

Edward Morbius

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#wiretapping

#surveillancestate

"They don't know what to do!"

Van Jones's statement is precisely the conclusion I've been coming to as I look at an increasingly critical resources and economic situation.

Since ... oh ... the 1960s at least, starting with Rachel Carson, and probably going way back with Aldo Leopold, Henry Thoreau, John Muir and the turn-of-the-century (1900s) nascent environmentalists, the battle's been pitched as "the environmentalists / left / fringe vs. the establishment". And in many cases it has been.

What I've found as I go through the concepts of peak energy is that it's a problem that's been recognized **since the start of the fossil-fuel age** -- with the use of coal in England. We've got John Williams (1789), Robert Bald (1812), William Stanley Jevons (1865), Jules Verne (1874), M. King Hubbard (1956), Admiral Rickover (1957), William & Donna Meadows (1972), and now BP, the IEA, and others.

That energy was at the heart of both economic and military strength was accepted common wisdom through at least the 1930s. But at some point the economic orthodoxy changed drastically, and the bit was flipped. By the 1970s, economic growth models were *utterly divorced* from energy. I've been picking up a few books and papers on the subject, *not* because I think they'll help me understand growth, but because they *might* help me understand where neoclassical economics went off the rails. Flipping to page 12 of Ahion & Howitt's *The Economics of Growth* we find four models:

1. Neoclassical: Solow et al: goods as function of stocks of capital & labor
2. AK model: https://en.wikipedia.org/wiki/AK_model (based on Cobb-Douglas).
3. Product-Variety Model: Romer, et al.
4. Schumpeterian model: Schumpeter, based on industrial organization theory.

This is what they're teaching graduate-level economics students at leading universities.

Paul Krugman, an otherwise generally intelligent economist, writes in 2008 on *Limits to Growth*. When the book was first published he was an undergrad working for William Nordhaus (co-author of Paul Samuelson's seminal economics text, the one I used for my first-year Econ class). And even 36 years later, Krugman is convinced LTG was fatally flawed:

In 1973-4, my junior and senior years in college, I was Bill Nordhaus's research assistant, working on energy issues.... Nordhaus, among other things, wrote a hostile review of Jay Forrester's World Dynamics, which led to the later Limits to Growth. The essential story there was one of hard-science arrogance: Forrester, an eminent professor of engineering, decided to try his hand at economics, and basically said, "I'm going to do economics with equations! And run them on a computer! I'm sure those stupid economists have never thought of that!" And he didn't walk over to the east side of campus to ask whether, in fact, any economists ever had thought of that, and what they had learned.... As a result, the study was a classic case of garbage-in-garbage-out: Forrester didn't know anything about the empirical evidence on economic growth or the history of past modeling efforts, and it showed. The insistence of his acolytes that the work must be scientific, because it came out of a computer, only made things worse.

But in the same post:

Much of what I did back then was look for estimates of the cost of alternative energy sources, which played a big role in Nordhaus's big paper that year.... And the estimates — mainly from Bureau of Mines publications — were optimistic. Shale oil, coal gasification, and eventually the breeder reactor would satisfy our energy needs at not-too-high prices when the conventional oil ran out.

None of it happened. OK, Athabasca tar sands have finally become a significant oil source, but even there it's much more expensive — and environmentally destructive — than anyone seemed to envision in the early 70s.

You might say that this is my answer to those who cheerfully assert that human ingenuity and technological progress will solve all our problems. For the last 35 years, progress on energy technologies has consistently fallen below expectations.

I'd actually suggest that this is true not just for energy but for our ability to manipulate the physical world in general: 2001 didn't look much like 2001 [the movie], and in general material life has been relatively static. (How do the changes in the way we live between 1958 and 2008 compare with the changes between 1908 and 1958? I think the answer is obvious.)

<http://krugman.blogs.nytimes.com/2008/04/22/limits-to-growth-and-related-stuff/>

That last paragraph is straight out of Tainter's work on declining returns of innovation and research.

(Interestingly: Nordhaus seems to have evolved his thinking, and has written considerably on energy and resource issues as his papers collection shows:

<http://nordhaus.econ.yale.edu/climatewrite.htm>)

All that digression to point out that economics went fully off the rails. It's *starting* to wake up a bit, and there are a lot of fractures in the House of Econ, though there's little agreement on where to go. You've got Charles Hall (though he's an ecologist), the Grund Institute, and a few other heterodox movements. But mostly Economics keeps on preaching its doctrine of Eternal Growth, or what I'm increasingly calling Economic Exceptionalism, in the sense that economic systems are apparently relieved of all the growth and resource constraints of *every other complex organizes system known to man*.

Economic Woo. Diax's Rake (Neal Stephenson's *Anathem*). *Argumentum ad consequentiam*. Appeal to consequences: the consequences of *not* believing in unlimited economic growth potential are too great to consider, so we'll simply ignore them.

"Never believe a thing simply because you want it to be true."

http://anathem.wikia.com/wiki/Diax%27s_Rake

And: the policymakers, military planners, businessmen, and others are really starting to wake up. When I see John Doerr (Silicon Valley venture capitalist) in tears speaking at TED about his granddaughter's future, Bill Gates pinning his hopes on not-yet-commercially proven nuclear, the and others, I'm beginning to get the sense that there's a *lot* of disquiet in high places.

