

Back to front page »

March 5, 2008, 9:12 pm

Oil's End

From the steps of the Supreme Court to the White House press room, from global trading exchanges to the snowy reaches of Alaska — over the last week, you could hear the creak of history as it began to pivot in a half-dozen locales.

The Age of Oil is at an end. Maybe not this year. Maybe not for five years. But signs of the coming collapse are evident.

Start at the White House. There, a week ago, President Bush touted tax breaks for oil companies that have just posted the largest profits in the history of American business. Yet he was dumbstruck when asked about the prospect of \$4-a-gallon gasoline, a price that will force many families to choose between food and basic travel.

“Wait — what did you just say?”, the president asked after a reporter solicited his advice for Americans facing that price, which was predicted by many analysts.

“Oh, yeah?” Bush said. “That’s interesting. I hadn’t heard that.”

He doesn’t get out much, understandably. But had the president been in California over the weekend, he would have found consumers paying what he apparently has yet to fathom — more than \$4 a gallon at some stations.

And then on Wednesday of this week, oil reached its all-time, inflation-adjusted high on the global market: \$104 a barrel. Remember that number. Because when oil was half that price, three years ago, Bush said the market alone was sufficient incentive for Big Oil to make added investments. But now that the price is over the \$100 mark, Bush wants to continue giving breaks to oil companies rather than shift those incentives to alternative fuels, as many in Congress would do.

For Exxon Mobil, there was \$40.6 billion in incentive. That was their profit last year — earning \$77,220 a minute. Fine. Greed is good. All hail the free-market and shareholders who are seeing a nice return on their oil stocks. But asking the American taxpayer to indirectly subsidize this is grand folly at a time when the world’s oil reserves will soon be in decline.

Bush implied that the oil industry would not build new refineries without tax breaks. Wait a minute — they haven’t built a refinery for 32 years.

Search This Blog [input] Search

All NYTimes.com Blogs »

About Timothy Egan

Timothy Egan worked for 18 years as a writer for The New York Times, first as the Pacific Northwest correspondent, then as a national enterprise reporter. In 2006, Mr. Egan won the National Book Award for his history of people who lived through the Dust Bowl, *The Worst Hard Time*. In 2001, he won the Pulitzer Prize as part of a team of reporters who wrote the series *How Race Is Lived in America*. Mr. Egan is the author of five books, including "The Good Rain: Across Time and Terrain in the Pacific Northwest," and "Lasso the Wind, Away to the New West." He lives in Seattle.

[Mr. Egan's Previous Articles for The New York Times](#)

Op-Ed Podcast (1/23/08)

A conversation with the newest Op-Extra columnists Timothy Egan and Olivia Judson. Hosted by David Shipley, deputy editorial page editor and Op-Ed editor.

[Outposts](#), by Timothy Egan
[The Wild Side](#), by Olivia Judson

Listen to the Op-Cast (mp3)



Monthly Archives

Select Month [dropdown]

Popular Tags

Alaska barack obama California class foreclosures gadgets john mccain Las Vegas mike huckabee mitt romney Nevada oil old people race reading republicans rudolph giuliani steve jobs the election the west Unions

Great Getaways - Travel Deals by E-Mail

Sign up for travel offers from NYTimes.com's premier advertisers. [input] Sign Up
[See Sample](#) | [Privacy Policy](#)

Recent Posts

March 5 [Oil's End](#)
106 comments In recent days, signs of an energy industry coming undone.

What they have done is take refineries out of commission. Scarcity is also good, as Enron showed when they ginned up the phony California energy crisis seven years ago.

It's hardly surprising that Bush had a bar-scan moment similar to his father's befuddlement over something any first-grader could explain at a supermarket counter. But a man who is clueless about the price of a commodity so elemental to everyday life should not be giving advice on the value of that commodity. And it says something about the industry's smarts if Bush, whom many Americans already see in the past tense, is the best advocate they've got. The world oil cartel snubbed him again this week on his pleas for more production. But no amount of Saudi hand-holding and pathetic groveling is going to change anything so long as we remain the top customer for their product.

Next scene: the Supreme Court. In the pre-dawn cold last Wednesday a group of fishermen, merchants and natives from the Alaska village of Cordova waited to get a seat for the day's proceedings. There, the high court was hearing Exxon's appeal of \$2.5 billion in punitive damages the company was ordered to pay for the nation's worst oil spill.

The spill, 11 million gallons of crude oil washing up on more than 1,200 miles of shoreline, happened 19 years ago this month. I was there, in the panicked port of Valdez, and saw something I never expected to see: fishermen who have faced 30-foot waves in the Gulf of Alaska crying their eyes out at paradise lost. Lives were ruined. Businesses went under. The natural world was changed in ways still unknown.

When Exxon soiled Prince William Sound, they promised to make the fishermen and others whole. To date, they have paid \$400 million compensatory damages, but have used an army of lawyers to avoid paying the bigger civil verdict, which a jury awarded 14 years ago.

The amount at stake — \$2.5 billion — would work out to \$75,000 a piece for each of the 32,000 victims, or less than three weeks of Exxon profit.

“This has been justice delayed,” said Sarah Palin, the reformist Republican governor of Alaska. “We pray that this is not justice denied.”

Final scene: Anchorage. The largest corruption probe in state history just snared another bigwig — Jim Clark, the chief of staff for ousted Gov. Frank Murkowski. Clark, often called the most powerful unelected man in Alaska, agreed to plead guilty to felony conspiracy charges involving an oil service company that bribed Alaska's leading politicians. You can bet he knows plenty about Murkowski.

To date, a Federal Bureau of Investigation team has brought down the speaker of the House, among other state politicians, and appears to be closing in on Alaska's senator-for-life, 84-year-old Ted Stevens. The congressman-for-life, Don Young, is also a target, according to press reports. Both men have said they have done nothing illegal, and are running for re-election this year.

The common thread in all of this is oil. The Age of Oil brought us John D. Rockefeller's monopoly, and corruption that reached into the White House. It may end with an industry too bloated by profit and too arrogant to pay the costs of its mistakes — and a president who is deaf to the sound an energy empire makes before it crumbles.

- February 27
115 comments **Good Country for Old Men (And Women)**
Who's hidebound? Research suggests that older people grown more, not less, tolerant.
- February 20
393 comments **Book Lust**
Steve Jobs is wrong if he really believes people don't read anymore.
- February 7
307 comments **Mitt's Funeral**
Why Romney's campaign went nowhere.
- February 6
509 comments **Obama: The Shock of the Red**
Obama's numbers in the West on Tuesday bode well for him.

Feeds

From the Opinion Blogs

THE OPINIONATOR

Working Out at Harvard

At Harvard, gym schedules based on religion?

FREAKONOMICS

The Growth of the Schwag Commentariat

In a recent post revealing the answer to our latest pop quiz, commenter "nemo" asked, "Do you have stats regarding the average ...

