



Drumbeat: November 23, 2012

Posted by [Leanan](#) on November 23, 2012 - 9:27am

[U.S. set for fracking bonanza, says historian Ferguson](#)

Hong Kong (CNN) -- If there's been one consistent thread running through the U.S. economic story since 2008, it's been the steady drumbeat of gloom.

Outright recession or sub-standard growth, stubbornly high unemployment and fiscal crises have been the topics du jour when it comes to the world's biggest economy.

But now an unlikely champion for U.S. growth under the Obama administration has emerged -- a former adviser to a Republican Party presidential candidate and Harvard history professor, Niall Ferguson, who says America could actually be heading toward a new economic "golden age."

And it has nothing to do with Washington and everything to do with energy.

[Shale Gas Bubble About to Burst: Art Berman, Bill Powers](#)

It's a deep dive into shale gas production numbers that have led insiders like Powers, Berman and others to conclude that the behavior of the industry is akin to Enron's behavior in the 1990s, described by some as a "Ponzi Scheme" in a June 2011 investigation by *The New York Times*.

[Protests erupt across Egypt after presidential decree](#)

A febrile and polarised Egypt turned on itself on Friday as widespread protests spread across the country pitting supporters of the Islamist president Mohamed Morsi against his political opponents over a controversial new decree granting him extensive new powers.

Anti-Morsi demonstrators, who accuse the president of having launched a "constitutional coup" on Thursday, were reported to have set fire to the offices of the Muslim Brotherhood's Freedom and Justice party, to which Morsi belongs, in the Suez Canal cities of Suez and Port Said.

[Do Coal Plants Really Kill People?](#)

During the presidential campaign, any whiff of anti-coal sentiment was considered an election-year liability. In 2003, Gov. Romney went after a coal plant in Massachusetts for spewing air pollution and announced: "I will not create jobs or hold jobs that kill people. And that plant, that plant kills people." President Obama tried to stick it to him with that quote in an ad in coal-friendly Ohio. Romney, in turn, tried to bash Obama with remarks that Joe Biden made in 2007 about coal as a potential killer.

But while politicians have been busy obscuring their views on coal, public health researchers have been accumulating ever clearer data. Emissions from coal-fired power plants and other coal-burning sources have been linked to neurological and developmental deficits in children, a worsening of asthma, and cardiovascular disease and other health woes. Coal-burning is bad, bad, bad for your health—and looking ahead, the best we can hope for is that it will get marginally better.

[Is Thanksgiving a big waste of turkey?](#)

The U.S. Department of Agriculture estimates that Americans throw away 35 percent of the turkey they buy, and that does not include bones. That's compared to only 15 percent waste for chicken. What's worse, throwing away turkey isn't just bad manners or a big waste of money (\$282 million), it's also bad for the environment, according to Gunder.

[Did oil decide the last three American elections?](#)

As I indicated, there are certainly other factors besides oil prices that determined this year's election outcome. But I can't help thinking that many voters--still frustrated by slow growth due in part to high oil prices--decided that Republican politicians had not acted to address their economic anxieties. So, those voters simply went the opposite direction and voted for Democrats.

If the pattern I see holds, then continuing high oil prices would lead to a resurgence of the Republican Party in the 2014 elections. Naturally, if prices decline and stay down, oil will not be a central issue. But here is the problem. If oil supplies are going to be constrained in the long term, as I believe they will be, then waiting for supply to rise and for prices to fall will not be a useful strategy for either party. Neither will touting the temporary and overhyped gains in domestic oil production that are, in any case, being offset by declines abroad. Keep in mind that oil is a worldwide market, so Americans will continue to pay world prices whether or not domestic production rises.

[Crude Futures Erase Weekly Advance as Middle East Tension Eases](#)

Crude dropped in New York, erasing a weekly advance, after a truce between Israel and Hamas held for a second day, easing concern that the conflict would disrupt supplies from producers in the Middle East.

