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Almost inevitable meltdown / Without energy, nothing happens / No viable substitute for fossil fuels

This is an exciting and nail-biting ride because we are getting closer to the now almost inevitable meltdown in the global financial system; not that anyone in the mainstream media or the high profile economists or central bankers will confess to. But it is only a matter of time.

Those who took the time to view and who understood the video from Art Berman that I circulated (<https://www.youtube.com/watch?v=5Ae1fg44l7E>) and who have been reading my emails and all their attachments, will realise that underlying causation of our problems is that humanity is slowly losing the net energy bonanza on which industrialised civilization (and thereby the world economy) is based. Already we can see that the reason why the economics “profession” is failing governments, is because economists recognise only capital, labour and consumers in their econometric models and take the net energy abundance we have enjoyed since 1914 as “a given”. It has not been “a given” since 1990. Economists rightly point to supply, demand and price as being key dynamics for the consumption of energy products, but they fail to recognise the key roles played resource depletion and geology.

Without energy, nothing happens

Energy is a key driver and given the finite nature of fossil fuels we have ignored this to our ultimate peril.

Regardless of what anyone may suggest to you, our globalised industrial society will stand or fall on the continuing and growing availability of “net” oil and yet that may now be impossible.

Because the market price is now considerably lower than the full cycle cost of developing new oil and gas production, the oil industry is headed for a bust and sharply higher prices, will trigger calamity at some point within the next five years via the collapse of the shale Ponzi, if the ridiculous USD700+ trillion derivatives lottery and debt bust doesn't do so first.

No viable substitute for fossil fuels

We are, even now, despite all other new and emerging energy storage technologies, at the point where the only viable substitute for fossil fuels for medium to long range transport is offered by the dream of the mythological EESU or similar. Yet it is too far away.

Not only are current oil exploration efforts scraping the bottom of the barrel, but the major central banks, as a consequence of falling net energy abundance, will need to print more money and keep interest rates lower than a level that can possibly attract capital to new ventures – just to preserve the illusion of real GDP growth.

IMHO, even without a major bust, the debt spiral has begun.