

## ***Energy Matters***

**A Blog Entry in GordonTalk,**

April 10, 2005

[The record high prices at the pump](#) would be driving me insane, except I can't afford the gas for the trip!

Wasn't the price of gasoline supposed to go *down* after we secured the oil fields in Iraq? Maybe it really wasn't "blood for oil" after all: There's been plenty of blood but where's all that oil?

The U.N. "oil for food" program before the war has been roundly and rightly criticized for having been [riddled with corruption](#), which allowed Iraqi oil to flow to the West but kept Western food and medicine from flowing to the Iraqi people.

That was then; this is now.

Now, hundreds of billions of dollars in Western aid are flowing into Iraq (and some of it is actually getting to the people); but I have to ask again, "Where is all that oil?"

Well, [crime and corruption are indeed rampant in the "wild west" of post-war Iraq](#), as they were in post-Cold War Russia. And the infrastructure needed to support the Iraqi oil industry is, like the rest of the country, ravaged by years of sanctions and war. And it doesn't help when corporations such as Halliburton get caught

cheating the government out of millions of dollars allocated for the reconstruction efforts.

So what ideas other than Neo-Con invasions of oil-rich nations does the GOP offer to increase our energy supplies? How about [plundering the Arctic National Wildlife Refuge](#)—that'll be good for a few months' worth of our energy consumption (a few years from now).

Or are increases in the price of gasoline, heating oil, and other petroleum products really due to problems in the *supply* of oil?

Well, the Saudis claim that they and the rest of OPEC are [pumping as much oil as we can refine](#); and that actually does seem to be the case: At least as of last year, [there hasn't been a major new oil refinery built in this country in almost thirty years](#); and again at least as of last year, there aren't any plans to build any more anytime soon.

Hmm. Sort of reminds me of the energy companies in California not having increased electrical generating capacity in the years leading up to our rolling blackouts—helped along, of course, by convenient "down times" at the facilities that had been built, thus driving up the price of electrical energy during peak periods of demand.

Now, we won't get into how Gray Davis, before he was kicked out of office, expedited the construction of [more electrical generating capacity](#) than had been built in this state in a generation (Honest, we won't get into that, [Arnold](#): We know you've got enough problems as it is).

Back at the gas pump, there's another big part of the price problem that just pulled up: an SUV.

Now, I don't want to get on the wrong side of all you soccer moms—Heaven knows my own mom carted us kids and our band instruments all around town on such a regular basis that she should've joined the Teamsters—but the fact remains that the American auto fleet has an almost insatiable appetite for petroleum.

And the Bush administration has been more a part of the problem than a part of the solution, by demonstrating [a complete lack of leadership on the issue of increasing auto fuel-efficiency](#). And ironically, by kowtowing to the demands of domestic automakers, the administration is in effect helping to hand over even more of the domestic auto market to foreign competition—by and large manufacturers of more fuel-efficient vehicles. [I hate being right sometimes.]

Truth be told, however, there is an even greater factor (I can't really say "culprit") in the *demand* side of the equation, driving up the price of oil: [the incredible economic boom in the most populous nation on earth, China](#).

And we have precious little control over that, unless we'd care to not buy any of the seemingly

endless array of products imported from there (I, for one, am not quite liberal-minded enough to live a "clothing optional" existence).

But something must be done, my friends; and not just so we won't have to pay three, four, or five bucks a gallon at the pump to get to work or the store: Every economic activity takes energy. If we don't do something dramatic to meet our energy needs, we won't be able to afford to manufacture and transport any of our goods or perform any of our services anymore. No economy can survive being crippled like that.

In the near term, we must develop more efficient uses of the petroleum that we do have; and in the long term, we must develop practical alternate sources of usable energy (Here's a clue: Look up in the sky; [there's thousands of times more energy, in the form of light, hitting the Earth from the Sun than we could ever use](#)).

I know we've been hearing all this ad nauseam since the Arab oil embargoes of the 1970s but ignoring a problem won't make it go away. Every year that goes by without a significant innovation in energy conservation or production gives us just one less year to solve our oil addiction, which grows more daunting every day (every ever-hotter day, thanks to the fossil fuel-aggravated Greenhouse Effect).

But I have great faith in our can-do spirit and good ol' American ingenuity to solve this or practically any other problem that comes our way.

Then again, I have great faith in the powers-that-be doing everything in their power to oppose any great change in the situation that is ... the extremely profitable situation that is: The bottom line is that during these times of record high prices at the pump, [petroleum companies are raking in record high profits](#). (Note if you will the Red State source of this now all-too-common criticism).

It turned out that we didn't really need a subpoena to learn what Cheney had talked to oil execs about during his closed-door energy meetings: It's now as clear as an oil-soaked bird on the beach is black. [Or is it? [See my later article about Cheney, American energy companies, and LNG.](#)]

So when people complain about the high price of gas, I just think to myself, well, what'd we expect? Cheney, Bush, and other ex-oilmen run the show. If shepherds were in the White House, we'd be getting fleeced by the high price of wool.