West Texas Intermediate declined as much as 0.8 percent after a Egypt-U.S.-crafted

cease-fire halted eight days of aerial assaults that killed at least 167 Palestinians and six Israelis. Crude may decline next week following the cessation of hostilities, according to a Bloomberg survey. There was no U.S. floor trading yesterday because of the Thanksgiving holiday.

[Energy Losses Expose Petrobras Fuel Distortion](#)

Refinaria de Petroleos de Manguinhos SA (RPMG3), the worst performing Latin American energy stock this year, is showing investors how Brazil's fuel subsidies are hurting the ability of non-government refineries to make money.

[Israeli Troops Fire on Palestinians at Gaza Border Fence](#)

Israeli troops fired on Palestinians near the Gaza Strip border, in an incident Hamas said left one dead and 25 injured, leading to accusations from both sides that a two-day-old cease-fire was breached.

Palestinian farmers were shot at on land they own near the Israel-Gaza border, said Ashraf al-Qedra, a spokesman for the Hamas-run Ministry of Health in Gaza. Israeli army spokeswoman Avital Leibovich said in a message on Twitter that the Palestinians breached the cease-fire by hurling stones and trying to damage the fence.

[Lula offers Brazil's help for Indian infrastructure](#)

New Delhi (IANS) Brazil's former president Luiz Inacio "Lula" da Silva Friday said his country can be a partner in India's infrastructure and renewable energy resources development.

The two countries, he said, could work out strategies and partnerships that would not only bring in economic benefits but also provide substantial impetus for growth in their respective regions.

[James Howard Kunstler: Peak oil, peak BS](#)

It's been clear for a while that authorities in many realms of endeavor – politics, economics, business, media – are very eager to sustain the illusion that we can keep our way of life chugging along. But under the management of these elites, the divorce between truth and reality is nearly complete.

[BP to restructure oil, gas operations, sources say](#)

BP is planning to announce a reorganisation of its oil and gas production operations,

three sources familiar with the matter said, the second significant restructuring of its main cash generator since the Gulf of Mexico oil spill.

The latest changes will undo some of the measures Chief Executive Bob Dudley imposed in 2010 and are partly intended to free him from close oversight of day-to-day operations so he can help chart BP's recovery from the disaster which killed 11 men and spilled 5 million barrels of crude into the sea.

[U.K. Renewable Energy Expenses to Triple for Consumers 2020](#)

Britain's electricity customers will be paying higher bills by 2020 to cover the costs of expanding renewable energy supplies such as solar and wind, government officials said.

Energy Secretary Ed Davey will allow utilities to triple the renewable energy levy that comes through in household and business power bills to 7.6 billion pounds (\$12 billion) by 2020, according to a spokesman at the Department of Energy and Climate Change. The change will come in legislation Parliament will consider once the details are published on Nov. 29.

[Did You Save Some Turkey Fat? Other Oils?](#)

Fat, oil and grease (FOG) poured down a drain will eventually cool, clinging to the sides of pipes and making it harder for water to flow through the vast arterial networks underground. Soap doesn't help to fully break down the sludge either, because fat, oil, and grease like to regroup further down the pipe.

Ultimately, this can burden the city's sewer system, leading to overflows that have environmental impacts on streets and rivers further down the line.

But some people are aware that our Thanksgiving effluent has potential as biofuel. And as it turns out, several cities across the United States are running public or privately run FOG recycling drives.

[Solar Companies Seek Ways to Build an Oasis of Electricity](#)

When Hurricane Sandy wiped out the power in areas like coastal Long Island and the Jersey Shore, what should have been beacons of hope — hundreds of solar panels glinting from residential rooftops — became symbols of frustration.

Despite the popular perception that installing solar panels takes a home "off the grid," most of those systems are actually part of it, sending excess power to the utility grid during the day and pulling electricity back to run the house at night. So when the storm took down power lines and substations across the Northeast, safety systems cut the power in solar homes just like everywhere else.