The New York Times

T MAGAZINE
nytimes.com/tmagazine



George Clooney discusses his first date

Also in T Magazine:

[Charlize Theron on Video](#)

[Watch Oscar winner Marion Cotillard's video](#)

[See all of the T exclusive videos](#)

[E-mail this](#)[Share](#)**104 comments so far...**

-
1. March 6th, 2008 1:14 am How about Iraq?
Isn't that unprovoked war about grabbing Iraq's oil for Exxon-Mobil?
— Posted by Realist
-
2. March 6th, 2008 1:24 am This is a very balanced article showing us what kind of pickle, or rather oil barrel, we're in.
The sad thing is that it cuts both ways. Part of the tax breaks for oil companies are passed on to consumers in the form of lower than otherwise (note the "than otherwise") prices, but that stimulates demand slightly from what it would be if there were no tax breaks and oil companies AND consumers paid the full price of oil.
Corn-based ethanol is the same way. Huge tax breakers for both investors in ethanol plants, and of course the large subsidy for every gallon of ethanol blended into gasoline (about 80 cents/gallon of net gasoline replaced), and then a taste to those planting more corn. Ethanol, which has less energy than oil for the same volume, is blended to make gasohol, which has less energy than gasoline, hence cars get somewhat worse fuel economy. (The flex fuel car I rented in Sweden in the summer of 2006 ran fine on 85% ethanol, which cost 2/3 of the price of gasoline there, i.e., \$5.50/gallon in stead of \$8.50/gallon, and gave about 2/3 as many miles per gallon). So the cost per mile was the same either way, only the 85% mix ran less between fills. The Swedish ethanol comes mostly from Brazil, hence is intrinsically much cheaper than that in the US, a reason why our high tariff on ethanol keeps Brazilian ethanol out of our tanks.
So ethanol is heavily subsidized in the US, but the gasoline costs the same, rather than more. So demand for this gasohol fuel is higher than if motorists really paid the full cost of the ethanol blended fuel really was priced at what it cost. One could argue that because over 6% of US gasoline today is really ethanol, the world oil price is slightly lower than it would be if we had no (subsidized) et ethanol.
The bottom line is interesting — higher demand for gasoline and/or ethanol than if we paid the full price. But the higher demand strengthens the price, and the oil companies get that.
The bottom line of all these screwy subsidies — demand is higher than without the subsidies, so prices are pushed up a little, though not so much that the entire effect of the subsidy is lost, just enough to give the oil produces a little extra taste.
Who could argue with that? Certainly not the President.
Lee Schipper
Berkeley CA
formerly visiting scientist,
International Energy Agency Paris (1995-2001)
— Posted by Lee Schipper
-
3. March 6th, 2008 3:46 am A magnificent, if utterly depressing, article. Thank you, Timothy Egan!
— Posted by T. Underwood
-
4. March 6th, 2008 5:16 am ...and oil also helped bring us unprecedented lifestyle choices and widespread prosperity and gave some of us the ability to earn a living esconced in the comfort of a Seattle home tapping away on a laptop... but apparently you need to get out more often yourself and see the actions of Exxon's competitors (the Chinese government, for example) all over the world, seeking out sources of oil. THEY'RE not convinced that it's the 'end of oil'.
— Posted by John Rapkoch
-
5. March 6th, Thank you for reminding voters of yet another reason why the

- 2008
5:19 am political paradigm must shift in this election; if we don't escape the grip of Big Oil soon there won't be anything left to argue about. Which of the Democratic candidates will have the strength to change our energy policies in a meaningful way?
– Posted by Jan Devereux
-
6. March 6th, 2008
5:39 am This is an excellent tying together of a confluence of indicators that the era of oil is both depraved and doomed.
I would only add, regarding the Saudis' standard refusal to increase production, accompanied by their standard blaming of any supply or price problems on America (today they say it's American "mismanagement" that's to blame; in the past they've blamed Am for not having enough refineries, etc.), that some mavericks like Matthew Simmons believe the real reason they don't ramp up production is that they CAN'T, that Saudi oil production has already peaked.
This is certainly a minority view, but the fact remains that for some years now the Saudis have been indulging in grandiose rhetoric about 12 mpd, 15 mpd, sustained over decades, yet they've been suspiciously stingy about even modest actual production increases.
– Posted by Russ
-
7. March 6th, 2008
5:42 am Of course, this oil thing (the top dogs, like Bush, Cheney, the oil industry) has been a scandal for years. It is nice to see something in the press but it won't be until we see this kind of information on the front pages, day in and day out, of all the major papers that the American people might be informed enough to DEMAND something be done. If, on top of some media coverage, we are forced to pay \$4-5/gallon, then perhaps the American people might DEMAND something be done. If we can get the American people to wake up and DEMAND something substantive be done it will still be for the wrong reason - fixing our pocketbooks; rather than to create a situation where our environment and cultures can be sustained in the face of economic development.
– Posted by Gordon Alderink
-
8. March 6th, 2008
5:51 am I would sign every sentence in this outpost. I hope people with education, knowlegde, wisdom and correct philosophy will again led the USA. sincerely yours, Dr.Kamlander@aon.at
– Posted by Dr. Ludwig Kamlander Austria
-
9. March 6th, 2008
5:57 am You failed to mention the BILLION dollar additions being made to American refineries.Particularly in SE Texas.
– Posted by Jim
-
10. March 6th, 2008
6:02 am I just wish I could say I was surprised.
– Posted by Eric
-
11. March 6th, 2008
6:09 am Oil companies haven't built refineries in 32 years because of environmental issues and NIMBY issues.
You fail to mention that.
AJ
– Posted by AJ
-
12. March 6th, 2008
6:11 am I personally feel that ecollogy minded people are sacrificing the living conditions of people today for the conditions of the future, which may never happen. We need to back off the csare tactics of global warming and start using some of the energy resources that are available to us in abundance.
Even if we tried to destroy this earth we couldn't if God is not ready for it to happen.
I am fully in agreement that we should not hap hazzardly polute our air and streams, but it doesn't make any sense to me to see people

struggling to get by because we may create poor conditions for someone 100 or 200 years from now.

I have more but I get too frustrated when I start talking about what seems to me to be stupid decisions we allow little groups of people force on us.

A frustrated citizen.

Orven Nicely

– Posted by orven nicely

-
13. March 6th, 2008
6:12 am

A very interesting piece. I'm one of a growing number of people who have decidedly mixed feelings about the end of the age of oil.

On the one hand, part of me can't wait to see the back of this disgusting industry that has polluted, corrupted and cheated its way to virtual world domination. Fossil fuels are cooking our planet alive, and the time is long overdue for us to find a better way to generate and store energy.

But I'm also painfully aware that the dominant position that oil occupies means that the oil age can only end with a Twilight of the Gods type of economic collapse, the likes of which we can only imagine in our worst nightmares. The Great Depression of the 1930s will seem like a picnic in comparison.

We need to start thinking right now about how our lives and local economies will cope with oil at \$200 or £300 a barrel. If you can't imagine such a scenario, I suggest you try a little harder.

One last thing. If American drivers are getting their knickers in a twist about gasoline at \$4 per gallon, spare a thought for motorists here in the UK. At the moment, we're paying over £1 for a litre, which is the equivalent of just under \$8 for a US gallon of unleaded. And I have to tell you, I'm not seeing any reduction at all in the volume of traffic on our roads. Each year, there's more and more miles driven. My guess is that you've got a long way to go before the drive/eat choice really comes home to roost.

– Posted by Captain Flint

-
14. March 6th, 2008
6:13 am

An utterly failed energy policy, an utterly failed economic policy, an utterly failed foreign policy, an utterly failed presidency. Big Oil will go the way of the dinosaur as will the Bush clan. But their death throes will be the long slow painful type and the world's population will feel the hurt during the transition. They say pain is a great motivator. Let's see how much we will endure as a people before we take the necessary action to break this addiction to fossil fuels.

– Posted by True Earth

-
15. March 6th, 2008
6:17 am

Dear Mr. Egan,

As a European now living in Brazil, I have found much to agree with, in your recent article about the role of oil in our days. If the profits posted by most companies are at best an insulting taunt to the societies they keep at ransom, adding the arrogant injury of skyving their much flaunted sense of social responsibility and if the collusion between power and energy is a blatant form of political back-scratching, I nevertheless, would care to disagree somewhat about a few assumptions suggested in the article. To consider the oil a finite source of energy is a truism of course, but to suppose we are already at the end of it is jumping the gun. From a privileged vantage point here in Brazil, it is amply evident that oil reserves, both known and suspected far exceed the exploited ones. Today's runaway prices are caused by the production bottleneck rather than the paucity of prime material.

