will continue to decline, as emerging markets consume a greater share of the total oil that is available. If this should happen, based on these findings we can expect a continuing financial crisis similar to the 2008–2009 recession including significant debt defaults. The financial crisis may eventually worsen, to resemble a collapse situation as described by Joseph Tainter in *The Collapse of Complex Societies* (1990) or an adverse decline situation similar to adverse scenarios foreseen by Donella Meadows in *Limits to Growth* (1972).

This and other related articles from the [7th Biennial International Workshop “Advances in](#)

[Energy Studies](#) are free, at least for now. Usually ScienceDirect charges a fee, but this publication is apparently a "sample issue."

[Oil Heads for First Weekly Gain in Three; Total Sees \\$100 Brent Support](#)

Oil headed for its first weekly gain in three, trading near a one-week high in New York amid signs of economic recovery in the U.S., the world's biggest crude consumer.

Futures gained as much as 0.8 percent, advancing for a third day. The U.S. Commerce Department may say today that economic growth accelerated in the fourth quarter. Durable goods orders rose more than forecast in December, according to data published yesterday, and a report this week showed gasoline demand grew the most in more than two months. Total SA Chief Executive Officer Christophe de Margerie said it would take a "real recession" to send Brent crude below \$100 a barrel.

[Russia sets new gas pumping record to cover European demand](#)

Moscow (dpa) - Russia has set a new record on volumes of fuel drawn from underground reservoirs in the face of increasing winter demand by domestic and particularly European customers, Russian government energy data made public on Friday showed.

Draws on underground natural gas reserves inside Russia totalled 565 billion cubic metres on Wednesday - topping a previous 553 billion cubic metres single day record set in January 2011, a report published by the Russian government energy monitoring agency TsDU TEK said.

[Workers at Pa. refinery get layoff notices](#)

TRAINER, Pa. (AP) — The first of hundreds of employees have been laid off from a Philadelphia-area oil refinery that hasn't found a buyer after four months on the market.

ConocoPhillips laid off two shifts of workers at its Trainer, Delaware County on Thursday. The remainder of the 385-employee workforce is expected to be laid off Friday.

[Chevron profit falls as refineries, output suffer](#)

(Reuters) - Chevron Corp reported lower quarterly earnings on Friday as rising spending on oil and gas projects and losses at its refinery business offset gains from higher crude oil prices.

Oil and gas output at the No. 2 U.S. oil company also declined to 2.64 million barrels per day (BPD) from 2.79 million BPD a year-ago.

[Colombia to Get \\$10 Billion in Mining, Energy Investments, Cardenas Says](#)

Colombia, South America's third- largest oil producer, expects about \$10 billion in international investment in crude, mining and energy projects this year, Mines Minister Mauricio Cardenas said.

[Pertamina green lights \\$2bn gas spend](#)

PT Pertamina is to splash out almost \$2 billion over the next three years as it wins approval for ambitious plans to revamp gas infrastructure in Indonesia.

[Myanmar has no plans to boost gas exports beyond 2013](#)

(Reuters) - Myanmar will keep natural gas from new projects beyond 2013 for domestic consumption, a shift of policy aimed at powering its development, the country's energy minister said on Friday.

[Oil industry sees China winning, West losing from Iran sanctions](#)

(Reuters) - As the European Union prepares to ban Iranian oil and the United States turns the screw on payments, oil executives and policymakers say China and Russia stand to gain the most and Western oil firms and consumers may emerge the biggest losers.

[Iran could ban EU oil exports next week -lawmakers](#)

TEHRAN (Reuters) - A law to be debated in Iran's parliament on Sunday may halt oil exports to the European Union as early as next week, foiling an EU plan to phase in an oil embargo gradually to help its struggling economies adapt, lawmakers said on Friday.

"On Sunday, parliament will have to approve a 'double emergency' bill calling for a halt in the export of Iranian oil to Europe starting next week," Hossein Ibrahim, vice-chairman of parliament's national security and foreign policy committee, was quoted as saying by the semi-official Fars news agency.