Not everywhere. Oil companies and exporters, even the ones which believe in peak oil (and many do) have the challenge of working within a structure which incentivizes them to downplay the problem: bigger reserves and higher production forecasts mean more access to loans and capital, at the least, and domestic tranquility for many as it's energy wealth which is buying off an otherwise troubled citizenry.

I've recently had this conversation with my parents. Great people, bless 'em, and definitely among the more environmentally aware part of the population. But their view is "there's a way out, 'they' know how to solve this." And the more I read suggests: if "they" knew how to solve this, there'd be a pretty clear path lit up. And there simply isn't one.

I'd really like to go up to the President, and my senators and congressperson, and ex-presidents, and ask: what scares you spitless.

I think it's that, in the words of the Cowboy Junkies, "you can always see it coming, but you can't stop it". (Bea's Song)

[Cowboy Junkies - Bea's song - River song trilogy part II](#)

"They" (president, congress, business, oil, UN, military, generally: "the establishment") see this coming.

"They" *don't* have a plan. Joseph Tainter describes the convergence of major problems: energy, climate, social spending, healthcare costs, military spending, infrastructure, rising costs / falling returns of innovation. We're deer-in-the-headlights.

"They" don't want to scare us. "We'll sort this out..." Distractions are presented.

"They" are most concerned at how "we" -- the People, and in particular, The Mob (interesting etymology: from "mobility", contrasted with "nobility", who, in more ways than one, are sticks in the mud) will respond.

Evidence? The Hirsch Report. The German Bundeswehr report. Everyone and his kid brother's plans for "the transition", all significantly different.

http://www.netl.doe.gov/publications/others/pdf/oil_peaking_netl.pdf

http://www.permaculture.org.au/files/Peak%20Oil_Study%20EN.pdf

And so you get PRISM and TIA and FISA and **#wiretapping** and **#surveillancestate** and emergency response plans for mass civilian unrest. It's *very* disquieting, as a potential member of the mob, though equally, a possible member of the "nobility" (at least in the sense of business / government / establishment class), but an entirely rational response as well -- keeping the peace *is* a fundamental function of civilization (and is enshrined in the Preamble to the Constitution: "We the People ... in Order to ... insure domestic Tranquility, provide for the common defence, promote the general Welfare").

In the 1950s - 1970s there was a large degree of paranoia against Communists, leftists, socialists, environmentalists, peaceniks, SDS, etc. I think that this degree has fallen somewhat (though I also suspect surveillance of "fringe" groups is greater than ever, just that suspicion and concern is, generally, somewhat lower, with some concerns shifted to right wing / militia and possible foreign terrorist cells). See "Is Privacy Dead" in Newsweek, 1972: <https://plus.google.com/104092656004159577193/posts/i4wGmMe72L7> <http://www.thedailybeast.com/articles/2013/06/11/is-privacy-dead.html>

But: the essential message of the "counterculture," that our present industrial-economic system simply isn't sustainable, didn't begin with the counterculture, and it's not contained to it any more. The primary difference of the counterculture is that it's not constrained in its message. A weakness may be that it *benefits* from its message -- doomsday prophecy can itself be weakening, and false prophecies are common. I recently ran across The Great Disappointment looking at Google's ngram viewer, an end-times prediction for 1843: http://en.wikipedia.org/wiki/Great_Disappointment <http://goo.gl/WFn3w>). Still: the counterculture can speak its message, and that itself makes it dangerous. Not that the message itself is false. The message is becoming more mainstream. Not entirely yet, but more so.

And yes, I don't doubt that there are bad actors -- I still haven't figured out what game Rupert Murdoch / Fox Media / Wall Street Journal are trying to play in this.

So: yes, I'm outside my comfort zone. I still haven't (fully) figured out what to do.

Dave Snowden (https://en.wikipedia.org/wiki/Dave_Snowden -- totally serendipitous discovery as I researched the PRISM leaks on G+) talks of humans as "first match pattern recognition intelligence". We, at least those of us who aren't Asberger-spectrum autistic, respond *quickly* to situations based on a partial assessment of available data fitted to patterns we know. I've been in, I suppose, heavy Asberger mode for the past few months, but if I can justify the reason, it's to find myself *with a better, more appropriate set of patterns better suited to the environment I find myself in*. And that means going through both *good* and *bad* models to figure stuff out.

And BP's 2013 Annual Statistical Energy Review shows the *first ever* reduction in proved oil reserves (see +Carolyn Luce's comment): <https://plus.google.com/104092656004159577193/posts/Wc4NxYxOfba> <http://www.businessinsider.com/bp-statistical-energy-review-for-2012-2013-6?op=1>

Terry Dyke originally shared:

"Juggling chickens and chainsaws"

Van Jones on energy decline and whether our leaders get it:

*I've sat with all these people who we think are in charge, and they don't know what to do. Take that in: **they don't know what to do!** You think you're scared? You think you're terrified? They have the Pentagon's intelligence, they have every major corporation's input; Shell Oil that has done this survey and study around the peak oil problem.*

You think we've got to get on the Internet and say, 'Peak oil!' because the system doesn't know about it? They know, and they don't know what to do. And they are terrified that if they do anything they'll lose their positions. So they keep juggling chickens and chainsaws and hope it works out just like most of us everyday at work. That's real, that's real.

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Peak oil - Oct 10 | Energy Bulletin

www2.energybulletin.net