Another revealing bias of the article is to relate the woes of the American public facing a \$4 a gallon pricetag, this price tag, sir, is also posted in the rest of the world but for 1 or 2 liters in the best cases!!! Where would be the flagging American competitiveness, if the US had to pay the same price as the rest of us. Surprising the resentment many people in the world feel toward the USA? When their artificially maintained cheap energy may be the cause of the dire cost to their own economies.

Your scathing attacks on the cynicism of the Big Oil Cies take on an

added flavor when seen from the outside.
Thanks for a truly inspiring read, I'll keep looking for your production.
BILL

– Posted by william j finnerty

-
16. March 6th, 2008
6:23 am
- I received my driver's permit two days before the 1973 Yom Kippur War that led to the so-called first oil shock, dramatically rising gasoline prices and long lines at the gas pumps. I vividly recall the second so-called oil shock after the Iranian Revolution in 1979 and the site of Jimmy Carter in his cardigan imploring us to begin the process of conserving energy and exploring alternatives to our oil addiction. But we don't make landmark changes in our nation unless faced with a dramatic crisis that clearly impacts everyone. Witness Mr. Carter's rout in the 1980 election. Politicians since then learned the Carter "lesson": never tell the populace the truth and hide behind simple and optimistic rhetoric. Perhaps John McCain will break that mold. In any event, we have no one to blame but ourselves for the situation we find ourselves in in early 2008. People don't have to live in outsize homes nor do they have to drive gas guzzling SUV's, etc. We could dramatically decrease our dependence on foreign oil by driving one of the many gas efficient vehicles on the market and living in more modest type homes. But we don't because there is still no apparent "crisis" that will change our collective, wasteful behavior. And until then, we will continue to be beholden to foreign oil producers such as Iran, Iraq, Saudi Arabia, Russia, Venezuela, Nigeria...a collection of nations that we can hardly call democratic and friendly to our nation.
- Posted by marty f

-
17. March 6th, 2008
6:24 am
- Thank you Mr. Egan for the courage to write this article. You have provided readers with alarming facts that should both enlighten and frighten interested, caring and outraged Americans. Why is there no accountability? How can this administration even consider giving tax breaks/incentives to oil companies with our hard earned money at a time when they are making record profits? It is shocking that our President is clueless about the rising price of a gallon of gas for American consumers. How can he sleep at night with the wars/conflicts still raging in the Middle East, with trillions of dollars borrowed to support the wars, with so many Americans losing their jobs, with health care costs rising, America's lack of competitiveness internationally, etc. Thank you for your books and your continued efforts to inform us. Sincerely, JM
- Posted by J McGarry

-
18. March 6th, 2008
6:31 am
- What will it take for the Taxpayers to final say enough is enough!
- We have let the oil companies pay their way to keep Washington just where they want them. They have so much power that they can and do get WHATEVER they want. The fact that they have not built a refinery in 34 years! would be a unthinkable business model if it were not working so well. It keeps the taxpayers paying them to build refineries that they never build.
- Maybe we have to go to \$4.00 a gallon to get the taxpayers to speak up and vote against ANY President or Congressmen who TAKE oil money!
- Are we just stupid? It is so obvious that we MUST invest all that we can come up with in alternative energy. We have to have different souces of energy, this is not hard to see. Ok, time, we get it, NOW, what are we going to do?
- Posted by Carol Gibbs

-
19. March 6th, 2008
6:31 am
- Writings such as this, so slanted so obviously ill researched so full of venom is why I gain more mistrust every time I read 'The Times'.
- If at all possible have a good day.....wob
- Posted by william o berntsen

20. March 6th, 2008
6:32 am

This article is enough to cause grown men to weep and to despair of the United States. How is it possible that a country supposedly based on law and Christian values to be so corrupt? But we deserve what we have. After all, who elected this nitwit not only once but twice after everybody should have known that he is only a puppy for special interest groups. To propose tax breaks to an industry that is making record profits isn't just stupid, it is criminal. And who is going to stop this nonsense, now that the Supreme Court has also been stocked with Neocons? With oil reserves shrinking, OPEC is well advised not to increase production.

— Posted by Reinhard Schumann

21. March 6th, 2008
6:39 am

Lest we forget, the life's work of Teddy Roosevelt, breaking up Standard Oil of New Jersey, was undone at the stroke of pen by none other than Bill Clinton when he allowed Exxon and Mobil to merge, creating the refining monopoly that now has Americans by the neck. At the time, opponents of the merger predicted exactly what would happen. It did. When Cheney had his secret energy task force early in Bush II do you think anyone from Exxon said the word "Iraq?" Bush/Clinton/Bush/Clinton — oil. Greed. The end of the brief period of American dominance unless we end this stranglehold on our country.

— Posted by wally in miami

22. March 6th, 2008
6:43 am

Well Said!

— Posted by Perry

23. March 6th, 2008
6:46 am

so long as we continue making large cars like SUVs the thirst for more oil will be there.
we are the only country which actsslower then any other country to fix ourdemand for oil.
when i was in grade school back in the 1960s
the U S A knew we needed to make big changes back then regaurding more oil and here we are today 2008 asking our selfs why did we wait till now to act?

— Posted by steve scalzi

24. March 6th, 2008
6:47 am

So where are all the people who've been making fun of the peak oil theory? Where are all the Republicans who were saying that high oil prices were a bubble, but the housing bubble was real? It would also be instructive to look at oil priced in gold, because that would give a sense of how much of a role currency devaluation (i.e., deficit spending financed by loose monetary policy) has played in the run up.

— Posted by Adam S

25. March 6th, 2008
6:48 am

This wake up call is 30+ years in coming and because of complete lack of leadership we are 30+ years too late in hearing it. When the oil shocks of the early 1970s happened we had the opportunity to see how vulnerable we were and we turned a deaf ear....moving from large sedans to SUVs, compact urban centers with public transportation to remote suburbs based on car ownership. The current administration's answer as always been to find more oil, meet in secret with oil insiders to formulate our energy policy, give tax breaks based on income rather that quality of energy usage....all forestalling the inevitable...and we let them.

The answers to our problems are not easy, they will require innovation, risk and patience. All of these are qualities we like to think we find in ourselves as Americans...but all too often we don't have the time for any more.They also require we stop doing business as usual as that business is no longer sustainable. It ALL begins at the ballot box, the cash register and the home....do we have it in us to make good choices this time? Yet? I wish I were more optimistic.