[Oil Markets Seen Withstanding Iran Attack Shock in Global Investor Survey](#)

More than 70 percent of investors said an attack on Iran's nuclear facilities would create only a short-term disruption in oil markets, according to a quarterly Bloomberg Global Poll.

Only about a third of the 1,209 global investors, traders and analysts surveyed Jan. 23-24 said an attack could trigger an oil shock leading to a global recession.

[Israel's Bombing Threat Helped Spur Iran Sanctions, How Will it Affect Iran Diplomacy?](#)

Reiterating the threat of military action is a well-established Israeli tactic: Netanyahu argues publicly that Iran will only concede if it faces a real and imminent danger of military action. "This threat is crucial for scaring the Iranians and for goading on the Americans and the Europeans [into putting more pressure on Tehran]," wrote *Haaretz* columnist Ari Shavit last summer, castigating Israel's recently retired Mossad chief Meir Dagan for pooh-poohing the idea of an Israeli strike on Iran. "It is also crucial for spurring on the Chinese and the Russians. Israel must not behave like an insane country. Rather, it must create the fear that if it is pushed into a corner it will behave insanely."

[Iran's threat to fast-growing Qatar](#)

Qatar is one of the fastest growing economies in the world, and the country's gross domestic product (GDP) rocketed up by 28% in 2011. But growing tensions in Iran and the potential closure of the Strait of Hormuz could endanger one of the nation's main money makers – gas exports.

[Oman may help Sri Lanka if Iran oil sanctions bite](#)

(Reuters) - Oman may sell oil to Sri Lanka in the event of a crisis, which the island nation is racing to avert with U.S. sanctions on Iranian crude threatening its primary refining supply, Sri Lankan officials told Reuters on Friday.

[Tensions flare over Falkland Islands](#)

Buenos Aires (CNN) -- It's been nearly 30 years since British and Argentinian troops fought over the Falkland Islands, but politicians from both countries are ratcheting up their rhetoric over the British-controlled territory.

..."They are preying on our natural resources, our oil, our fish," Argentinian President Cristina Fernandez de Kirchner said Wednesday.

[Activists report 'terrifying massacre' in Syria](#)

BEIRUT (AP) – A "terrifying massacre" in the restive Syrian city of Homs has killed more than 30 people, including small children, in a barrage of mortar fire and attacks by armed forces loyal to President Bashar Assad, activists said Friday.

[Officials: Car bomb targets funeral in Baghdad, killing dozens](#)

Baghdad, Iraq (CNN) -- A suicide car bomber targeted a Shiite funeral procession in the Iraqi capital Friday, killing 31 people and wounding 60 others, two police officials said.

[Saudi warns of possible Mideast nuclear arms race](#)

DAVOS, Switzerland (AP) — An influential member of the Saudi royal family is warning if the Middle East does not become a nuclear weapon-free zone, a nuclear arms race is inevitable and could possibly include Iraq, Egypt, Saudi Arabia and even Turkey.

[Spike in deaths blamed on 2003 NYC power outage](#)

The biggest electricity blackout to occur in the United States resulted in 90 additional deaths in New York City, caused both by accidents and disease-related problems, according to a new analysis of data from the summer of 2003.

"Our results from this study indicate that power outages can immediately and severely harm human health," said Brooke Anderson, the lead author of the study and a researcher at Johns Hopkins University.

[BP Can't Collect Part of Gulf Spill Costs From Transocean](#)

BP Plc (BP) can't collect from Transocean Ltd. (RIGN) part of the \$40 billion in cleanup costs and economic losses caused by the 2010 oil well blowout and Gulf of Mexico spill, a judge ruled. Transocean shares rose on the news.

BP must indemnify Transocean for pollution-related economic damage claims under its drilling contract, U.S. District Judge Carl Barbier in New Orleans ruled yesterday. London-based BP (BP/) sued Transocean in April to recover a share of its damages and costs from the spill.