"Here's a \$70,000 system sitting idle," said Ed Antonio, who lives in the Rockaways in

Queens and has watched his 42 panels as well as those on several other houses in the area go unused since the power went out Oct. 29. “That’s a lot of power sitting. Just sitting.”

[Q. and A.: In a Blackout, Solar Exceptions](#)

In Bayonne, N.J., a school with an unusual coupling of a solar array and a backup diesel generator found itself chugging along through the storm and its aftermath, allowing more than 50 residents to spend the night that Sandy hit on cots in a heated, dry and well-lighted community room.

At the heart of the system, designed and installed by Advanced Solar Products at the Midtown Community School, a designated evacuation center, is a special inverter with software that allows electricity from the panels to stop flowing out into the grid when it goes down.

[Effort to Curb Dangerous Coolant Falters, Sometimes at Home](#)

The Environmental Protection Agency has tried to reduce use of this gas, HCFC-22, which depletes the ozone layer and contributes to global warming, by imposing strict quotas on its production. Since 2010, it has also banned the sale of new air-conditioning units containing the compound, and has promoted recycling of the gas from old machines so it will not be released.

But what followed at Mr. Spector’s home circumvented all the agency’s rules and good intentions: Instead of finding and repairing the hole in his aging unit, a complicated task, a serviceman pumped in more coolant, which leaked out by the next day. When Mr. Spector called around for another solution, a salesman offered to swap in a new condenser unit, but one that still used HCFC-22 — meaning one more American home would continue relying on an environmentally damaging coolant for years.

[A ‘Preacher’ of the Gospel of Sharing, Not Shopping](#)

From the first days of this blog in 2007, a focal point has been the word “enough.” How much is enough? Can we learn to reach for an apple when we crave a cookie? Can we make something instead of buying something? Which good life do you seek — the Vegas version or Plato’s?

[Is Humanity Really Going to Starve to Death in Twenty Years Because We Will Have Run Out of Potash and Phosphorus Fertilizers?](#)

If you don’t know who Jeremy Grantham is, he’s a British investor who is co-founder and chief strategist of GMO, a Boston-based asset management firm managing more than \$97 billion. Recently, he’s taken on the subject of the future challenges of global

agricultural production, and takes a rather dismal view. Readers love doom in agriculture, and his latest quarterly letters have gained him a devoted following. I've begged to differ with a few of his takes on issues as I've read these reports, but have kept silent, as I'm not paid to do what he does.

But, after I read the above quoted paragraph, I aborted everything I was doing that day to begin my rebuttal to this outrageous statement. My article was about half-done and that is the way it will stay, because I discovered that Tim Worstall over at Forbes had already written a superb response titled, "What Jeremy Grantham Gets Horribly, Horribly, Wrong About Resource Availability." What he writes does not only apply to these two fertilizers, it applies to most element mining. He explains to us the difference between reserves and resources. If this is a subject that interests you, you must read Worstall's writing.

[Price of milk makes Greeks' blood boil](#)

Aravanis said his running costs made it impossible to produce more cheaply.

His farm is too small for him to grow fodder for his total herd of 440 animals, so he has to buy in clover, maize, oats, hay and soya, which is imported from the United States.

"If the price fell to 40 cents none of us would be able to survive. We are barely getting by at these prices," he said.

[Report shows US drought worsening after weeks of improvement; no rain forecast in worst areas](#)

ST. LOUIS - The worst U.S. drought in decades has deepened again after more than a month of encouraging reports of slowly improving conditions, a drought-tracking consortium said Wednesday, as scientists struggled for an explanation other than a simple lack of rain.

While more than half of the continental U.S. has been in a drought since summer, rain storms had appeared to be easing the situation week by week since late September. But that promising run ended with Wednesday's weekly U.S. Drought Monitor report, which showed increases in the portion of the country in drought and the severity of it.