— Posted by kp

-
26. March 6th, 2008
6:48 am
- A very emotional article... But it doesn't address the main problem with energy consumption in the U.S.: Demand! While Californians "belly ache" about \$4-a-gallon gasoline, they continue to expand their suburban sprawl and enjoy their "gas guzzlers" as "necessities". The market has a proven method of adjusting demand against supply, not government bungling! And how many times before have we heard, "The End of Oil"? I don't believe it!
- Posted by John E. Durbin
-
27. March 6th, 2008
6:51 am
- Congress should pass a supplemental bill Re: Prince William Sound and freeze the Tax Breaks [both existing and new] of Exxon until the court rules and remove them if prompt settlement is not forthcoming once court action is complete.
- Posted by ALAN TRACY
-
28. March 6th, 2008
6:52 am
- This is a perfect example of how out government (both parties) is run by lobbies not the people.
- Posted by Jim Evans
-
29. March 6th, 2008
6:53 am
- A clear and eloquent indictment of what could be described as moral and economic bankruptcy on the part of our elected leaders. The situation reminds me of what we have been hearing (or not hearing) about the credit crisis and the looming recession. Leaders who already know better slowly move from concealment to reluctantly revealing truths (probably only half-truths), "don't worry, everything is fine, just a little problem that will be overcome by next year; well, maybe it'll take a little longer; yes, we have a crisis, but the fundamentals are good." I live in the Southwest and fully expect to hear this progression when it comes to water. We have already gotten beyond the stage of "Don't worry, be happy," but only very few honest critics are raising the alarm. So it's the same with oil. Why are we buying what we hear from above? Because it's easier . . . Thank you, Mr. Egan, for creating a coherent sketch of our imminent oil crisis.
- Posted by Barb
-
30. March 6th, 2008
6:58 am
- So what Mr. Egan. Do you really think that American's with one voice will do something about having their pockets picked by the oil industry?
- It's a great article but I can just imagine Mr. Bush and Mr. Cheney giving you the brush off as just another liberal reporter trying to impede the oil companies lawful god giving profits. You are just another un-American do gooder.
- Posted by vinnief
-
31. March 6th, 2008
7:00 am
- Excellent article - it shines a light on the very travesty that somehow cannot be seen by those who should be looking for it.
- What I don't understand is why our President would request assistance from OPEC when the price of oil has been inflated by a speculative market driven by numerous factors, none of which include the actual position of how many barrels of oil are being produced. Why not address the real issue?
- Thanks for your article - please keep up the good work!
- Posted by Scott Carr
-
32. March 6th, 2008
7:02 am
- What an excellent post, Mr. Egan—
- a concise rundown of the ways Big Oil is extorting the American people, with the President as its "Aren't tax cuts for Exxon just great!" cheerleader.
- The only things missing are the commodity exchanges Bush is making in the Iraqi blood-for-oil market,
- and the utter lack of domestic energy conservation and alternative-energy programs.

It seems the Republicans, with the glad handing of Democrats, are setting us up for a swift and tidy fall-of-empire.

But why?

Who will Big Oil extort if the American people aren't able to pay them?

– Posted by klem

-
33. March 6th, 2008 7:07 am God help us! We are headed for disaster.
– Posted by R. Plaga
-
34. March 6th, 2008 7:08 am Minor point: Marathon Oil refinery in Garyville LA.
– Posted by Sue
-
35. March 6th, 2008 7:12 am For more on the imminent drying up of this available stuff, see The End of Oil.
– Posted by John K
-
36. March 6th, 2008 7:13 am I'm looking for a used windmill on which to mount the alternator from my scrapped '85 Toyota. At least that way I can charge up the batteries twice a day and listen to the radio (assuming THEY can find enough juice to transmit). At some point the government is duty-bound to start diverting oil toward national defense (whether or not we ever get out of Iraq) and basic transportation needs (railroads, buses). Y'all are going to look pretty lame towing your Hummers with a mule-team. I refer the readership to MGen Smedley Butler's great speech entitled "War Is A Racket" (1932). The idea of the government being owned (lock, stock & barrel) by corporate interests is not new.
– Posted by Retired Navy
-
37. March 6th, 2008 7:14 am Hello!!!! What was the price of oil when george bush became president, he and his friends in saudi are now the richest people in the world, cheney and his group from the oil industry are thrilled,(and very rich) the rest of Americans are suffering
– Posted by bob
-
38. March 6th, 2008 7:22 am If this great article doesn't enrage and frighten you—thanks to Tim Egan for his fine work here, by the way—then I recommend the following book:

The Coming Economic Collapse: How You Can Thrive When Oil Costs \$200 Per Barrel, by Stephen Leeb

Although written from an odd perspective ("How can you thrive when your neighbors and society are crumbling?"), it does outline in stark detail where we are headed unless we get ourselves on the right track soon.
– Posted by Vern Lindquist
-
39. March 6th, 2008 7:26 am Best article I've read in ages! Bush disgusts me. How to be patriotic in a country (or rather business) like this one?
G. Tod Slone, Ed.
www.theamericandissident.org
– Posted by G. Tod Slone
-
40. March 6th, 2008 7:27 am A typical leftist liberal article about a complicated and international problem. Hey, lets burden the ones who produce. Those cold self centered shareholders are at it again.
– Posted by t. jameson
-
41. March 6th, Civilization requires an ever increasing supply of energy from some

2008
7:30 am

source. Oil is no longer viable. Solar, wind, geo-thermal, fuel-cells and energy conservation are great but, in-aggregate, they will never supply more than 50% of the need. Coal pollutes, gas is expensive and limited, and fusion is still a pipe-dream. Nuclear power is the only practical answer. Can we please start building nuclear plants again before it is too late?

– Posted by Jack Ludwig

42. March 6th,
2008
7:33 am

What takes the place of oil? It would be helpful to understand and discuss those options.

– Posted by Peter

43. March 6th,
2008
7:34 am

It has never been clear to me how a system built on greed is going to avoid flirting with corruption. Our capitaliit system has to depend on the Press, Whistle Blowers and our Justice System to preserve integrity in our business systems. Small business owners sail very close to the wind and sometimes beyond because of competitive pressures. Large businesses generally find it difficult to flout the law because there are too many eyes required to run the details of the business such that illegal activity is almost impossible to conceal. Unless there is a conspiracy involving significant numbers of senior management and certain subordinates. Sheer numbers make it difficult to conceal wrong doing for any length of time. These tensions and perceived risks of wrong doing under normal conditions produces a reluctant honesty. However under extraordinary circumstances certain groups of managers may with the connivance of subordinates see corrupt opportunities that seem worth the risk taking. Since the advent of profit based incentive pay reaching down many levels of large businesses in the last 20 years it will be a knee jerk reaction to preserve shareholder profits even at significant cost. Larger numbers of people at different levels of business organizations are now incentivized to sail close to the wind or at lease be unusually greedy. Hence Exxon. We built and own the system.

– Posted by Ranjit Fernando

44. March 6th,
2008
7:36 am

Hey, if you do not like the price of gasoline then do not buy as much. Oh yeah I forgot, you bought a big giant gas guzzler because you did not care about wasting gasoline when it was only \$1.25/gallon. Now you can't even give it away.

As a teenager back in the 1970's I learned my lesson not to waste fuel and the oil is precious. Getting up at 6am in 1979 to sit in the gas lines in my fathers car so he would have gas to get to work convinced me that car I would own someday was going to get high mileage. Apparently that lesson was lost on most people and it is 1974 all over again. Feels like "Ground Hog Day".

For the record, I have owned a 1982 Datsun 210 (29MPG), 1988 Honda CRX HF (48MPG) and now a 2000 Honda Insight (65MPG). With a smirk on my face I look forward to \$5/gallon gasoline.

– Posted by Robert

45. March 6th,
2008
7:44 am

I read the opinion piece twice and realized the author was selective in juxtaposing information and observations so that distorted conclusions were proffered to the readers. Most of the readers fell for it (as I read most of the comments posted). Hence, the writing was superb. Untruthfull and distorted the writing is, there are a few conclusions I can draw from the writer's perspective:

1. Anything with "Big" in it is bad: Big Oil, Big Government, Big Demand from the US, Big Supply of the Arabs, etc., etc.
2. The resultants of the high price of gasoline in California is attributable to (and this is where the brilliant writing style of the writer can be blamed): Bush's collusion with the oil industry at the same time he is clueless as to what the results are (if one views where Bush comes from, the "bar-code" expression from Bush when asked about \$4 oil doesn't imply he doesn't know what's going on; if anything it infers that he doesn't want to address it at that time); lack

of refining capacity which has been shown to be directly attributable to policies dealing with the preservation of oil exploration sites, and not that the oil industry is making money hand over fist and doesn't want to share it with non-stockholders (here is where the writer's juxtaposing facts selectively creates in the reader's mind a set of "conclusions" which have nothing to do with realities; etc.