[No Energy Industry Backing For The Word 'Fracking'](#)

NEW YORK (AP) - A different kind of F-word is stirring a linguistic and political debate as controversial as what it defines.

The word is "fracking" — as in hydraulic fracturing, a technique long used by the oil and gas industry to free oil and gas from rock.

It's not in the dictionary, the industry hates it, and President Barack Obama didn't use it in his State of the Union speech — even as he praised federal subsidies for it.

[EU law enough for now to regulate shale gas - study](#)

BRUSSELS (Reuters) - EU law is enough for now to regulate shale gas exploration, although changes might be needed to protect the environment once Europe enters the development phase, a study commissioned by the EU found.

Shale gas exploitation in the United States has transformed the global supply-demand balance.

In Europe, however, development is less advanced and EU member states Bulgaria and France have banned shale gas activity because of environmental concerns.

[Japan Post-Fukushima Reactor Checks 'Insufficient,' Advisers Say](#)

Japan's safety review of nuclear reactors after the Fukushima disaster is based on faulty criteria and many people involved have conflicts of interest, two government advisers on the checks said.

"The whole process being undertaken is exactly the same as that used previous to the Fukushima Dai-Ichi accident, even though the accident showed all these guidelines and categories to be insufficient," Hiromitsu Ino, Professor Emeritus at the University of Tokyo, said at a briefing in Tokyo today.

[Japan's 'Nuclear Alley' conflicted over reactors](#)

OHI, Japan (AP) — International inspectors are visiting a rugged Japanese bay region so thick with reactors it is dubbed "Nuclear Alley," where residents remain deeply conflicted as Japan moves to restart plants idled after the Fukushima disaster.

[Fukushima's animals abandoned and left to die](#)

Inside Fukushima Exclusion Zone, Japan (CNN) -- When you stand in the center of Japan's exclusion zone, there is absolute silence. The exclusion zone is the 20-kilometer (12-mile) radius around the crippled Fukushima nuclear plant, an area of high radiation contamination.

On March 12, the day after the quake and tsunami hit, 78,000 people were evacuated out of this area, believing they would return within a few days. As such, thousands of people left with their dogs tied up in the backyard, cats in their houses and livestock penned in barns.

[Revamped Search Urged for a Nuclear Waste Site](#)

WASHINGTON — A commission appointed to find alternatives to a failed plan to store nuclear waste in the Nevada desert declared on Thursday that the United States would have to develop a “consent-based approach” for choosing a site because leaving the decision to Congress had failed.

By securing local consent, the panel said, the government might avoid the kind of conflicts that led to the cancellation of plans to create a repository at Yucca Mountain, a site 100 miles from Las Vegas, in 2010. It noted that local willingness had been crucial to decision-making on sites for nuclear waste depots in Finland, France, Spain and Sweden.

[Is Spent Nuclear Fuel Really Waste?](#)

Among advocates of nuclear power, considerable disagreement exists about whether the spent fuel can be considered waste, given that it contains unused uranium as well as plutonium, which is created in nuclear reactors and can be used as fuel.

[President Obama's energy plan panned by both sides](#)

As his re-election bid nears, President Obama is pitching a made-in-America energy agenda that calls for more offshore oil drilling, natural gas development and clean-energy investments.

But he's not winning kudos from either the oil industry or environmental groups.

[API scoffs at Obama's lease sale](#)

WASHINGTON (UPI) -- The American Petroleum Institute welcomed plans for a lease sale in the Gulf of Mexico but also said U.S. energy ambitions are lackluster.

[Tech bet sours for Elkhart, Ind., as electric carmaker Think, battery firm Ener1 fall into bankruptcy](#)

Indiana's foray into electric vehicles is a cautionary tale for states in hot pursuit of high-tech manufacturing jobs. Think's story illustrates how politicians so badly wanted to stimulate job growth that they showered it and the battery supplier with tax breaks and incentives while at the same time failing to determine whether there was a market for the car: a plastic two-seater with a top speed of about 65 miles an hour and a price tag approaching \$42,000.

