

Peak Oil and the Media

Some Rhetorical Questions

ASPO Houston October 18, 2007

Why are we gathered here in Houston today?

- Obviously, to hear about and discuss peak oil.
- But --- we are also here because our media – cable, broadcast, print – are not discussing peak oil

Why is the media paying so little attention?

- Reasons are varied –
 - “Never heard about it”
 - “It is nonsense – there is plenty of oil”
 - “Our readers and advertisers don’t want gloomy stuff”
- As yet there is no smoking gun.

Two major reports

- The GAO and NPC studies should have aroused the media.
- But yet again, close to zero media coverage
- Nothing spectacular in conclusions

Do we really care?

(if the media ignores peak oil until the bitter end)

- **Yes!** – we do.
 - Governments, parliaments, Congresses, Legislatures, local governments are simply not going to do helpful things to mitigate peak oil until a critical mass of their constituents understand.
- Only the mainstream media can bring about widespread awareness.

Are things changing?

- Yes – but so far slowly
 - Scattered stories talking about peak oil are appearing around the world.
- Not yet a critical mass to move people and governments.
 - You only have to watch energy policy in the Congress

A Current Example

(of where we are)

- Yesterday -- October 17th 2007.
- The *New York Times* carries a major story on why oil is at a new high of \$88 a barrel.
- After laying out the facts, the story grapples with why oil is at a new high.

Reasons for \$88 oil

October 2007

- The Turkish threat to attack Kurds.
- Refinery bottlenecks in the US.
- Weak dollar – oil is a hedge.
- Geopolitical threats in the Middle East.
- War in Iraq.
- Violence in Nigeria.
- Resource nationalism in Venezuela and Russia.
- Strong Demand from China and the Middle East.
- Hedge funds back in market.
- Threat of recession receding.
- The IEA prediction of an 88 million b/d next year.

Alas, no mention of peak oil

- The closest the story comes ---
 - "Oil prices have more than quadrupled since 2001 as strong demand for oil from Asia, the Middle East and the United States has outpaced the ability of producers to bring on new supplies. With little spare production capacity, the oil markets have become more volatile."

What will force a change? (in media coverage)

- It is going to be tough medicine.
- Foreseeable price increases will not do it.
- In the case of the US it will take prolonged shortages at the pumps.
- The uproar will lead to a universal understanding of peak oil and useful policies.

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