This can go on and on, but I'm already busy enough doing other things. The last thing I want to do is show the reader how a brilliantly written piece can obviously distort realities.

– Posted by RonaldC

-
46. March 6th, 2008
7:48 am
- This article is what I love about the NYT. This article is clear, unequivocal and tells it like it is. In other words, the NYT doesn't pander to powerful interests.
- Posted by Richard Gordon
-
47. March 6th, 2008
7:51 am
- Recent analysis finds enough recoverable, proven reserves in the ground to support current and even higher levels of oil consumption for at least the rest of this century. And that is at a rate of recovery of only 2 of every 3 barrels in the ground. And you also fail to mention that Exxon's \$77,000 a minute profit is being reinvested at rates of \$25,000 to \$40,000 a minute! Reinvested in technologies that will recover an even greater proportion of proven reserves in ways that are safer for the "environment" and more profitable for Exxon. But maybe, just maybe, if enough chicken littles flap their wings hard enough and scream the sky is falling loud enough the resulting rush of air will power a couple more windmills.
- Posted by j veeger
-
48. March 6th, 2008
7:52 am
- Finally, we see "peak oil." Probably within five years, certainly within ten years, we will be paying \$10 a gallon for gasoline, with recurring shortages.
- Yes, there are answers from technology (solar, nuclear, and wind power) and from changing our lifestyle (moving close to where we work, putting shopping near where people live). And yes, when we get there we will be living in a better world, both economically and environmentally.
- But (and there is always a but), what about the transition? Suppose that long commutes (other than by rail) become prohibitively expensive? What will happen to all the folks living in the exurbs? Suppose that in the short run the true choice for many lower income families becomes eating or heating?
- Unfortunately, the past tells us that we will not be able to deal with these conditions.
- Posted by JohnG
-
49. March 6th, 2008
7:54 am
- How much of oil's barrel price is due to the enhanced insurance costs that are directly attributable to George Bush's Iraq war?
- Posted by Jennifer B. Bodine
-
50. March 6th, 2008
8:06 am
- The subject needs more exposure and should be included in all of the political debates as a requirement. It is so in Europe and other major centers outside the USA.
- Only a few of the media have done what the times is doing and that is to try to catch up on issues and inform the public as it should do as a responsible newspaper. Thanks to "U"!
- Posted by William Duff
-
51. March 6th, 2008
8:12 am
- Remember, that China and Asia are also using oil. The refinery problem-old and new ones not being built because of so many restrictions. We have plenty of oil in the Gulf but there is a reluctance to drill because of the environment. Ethanol in the USA is costly to produce and not environmentally sound. As long as Americans drive the "gas guzzlers" and the auto makers keep pushing them in ads, the

problem will keep growing.

– Posted by H.Share

-
52. March 6th, 2008 8:12 am when i stumbled upon this nytimes blog's thread "oil's end.", i said to myself, "oh, great, the nytimes is finally going to launch a candid discussion of peak oil.
- with the exception of #20's comment, no such luck. how many readers realize that the unprecedented sixfold increase in world population over the last 150 years is a direct result of the efficiencies and technological advances directly brought about by the discovery of oil and its myriad uses?
- now that we have reached peak oil, folks (and in another 10 years or so, peak fossil fuels), all that prosperity is about to come to an end.
- when oil is correctly priced, at \$300+ or so, and the oil tap finally begins its final drip — probably within 5 years or so — the world population shall begin to return to a more appropriately 'sustainable' (you love that word don't you?!?) number of about one or two billion peeps.
- the dieoff to such a number won't be pretty, and may take about 50 years to complete. if in doubt, google "OLDUVAI THEORY."
- the oil companies are not building any more refineries because the oil age is about to end — due to a steadily diminishing supply of the black gold, and nothing else.
- what i find most astonishing about any discussion of \$100+ oil and opec's "declining" to increase supply, is the simple question never asked to opec: COULD YOU INCREASE THE SUPPLY TO THE WORLD MARKET IF YOU WANTED TO?
- clearly, the unspoken answer is, "no!"
- Posted by sas

-
53. March 6th, 2008 8:14 am The best thing we can hope for is oil so expensive (perhaps \$10 per gallon) that painful change is forced upon us. The downside of global warming, even in economic terms, is so much worse than the downside of expensive oil that we can only pray that the stuff becomes astronomically expensive in the near future.
- Posted by John L'Afleur

-
54. March 6th, 2008 8:16 am Tim Egan's article points out many things. (I was in a good mood on this sunny day. Now I'm not.) It does seem that insult is added to injury in this country when citizens pay for incentives which result not in further development for our benefit but rather for income security for those corporate heads who receive the incentives. As taxpayers, we pay them twice. In the case of the Exxon Valdez, we pay them three times: first for the product, second for the incentive, then again for the cost of protecting the the money they've made from the first two.
- As for the oft stated curse that American citizens get what they deserve: most people are working hard and still trying to enjoy connections with family and friends. Our representative government is supposed to represent our interests. How many people have the time to find out what bills are being considered by our lawmakers and then take the time to read them all? How trustworthy is the press in reporting on such bills so individual citizens don't have to do all the research themselves? (A headline in Monday's WSJ trumpeted that we had enough oil to last until the end of the century while the text of the article mentioned mid-century dates!)
- And don't forget, Al Gore won the popular vote in 2000.
- Posted by Debra M

-
55. March 6th, 2008 8:16 am Gas at \$4? Really? Brother. I don't need some Mensa candidate for President. But, a grip on life outside the compounds in Texas, DC, and Maine would be nice. Every so often, that life-of-privilege-provided, Ivy League, "C" education shines through.
- Posted by Tony

56. March 6th, 2008 8:18 am #37 “nuclear is the only practical answer.”
for now, essentially you are right. and another 100 coal-fueled power plants (with scrubbers, of course!) wouldn't hurt either.
and who must accept full responsibility for making sure neither of these essential components of our economic infrastructure are ever built?
environmentalists, of course.
thanks!
i guess they'll do anything they can to speed up the dieoff!
— Posted by sas

57. March 6th, 2008 8:19 am REMEMBER - the GOVERNMENT(s) depends on Big Oil, too.
Excerpted from LA Times article, April 29, 2006:
“The nation's energy companies are already providing a “windfall” of taxes. According to Department of Energy data, from 1977 to 2004, federal and state governments extracted \$397 billion by taxing the profits of the largest oil companies and an additional \$1.1 trillion in taxes at the pump. In today's dollars, that's \$2.2 trillion — enough to buy a Toyota Prius for every household in the nation.
In fact, oil companies have paid in taxes more than three times what they earned in profits during those 28 years.
As the oil industry brings in record profits, it also pays record taxes that average 39% worldwide, even after accounting for special deductions and credits. That compares with a 33% average tax rate for other industries.
In 2005, Chevron, ConocoPhillips and Exxon Mobil paid more than \$158 billion in total worldwide taxes. This gargantuan tax bill nearly equals the entire economic output of Iran and surpasses the total gross domestic product of 150 of the 184 countries ranked by the World Bank.”
— Posted by PopToys

