

## **Oil no more**

For many years, geologists and petroleum engineers have published estimates of how much oil can be recovered from any given basin. This is known as "Estimated Ultimately Recoverable" (or EUR) oil. Remarkably, estimates of total worldwide EUR oil have varied little over the past half century!

Forty years ago, geologist M. King Hubbert developed a method for projecting future oil production and predicted that oil production in the lower 48 states would peak about 1970. This prediction has proved to be remarkably accurate. Both total and peak yields have risen slightly compared to Hubbert's original estimate, but the timing of the peak and the general downward trend of production were correct. Hubbert showed that oil production begins to peak and starts to decline when approximately half of the EUR oil has been recovered.

At a meeting of the American Institute of Petroleum in 1956, despite protests from his employer's public relations department, Dr. M. King Hubbert correctly predicted that USA oil production would peak around 1970.

In 1974, he predicted that world petroleum output would peak around 1995. Based on current data and new analytical techniques, recent studies by Dr. Colin J. Campbell and others conclude that world petroleum output will peak during the first decade of the next century and will decline rapidly thereafter.

By definition, energy "sources" must produce more energy than they consume, otherwise they are called "sinks". By definition, energy sources have "run out" when they consume more energy than they produce. This universal energy law holds no matter how high the money price of energy goes. Economists completely miss this basic energy law and have misled government regulators all over the world.

The United Nations, the World Trade Organization, and the International Monetary Fund have all followed the American lead and attempted set up a global self-regulating market system based on these same elaborate economic lies:

"There are no... limits to the carrying capacity of the earth that are likely to bind any time in the foreseeable future. There isn't a risk of an apocalypse due to global warming or anything else. The idea that we should put limits on growth because of some natural limit, is a profound error and one that, were it ever to prove influential, would have staggering social costs."

-- World Bank chief economist, Lawrence H. Summers, Nov., 10, 1991

### **OIL IS THE PREREQUISITE**

"Oil has literally made foreign and security policy for decades. Just since the turn of this century, it has provoked the division of the Middle East after World War I; aroused Germany and Japan to extend their tentacles beyond their borders; the Arab Oil Embargo; Iran versus Iraq; the Gulf War. This is all clear."

-- USA's Secretary of Energy, Bill Richardson December 9, 1999

In 1995, Petroconsultants published a report for oil industry insiders (\$32,000 per copy) titled WORLD OIL SUPPLY 1930-2050 which concluded that world oil production could peak as soon as the year 2000 and decline to half that level by 2025. Large and permanent increases in oil prices were predicted after the year 2000.

#### AN ENERGY-LIMITED ECONOMY!

An "energy-limited economy" is one where more energy cannot be had at any price.

The global economy will become "energy-limited" once global oil production peaks in less than ten years (perhaps much less). J. Gevert et al. has calculated that if society waits for the "market signal" before embarking on a crash program of alternative energy development, then the net energy available for non-energy sectors of the economy could drop to about 25% of present values before starting to climb again.

In other words, about a 75% drop on non-energy GDP. Economic development projects must "compete" with each other for available energy. The rich and powerful will buy up - or simply take -- all the energy they need and the poor will die off. Which Third World country will be the next to disintegrate into anarchy?

For example, once Mexico's petroleum production "peaks" (est. 2001) and starts to decline, foreign capital will flee the country and Mexico will once again descend into anarchy -- this time forever. Ultimately, the US will be forced to build a modern version of the Berlin Wall to keep the Mexicans out.

Here is the complete list in order of production "peak":

USA 1970, Libya 1970, Iran 1974, Romania 1976, Indonesia 1977, Trinidad 1977, Brunei 1979, Peru 1982, Cameroon 1985, FSU 1987, PNG 1993, Egypt 1993, Syria 1995, UK 1995, Norway 2000, Gabon 2000, Malaysia 2001, Argentina 2001, Mexico 2001, Ecuador 2002, China 2002, Australia 2002, Algeria 2002, Oman 2002, Denmark 2002, Italy 2003, Congo 2003, Angola 2003, India 2003, Nigeria 2004, Yemen 2004, Vietnam 2005, Venezuela 2005, Brazil 2007, Canada 2008, Tunisia 2008, Qatar 2009, Colombia 2009, Iraq 2010, Saudi Arabia 2011, UAE 2017, Kuwait 2018.