[Japan steelmakers to receive 10.4 mln CO2 offset](#)

(Reuters) - Japanese steelmakers are likely to receive 10.4 million tonnes of U.N. carbon dioxide offsets over the Kyoto Protocol's five-year period, lower than the 35 million tonnes estimated earlier, the Iron and Steel Association of Japan said on Thursday.

The decline is due to delays and scale-downs in clean energy projects in China and other developing countries, the association said.

[Timeline - How the world found out about global warming](#)

(Reuters) - A U.N. conference in Qatar next week is the latest attempt to combat global warming after mounting evidence that human activity is disrupting the climate.

Here is a timeline of the road to action on global warming:

[Qatar set to host major climate talks](#)

DUBAI, United Arab Emirates (AP) — When the tiny desert nation of Qatar was chosen to host the latest round of United Nations climate change negotiations, environmentalists were stunned.

Talks were already in trouble, and now the high-level discussions were moving to a member of OPEC that had shown little interest in climate change and appointed a former oil minister to lead the negotiations, which start Monday. The country's economic boom, driven by vast oil and gas reserves, has led to free electricity for citizens and an abundance of gas-guzzling SUVs in the capital, Doha. It has also made Qatar the world's highest per capita carbon dioxide emitter.

[Resuscitation hopes dim for expiring Kyoto climate treaty](#)

OSLO (Reuters) - Fifteen years ago, fears about man-made climate change were enough to bind most of the industrialised world into a treaty that was flawed but at least seemed to cement the principle that greenhouse gases must be cut.

Yet now - with levels of those gases much higher and climate change more evident in extreme weather - economic slowdown and arguments over who should pay have all but killed any chance of a meaningful extension to the expiring Kyoto Protocol.

[FACTBOX - What is the Kyoto Protocol?](#)

REUTERS - Nearly 200 countries will meet in Doha, Qatar, next week to work for a new climate deal to curb the greenhouse gas emissions that scientists say are warming the planet, raising sea levels and disrupting weather patterns.

The new deal should be signed by 2015 and come into force by 2020. Delegates will also discuss an extension to the 1997 Kyoto Protocol, the world's current climate pact, which expires at the end of this year.

[FACTBOX - Climate negotiating positions of big greenhouse emitters](#)

REUTERS - More than 190 countries are meeting in Doha, Qatar, from November 26 to December 7 to make progress on a new deal to fight climate change, due to be agreed by 2015 and come into force in 2020.

The current emissions-cutting pact, the Kyoto Protocol, commits most developed states to binding targets for cutting emissions but expires at the end of this year. It may be extended for a period of five or eight years, but several industrialised countries have already said they will not sign up to further emission cuts.

[Pollution Sets Record as Euro Crisis Slows Climate Drive](#)

The next victim of Europe's economic crisis is becoming the global effort to restrain fossil fuel emissions and curb pollution now at record levels.

The European Union, which led the fight by establishing the biggest market for carbon emissions, is letting the matter slip as a priority. EU leaders didn't discuss climate strategy at their four summits this year, while France, Germany, Spain and Britain are focused on paring the region's 10.5 percent unemployment rate and 10.8 trillion euros (\$13.9 trillion) in debt. The matter didn't emerge during U.S. presidential debates.

[Stark warnings on climate change must be heeded by business](#)

Shocking is the only way to describe the extraordinarily cynical comments made by Milton Catelin, chief executive of the World Coal Association, to the Financial Times this month, in trying to downplay any idea that climate change may make coal a risky investment.

[Africa: A Four-Degree Warmer World](#)

A four-degree temperature rise by the end of the century could also trigger declining global food stocks and sea-level rises affecting hundreds of millions of people.

In such a scenario there would be no certainty that adaptation might be possible, says the report, a synthesis of the latest climate science prepared by the Potsdam Institute for Climate Impact Research (PIK) and German NGO Climate Analytics for the World Bank.



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