58. March 6th, 2008 8:20 am Your naivety is unbelievable. I'm no fan of Exxon, but the fact is - foreign sovereign oil companies control 90% of the world oil reserves. Exxon controls 4%. And if you think \$4 per gallon gasoline is tough, then calculate the full cost of alternatives. I believe it is a worthwhile investment, but in the age of alternatives, \$65 for 320 miles of driving will look cheap! There's no free lunch!
— Posted by Arthur

59. March 6th, 2008 8:24 am william j. finnerty wrote: ” it is amply evident that oil reserves, both known and suspected far exceed the exploited ones.”
This is true but deceiving for two reasons: (1) many of the known reserves are in difficult (and very expensive) to exploit areas, such as under 20,000 feet of ocean water, or in inhospitable areas; (2) the critical metric is what is the replacement ratio of replacement to draw-down. For every barrel of oil we burn, only 1/4th a barrel is being replaced by exploration. Obviously this means much higher oil prices to come. We are burning globally 85,000,000 barrels a day, which is 1000 barrels a second, and are replacing 250 barrels a second. You don't need a Ph.D. in geology to understand this is a losing proposition. Forget about incentives (ie. subsidies) for exploration. The world is a pin cushion now, drilling having ramped up 10 fold in 10 years, and yet we are not making much progress on the replacement front. What we need is (1) conservation (the US has 5% of the world's population and uses 25% of the world's oil supply), (2) switchover to electric vehicles (google 'nanowire lithium battery') as transportation uses about 65% of the oil supply, and (3) higher prices to make (1) and (2) happen. Item (3) is about to work its magic.
— Posted by Glendon

60. March 6th, What takes the place of oil, you ask. How about solar power, wind

- 2008
8:26 am power, alternative energy sources. We have the scientists and know-how to find alternative energy sources, but the oil companies donate so much to the politicians that little has been done. Politicians do not want to bite the hand that feeds them!
– Posted by Utahreh
-
61. March 6th, 2008
8:29 am An articulate wake-up call. 100 years ago I suppose many could not foresee our current world, and in particular, our tremendous dependence on oil. Likewise, I imagine that we cannot begin to fathom how different our world will be in 100 years. I only hope that we peacefully can get there.
– Posted by andrew
-
62. March 6th, 2008
8:30 am Yeah...cool...we built a country that's not a whole lot like Europe. We're all spread out and connected by roads. Developments all over the place near me for people who are commuting to New York and New Jersey! What happens when the cost/benefit scale tips against the people who commute??? Yikes!
– Posted by Charley
-
63. March 6th, 2008
8:32 am I'd find this more useful if it turned more on facts. For example, while saying Exxon made \$77 thousand a second is exciting, it's not very illuminating. Their returns on equity are actually not remarkable, similar to companies such as IBM or Goldman. They are simply very big. Ironically, companies like Exxon, which are viewed as such evil and omnipotent entities by Mr Egan, have fallen from power in the world energy scene. The present and future of oil are hugely controlled by national oil companies. I'm sure they'll do whatever it takes to keep gas under \$4.

Lashing Mr Bush to the oil business, assuming the industry is stupid and inept just because he is, are tactics more consistent with stoking the public's dislike for Bush (and the fact that gas prices are higher than they'd like) than with discussing oil in any substantive way.

The piece promises (with it's title and that over-the-top bit about the creak of history pivoting) something it doesn't deliver. Any article that discusses "oil's end" without mentioning our insatiable energy demand fails as miserably as Bush did as an oil man.
– Posted by Mike Hubbeling
-
64. March 6th, 2008
8:37 am An understanding of Peak Oil would also serve the public well.
– Posted by Vanessa
-
65. March 6th, 2008
8:38 am Stop and think of what products use petroleum.

All plastic is made from petroleum and plastic is used almost everywhere: in cars, houses, toys, computers and clothing. Asphalt used in road construction is a petroleum product as is the synthetic rubber in the tires. Paraffin wax comes from petroleum, as do fertilizer, pesticides, herbicides, detergents, phonograph records, photographic film, furniture, packaging materials, surfboards, paints, and artificial fibers used in clothing, upholstery, and carpet backing. Helium, sulfur, and other valuable materials are produced from oil wells along with petroleum itself.

Now try and convince me that new refineries are not needed.

Unfortunately, no one in the right position has the fortitude to stand up and fight against this problem because we have become a country of "touchy feely" people. Fortunately there are some people like Tim Egan who write about it.
– Posted by Charliemac
-
66. March 6th, 2008
8:39 am What about the \$30 billion per year over the next 5 years ExxonMobil is investing to expand production? It's not just pocketing \$40 billion and saying goodbye. Close to \$5 billion in stock buybacks reward investors (read average Americans) for investing

their money. Big oil shouldn't get such a bad rap all the time.

– Posted by MAL

-
67. March 6th, 2008
8:40 am
- \$40.6 million in profit. A meaningless number unless given as a percentage of gross revenue!!!
- Posted by moe ron
-
68. March 6th, 2008
8:42 am
- You don't mention the futures traders on the Mercantile Exchange. Everybody thinks it's Bush/Cheney getting rich by manipulating oil prices - it's the futures traders right here in New York. Have we had any spills, explosions, tanker sinkings? Is Iran laying mines in the Straits of Hormuz? No, but if Turkey sends an unmanned drone to fly over Iraq, the futures traders say the "tension is increasing in the Middle East" & jack up the price of crude. If there is gunfire in Nigeria, up goes oil. Colder than expected weather? Up goes oil. We're being taken for a ride, alright, but don't blame Bush.
- Posted by Paul
-
69. March 6th, 2008
8:44 am
- re: #47
- "Recent analysis finds enough recoverable, proven reserves in the ground to support current and even higher levels of oil consumption for at least the rest of this century. And that is at a rate of recovery of only 2 of every 3 barrels in the ground."
- and the moon is made of green cheese!
- Posted by sas
-
70. March 6th, 2008
8:53 am
- "Experts" have been predicting that the supply of oil will run out for the past 35 years. The supply of oil is greater today than it was 35 years ago. How can this be?
- Posted by Gary Taylor
-
71. March 6th, 2008
8:56 am
- It seems amazing that George Bush ran an oil company. His company did go under. Exxon should invest its own money. It is absurd given the tax breaks they get already to give them anymore. Exxon will pass on the cost.
- George Bush helped create the 100 dollar plus oil cost when he invaded Iraq. He thought that invading Iraq would serve three purposes, put the oil resources of Iraq in American control, take the fight with terrorists off American soil and secure his religious base with a zealot gesture to Israel's future.
- The US government needs to get people off oil. This will not happen until it hits four bucks a gallon. The days of cheap oil are over. What are we going to do when it costs more to ship goods from China and grapes from Chile?
- America has failed to invest in its future and it is now and will continue to pay the price. The problem is that the cost will not be paid by those who can afford it.
- Posted by Kevin
-
72. March 6th, 2008
9:00 am
- Does the US have an energy policy? I haven't seen any real leadership at any level for conservation. I know Pres. Carter was unpopular with his energy policies, but he has been 30 yrs and no one has any other ideas? It takes a lot of people doing very small changes to make a huge difference. Saving money and energy does not have to be painful. Programmable thermostats, CFL anyone?
- Posted by Laurie
-
73. March 6th, 2008
9:03 am
- When I was a kid the biggest business in every American town was the ice company. As refrigeration developed the ice companies said, "You can't have those things in the house, they're full of poison gas!" Then they began to beat up the refrigerator salesman. I see Oil on

the same path, we have the tech now to eliminate it, of course the oil guys will beat up the farmers to gain control of the agricultural output.