"Where's the value?" Gregg Fore, an Elkhart recreational vehicle industry executive, said of Think. "I could buy a golf cart for five grand if that's what I wanted to drive."

[Renewables From Vestas to Suntech Plan Profit Without Subsidy](#)

Renewable energy companies are approaching the point where they can generate electricity at a price competitive with fossil-fuels without subsidies, the biggest wind and solar manufacturers said.

[Waning Support for Wind and Solar](#)

Assisted by technological innovation and years of subsidies, the cost of wind and solar power has fallen sharply — so much so that the two industries say that they can sometimes deliver cleaner electricity at prices competitive with power made from fossil fuels.

At the same time, wind and solar companies are telling Congress that they cannot be truly competitive and keep creating jobs without a few more years of government support.

[German Solar Rush Is Predicted by Breil as Lawmakers Put Off Subsidy Cuts](#)

Germany may see a rush of solar panel installations in the coming weeks after lawmakers from Chancellor Angela Merkel's coalition failed to agree on an overhaul of the country's clean-energy subsidy system.

[Apple, Electronics and Environmental Ills](#)

Environmental groups say that while multinational corporations like Apple are trying to improve conditions, thousands -- or perhaps tens of thousands -- of smaller companies are cutting corners and dumping hazardous chemicals in rural areas and even near densely populated areas.

[Contest Time! The Crisis of Civilization Remix Challenge](#)

If you've seen it, you'll probably have guessed that here at The Crisis of Civilization we love Remix films – and we want you to have a go too. We would like to invite you to create your own Crisis of Civilization-style sequences, using unused interview audio of Nafeez Mosaddeq Ahmed with images put over the top and music laid underneath.

[Southern plants find fertile ground farther north](#)

Southern magnolias, lovers of sultry weather, braving the chillier Northeast?

Camellias, a New Orleans trademark, staking out in North Carolina and higher latitudes?

It's true, gardening experts say, and expect similar oddities to represent the new norm.

[Regional Cap-and-Trade Effort Seeks Greater Impact by Cutting Carbon Allowances](#)

Adjusting to shifts in the economy, states in the cap-and-trade system known as the Regional Greenhouse Gas Initiative have slashed the number of allowances that electric power companies can buy to offset their emissions.

[Al Gore: Living on Thin Ice](#)

Last September, millions of you joined us for 24 Hours of Reality, when we connected the dots between the extreme weather events happening all over the world and the reality of the climate crisis. Together, we saw that we don't need to travel far to see the impacts of climate change. Most of us are already feeling those impacts close to home.

Yet the climate crisis is also causing momentous changes in remote regions far from major population centers, in places like Antarctica, Greenland and the North Polar Ice Cap. Some of the most dangerous changes in our climate system are the ones that often receive the least attention.

["Monster" rules Nepal village on climate frontline](#)

There are more than 3,200 glaciers in Nepal, and 14 of them are at risk of bursting the dams which control the melting water that flows from them, officials say.

"The melting of glaciers that forms lakes can only be attributed to climate change," said Arun Bhakta Shrestha, climate change specialist at the Kathmandu-based International Centre for Integrated Mountain Development (ICIMOD), which studies climate change in the Hindu Kush Himalayas.

[Singapore raises sea defences against tide of climate change](#)

SINGAPORE (Reuters) - A 15-km (10 mile) stretch of crisp white beach is one of the key battlegrounds in Singapore's campaign to defend its hard-won territory against rising sea levels linked to climate change.

Stone breakwaters are being enlarged on the low-lying island state's man-made east coast and their heights raised. Barges carrying imported sand top up the beach, which is regularly breached by high tides.

[Stuart Staniford: Historical Note on Drought in Climate Models](#)

This morning, I stumbled on a 1999 paper "DETECTABILITY OF SUMMER DRYNESS

CAUSED BY GREENHOUSE WARMING" by Wetherald and Manabe. The paper discusses a single climate model (obviously a by-now very outdated one) which generates very serious drought across much of the world in the second half of the twenty-first century. The map above gives the general idea.



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