– Posted by Terence K Bosley

-
74. March 6th, 2008 9:05 am
Europeans have lived with oil at \$4-7\$ for decades, as have others. Iran and Venezuela have cheap oil, but it hasn't translated to a better life style. Targeted trust-busting is necessary to encourage a diversity of players at every level, from production to refining to distribution. The problems with big oil corporations really stem from a lack of smart enforcement of regulation by a series of mostly Republican administrations.

Adam Smith knew that transparency and communication are necessary to make the markets work. Unfortunately, the government has legislated reactively and ignored its own regulations. The courts too have been unwilling or unable to stand up to the presidential "signing orders" that usurp the right of the Congress to make laws and the right of the Supreme Court to interpret them.

– Posted by jim

-
75. March 6th, 2008 9:06 am
Would this writer blame the tv/media industry for being a large reason why the audience reads and exercises less? Would this writer blame the food industry for allowing the populace to cook less at home by offering cheap and easy food, thus becoming fatter by the generation?

OIL is demanded by the writer and every other individual here in the US and the world - they are not evil, pernicious or unscrupulous for supplying what the consumer vigorously demands: How comforting it must be to turn on a light switch and expect it to work each time, or to ride in a vehicle and go to far places very quickly, or to heat the house when its frigid outside, or to turn on that computer and write silly diatribes that can then be sent to all corners of the world immediately...

The OIL industry can only be as evil as the collective consumers who demand that they exist to make their own lives comfortable - j'accuse, indeed...

– Posted by Gus Levy, New Orleans, LA

-
76. March 6th, 2008 9:07 am
Why must we subsidize until we whittle our alternatives down to some select few over sized industries? This is not specific to energy. (By the way, Mr. Ludwig, we do not now nor is it suspected that we will be able to biologically afford the massive amounts of water we need to cool the coils of nuclear plants.) Our government, if it insists on subsidizing anything, should subsidize research and education - not application - to promote diversity in the things we depend on. We need to apply the autonomy from industry that foundations like NSF enjoy to our mission organizations. We have had the technology to replace oil for all the things we use it for nearly a decade, but there is not one, single replacement. We are facing a future that is about to get very complicated if we want to continue society as it exists today, and that is the good news. The bad news is, is if we continue doing what we're doing, life is going to become much simpler. We can start by using our reserves to update and build infrastructure for light rail - give those coveted tax breaks to companies that find different ways to fuel their fleets - natural gas could be a good bridge technology for trucking and rail. Allow our culture to change into what I think it wants to be - more focus on bringing goods and services to more walkable communities with efficient, clean public transportation. We can even start making little private rail cars and you can play a video game and virtually drive to work if that still makes you feel as if your are independent. Our biggest save though could be untying the reigns of the Farm Bureau on our farmers, so that they can grow a more diverse selection that focuses on feeding the local population. Growing all the corn, wheat, and soy for the world has made multinationals make decisions about farming that fly in the face of the wisdom of dozens of dead civilizations, as well as killed the family farm as a viable way to make a living. This is a series of sacrifices we can make now as a choice, or very soon as a hurried adaptation made

with no resources to cheaply adjust. The reason this answer does not appear clear, is that we believe the information is damaging to our current way of life. But we need to look through that fog and see that there is hope if we can adapt. And the answer is not just finding a replacement source of energy, but in finding that this new way of efficiency is a good way of life. Our way of life is based on change (by the way Mr. Schumann #16, those were Masonic values - not Christian - that you were thinking of) from one paradigm to another and an uncanny amount of forethought for the long view. Then we made a corporation a person, a person that can not die under the guise of protecting this long view. Slowly, the motive of short term profits has retarded our legislative process to resist change. Yes, we are dependent on oil, but that is not a result of our lack of ingenuity. It is a result of policies that are written to suit the budgets of corporations that have the inability to see past this quarter's profits. And that corporation has more rights and privileges than any single citizen. We have a word for a person that lives as if only what he or she wants right now is what matters. We call that adolescence.

– Posted by James Lightbourne

77. March 6th, 2008
9:12 am

Here in Germany, we're paying over \$7 a gallon. I commute 60 miles to work and back 4 days a week. My car - a GM product (Opel Corsa City) - gets 55 miles per gallon. I could commute by car. I could afford it but egads! the traffic can be dreadful. It would take an hour on a good day, and then I'd have to struggle for a parking place. In the States, what would be my alternative? Flying? But the security wait would be awful. Guess I'd have to drive, or find a carpool, or ride a bus - heaven forbid! - through the traffic jams. Here in Germany I take the high speed train. A nice seat, a cappuccino, a table to put my laptop on. I bought a ticket that is good all over Germany for one year. Anytime, anywhere on any train: Euro 3500. My wonderful economy car, a GM product, is getting awfully lonely.

– Posted by o'scrod

78. March 6th, 2008
9:19 am

one concept that the public needs to understand is the concept of EROEI (energy returned on energy invested).

in the 1930s one barrel of oil invested would return approximately 30 barrels of oil produced!

now, we are lucky if one barrel of oil invested returns 5 or 6 barrels of oil produced.

soon, we will be at a point of depletion of reserves and difficulty of recovery where one barrel of oil invested will barely return a barrel or two of oil produced.

at that point it won't matter if oil is priced at \$500/barrel, as there will be no incentive to bring it out of the ground.

and then it will be "game over!"

– Posted by sas

79. March 6th, 2008
9:21 am

Seems strange that there has been no direct mention of the impact of driving at a lower speed-say 55 mph vs. 75 mph. I remember that speed limits were lowered during the 70's energy crisis to conserve.

If speed limits were reduced, maybe we could accommodate the speeders by creating an autobahn toll lane just for them.

At present, the idea of driving fast is considered an American right that is untouchable. You can easily feel that when an aggressive driver is on your bumper!

– Posted by Tim Coyne

80. March 6th, 2008
9:25 am

The major point that America's disciples of capitalism refuse to acknowledge, nay even to face, is the economic law that goes "Whatever man can create (ie. gasoline) man can manipulate (it's price).

And by the way. How can free trade exist in what is basically an unfree world?

– Posted by Sted

-
81. March 6th, 2008
9:36 am
- In 1980 I bought a VW Diesel Rabbit and cut my fuel costs at the time from \$250 per month to \$65 a month. That is what everyone needs to do today. But the problem is that the Europeans do not have pollution controls on NOx emissions as our EPA has mandated. As a result the Europeans can drive the VW turbo diesel three banger that gets 75 mpg with a carbon footprint that is less than a hybrid.
- We need to have 50% of USA cars running on diesel just like the Europeans. The result would be that no one would care if the cost was \$7 a gallon like the Europeans currently pay.
- Posted by Joe V
-
82. March 6th, 2008
9:39 am
- Hooray for Hummers! And horray for all the other insanely self-destructive wastefulness we engage in! We badly need this sort of mindless wastefulness right now. The sooner we burn up all the world's oil, the sooner we can seriously address alternative energy sources. Let's just cross our collective fingers that the world will not be irrevocably damaged before the oil runs out. And let us now praise corporate greed and Bush/Cheney enabling—the engines that keep oil consumption high regardless of the consequences.
- Posted by John Crayton
-
83. March 6th, 2008
9:39 am
- I just bought a scooter that gets 90mpg. I'm now paying \$7 a week instead of \$50. What are the rest of you doing.
- Posted by Lionel
-
84. March 6th, 2008
9:42 am
- As I read this I notice the Ford ad to the right touting “up to 24 mpg” for their new vehicle. In 1973 my 63 VW bus got 25 mpg and ran on any grade of gas. There are times when the government needs to step up and drive the direction of the country on issues of the common good. They did it in social services, child labor, space, and now need to do it on energy. Why are vehicles not getting 50 mpg or better. Because the government has not yet required it. Remember when vehicles had no seat belts, airbags etc.
- Posted by Paul Brown
-
85. March 6th, 2008
9:54 am
- You know you have written a good article when you get the oil people writing comments. They have had their time in the sun, it is time to use that sun for energy that we all need.
- Thank you, may the articles and conversation now begin with a passion, liberals and conservatives, stock holders, and workers try to get to work.
- Posted by Carol Gibbs
-
86. March 6th, 2008
10:01 am
- Tell me how one can read charliemac's list of products made from oil and not believe that it is criminal stupidity to burn oil as fuel. The automobile has allowed us to ignore deep-rooted problems in our society. These reasons alone are cause to welcome higher oil prices. The telling thing is that our upper-middle class purchased huge energy-inefficient SUVs and enormous McMansions with ARMs in an era temporarily low energy prices and artificially low interest rates. The upper and upper-middle classes of this nation are composed of second-rate intellects and if the coming storm sweeps them away, all the better.
- Posted by Jim
-
87. March 6th, 2008
10:03 am
- Some very good points, but the basic premise that the age of oil will come to an end within the next 5 years is ludicrous to the extreme.
- Posted by Norm
-
88. March 6th, 2008
10:04 am
- Yes, great... All of these comments and facts stir up the pot a bit more. But who out there is willing to commit to stop their oil dependency and set an example to others?

How many of you drive a car just using vegetable oil for fuel? Electric car?

Better yet a bicycle?

What about what you purchase? Do you take the time to find out how it is made and from where it comes from?

Awareness is one thing, taking accurate action is the next.

Stop demanding production of oil by not using it and oil will no longer be produced...PERIOD

Mark

– Posted by Mark

-
89. March 6th, 2008
10:05 am
- Could OPEC have an interest in making our adventure in Iraq expensive?
- Posted by Dan S
-
90. March 6th, 2008
10:09 am
- Perhaps the oil industry can provide monies to metropolitan planning organizations around the country to assist in more efficient transportation and land-use planning. In that respect they can keep making a profit while stretching the supply and squeezing every bit of efficiency out of barrel of oil. We need to behave more like a united nation willing to address and solve problems while remaining the leading world power.
- Posted by Art
-
91. March 6th, 2008
10:11 am
- Move away from your fear of sweat. Walk and ride a bicycle. The road will be safer, your body will be gracious, your children's children will be thankful. After that, your individual struggle to live sustainably will grow to include more changes, and your neighbors will see your works.
- Posted by Michael Espinosa
-
92. March 6th, 2008
10:13 am
- Yes, let's blame the oil companies for the lack of refinery capacity in this country. Timothy Egan should lead the charge against the army of environmentalists who would attack any effort to build any refinery anywhere. This is a perfect storm of a nation which now considers easy prosperity its birthright. We take our prosperity for granted, but much of 20th Century American prosperity came from our access to and use of oil. When it withers, the life we have come to take for granted may go with it.
- Posted by Michael
-
93. March 6th, 2008
10:15 am
- It's surprising that, so far, only RonaldC (#45) was astute enough to understand that President Bush's feigned ignorance of \$4 per gallon gas was merely a device to avoid talking to the reporter. The fact that Timothy Egan chose to ignore the obvious in order to perpetuate the perception of President Bush as out-of-touch speaks volumes about his credibility!
- Posted by DaleN
-
94. March 6th, 2008
10:32 am
- The article simplifies a complex problem-energy usage. That lack of refinery capacity in the US is due to greed is to forget the weight regulatory restriction we have imposed on businesses in the US. China moves forward– but for us-we are our own worse enemy.
- Posted by J Antal
-
95. March 6th, 2008
10:47 am
- Amazing piece. Thank you.
- Posted by Laura Pakus
-
96. March 6th, 2008
10:52 am
- It's possible that oil companies are not adding many refineries because to do so would increase supply and lower prices. They have a commodity with a foreseeable future. If they are now making record

products, there is little incentive for them to increase supply by building refineries.

Didn't Mr. Bush get an MBA at Harvard? You'd think that he could understand that logic fairly easily.

– Posted by marik7

-
97. March 6th, 2008
11:09 am
- I would not say this is a well balanced article and the real question is when are we going to wake up and realize that we in America are living beyond our means? We can't blame "big oil" for \$4.00 per gallon gasoline prices - that is still cheaper than most of the developed world. What is really over is not the oil age but the "cheap oil age" and we are the last ones to figure that out.

– Posted by Scott

-
98. March 6th, 2008
11:24 am
- I live in the UK and here gasoline prices are about the double than they are in the US.
How do I cope?
Simple: My car does around 45 miles per (US) gallon. And no it's not a minuscule tin can (in fact, it has enough room for 5 peoples).
Driving a 45 MPG car and paying \$8 per gallon costs no more than driving a 23 MPG car paying \$4 per gallon but your fuel reserves will go twice as long.

– Posted by Reg

-
99. March 6th, 2008
11:51 am
- Iraq? I have come to believe that the current Administration's invasion and occupation objectives were to PREVENT the flow of Iraqi oil onto the world market. Constrained supply and increased demand equals high prices and huge profits. Period.

– Posted by Paul

-
100. March 6th, 2008
11:53 am
- Oil companies should be asked to shell out atleast 10% of their profits for R & D in non conventional energy sources.This is in their business interests too , as new innovations can be patented by them for commercial exploitation.Oil giants are the best bet for the world to help it move away from oil addiction.

– Posted by Jitendra Desai

-
101. March 6th, 2008
11:55 am
- You seem to avoid the fall of the dollar as an explanation regarding oil price climbing. Even worse, the fall of all currencies in the world, because, if you look carefully, oil has increased along with everything else and we aren't running out of everything.

– Posted by Carlos

-
102. March 6th, 2008
12:09 pm
- It is with giddy bliss that I read any article that predicts the end of an archaic system that should be long defunct by now. There is such a potential for growth in areas that have deserved far more attention than they are getting presently. Such as the ultracapacitor, new battery technology or any electrical generating system that doesn't use petroleum, forward thinkers are getting started already, its time we support them. On to the future!!

– Posted by Beth

-
103. March 6th, 2008
12:12 pm
- People have failed to see there is a limit to our growth. It is a shame this world is bigger. There is only so much water, oil, food and space. We will run out of oil, it is just a matter of time.

– Posted by Ross

-
104. March 6th, 2008
12:18 pm
- There is a big difference of your mention of profit without remembering that it is profit margin that counts, which with oil companies is 9% of the 40+ billion profit you state. Also the weakness of the dollar which all oil is based on, lets get out of debt & watch it go down in price. Tim,quit talking to us as if we are ignorant

of the financial world, I believe you need some market price education.

– Posted by Joe W.

Add your comments...

Name *Required*

E-mail *Required (will not be published)*

Comment

Comments are moderated and generally will be posted if they are on-topic and not abusive. For more information, please see our [Comments FAQ](#).

[Home](#) | [World](#) | [U.S.](#) | [N.Y. / Region](#) | [Business](#) | [Technology](#) | [Science](#) | [Health](#) | [Sports](#) | [Opinion](#) | [Arts](#) | [Style](#) | [Travel](#) | [Jobs](#) | [Real Estate](#) | [Autos](#) | [Back to Top](#)

[Copyright 2007 The New York Times Company](#) | [Privacy Policy](#) | [Search](#) | [Corrections](#) | [RSS](#) | [Help](#) | [Contact Us](#) | [Work for Us](#) | [Site Map](#)