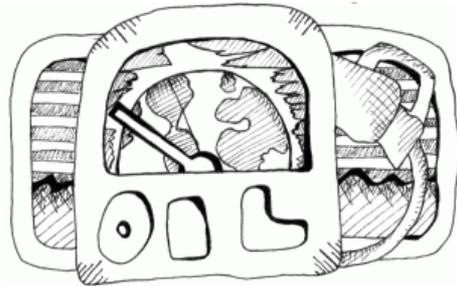


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# Future of OIL

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**F**ew years ago, I spoke to you about a possible rise in the prices of the fuels, [lbs of uranium](#), [gas](#), today a small assessment is essential. To summarize the current situation, the sources of energy knew a large wave of rise then a fall. The great question is to know how to interpret this wave of rise and its correction<sup>1</sup>.

There are two approaches :

→Wave of momentary rise: with origins of the economic situation (war, speculation...)

→ Wave of final rise: it is a first wave of rise which in advertisement much of others, a major change of tendency with structural origins (world peak of production).

If we explain this wave of rise in a way or other that does not have absolutely the same consequences for the investor<sup>2</sup>.

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## **The rise in the price of the oil barrel, temporary or final**

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### **A. Where does the price of the oil barrel go?**

The price of energy is very strongly related to that of oil, and the continuous flood of information would push us to believe that the price of the barrel of oil in for origin of the crises geopolitical and of obscure hedge fund. However, there always were wars in the oil-producing countries (it is the curse of the oil countries) and the hedge fund are often the easy explanation to each new rise in the price of the natural resources.

### **B. The hydrocarbon tank is emptied.**

The second solution to explain this wave of rise, it is to regard it as a signal of major change of tendency of to a factor structural like the [world peak of production of oil](#). This means whereas 80 dollars is not a maximum price for the oil barrel, but the first wave of rise in the price of oil. The wars and the speculation are the consequences, not the origin.

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<sup>1</sup> Except uranium, for reasons which I will develop in another subject.

<sup>2</sup> The immense advantage of writing with the economic problems of the investors, it is that those more easily give up their prejudices for a pragmatism than impose the need for results to them.

### **C. The peak of production.**

The idea of change of tendency under hears finally the acceptance of the approach of the peak of world production of oil. During the 20th century, when the world demand for oil increased, the production adapted and met the needs, it is not more possible today, at least more for a long time. Now, the production of oil cannot answer the exponential request of the world economic growth any more. This approach is judged like heretic by the majority of the economists, who often advance this a little ingenuous argument “*the peak of production today, IMPOSSIBLE, the rise in the price of oil would call into question the world growth*”.... The following argument is “the geologists will find a solution” under heard science will solve the problem, but that raises more mystical incantation than of any reality<sup>3</sup>.

## **The rise uninterrupted in the price of oil and its consequences**

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### **A. The rise price of energy.**

I think that each individual is able to accept a maximum quantity of change, beyond a certain threshold, the unit is refused of only one block. My first subjects on the price of oil announced a rise in the price of the barrel with [48 dollars](#), [60 dollars](#), [80 dollars](#) the crude barrel. It is today quite as easy to announce a forthcoming wave of rise to 100, 110 dollars the barrel, which you would be probably ready to accept. But if I support you the assumption of the imminent peak of production, you are probably likely to believe that I spent time too much to the sun without hat. The upheavals that that implies are too important, and you will probably reject with, the idea of an oil barrel with 100, 110 dollars.

### **B. The world changes.**

I have by no means the hope to convince today with my some lines. Nevertheless if you follow the international topicality regularly, while drawing aside interpretations as surprising as contradictory, and keep the main thing , you will find the every day in the decisions of the large world actors the confirmation of this scenario, and gradually this assumption will seem possible to you. Except Europe, which has as much energy perspicacity as a herd of zebus reached of collective blindness, all the great current and emergent powers have an obvious energy strategy. The majority of the decisions, which seem incoherent, take all their direction under the light of the natural resources.

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<sup>3</sup> Science has certainly solutions to mitigate the effects of the peak of production by decreasing the consumption of energy, but it does not have any to discover new resources miraculeusement. We ask today more than it is not possible, we refuse the world such as it is and ask sciences known as “*soft*” and “*hard*” to build it with the image of what we would like that they is and either what he is. I can write these lines because my site is free, that I do not belong to any research laboratory, if it were the case it is very probable that I would be car censured and that I would never have write his lines.

### **C. Consequences.**

The consequences are immense and exceed the limits of our imagination. The low price of oil is the most important point of the economic development, and it is the extent of these consequences which makes this scenario difficult to accept, but which does not call into question the validity.

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## **A new world**

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### **A. New approach of energy.**

During all the 20th century, it is the economy which imposed its conditions on the natural resources, for the 21st century, it is the economy which will be obliged to adapt to the energy constraints. The future, it is the control of the energy of the production to consumption, we produce and consume still today the antiquated energy of way. The future goods investments will be the actors of its changes in the production and the consumption of energy<sup>4</sup>.

### **B. The race with the resources.**

The problem of tomorrow for the economy<sup>5</sup> is the price of energy (to control consumption) and to preserve a regular and sufficient delivery (to guarantee supply minimum oil and to diversify its resources of energies). The current war around energy and of the resources, does not have only any more as an aim to be ensured of the low prices for energy, but also an availability in the very long term.

### **C. The investor.**

The end of the not expensive oil's era, seems to me, the most important tendency that must follow an investor in the 10 next years. For the martial arts, if your adversary is stronger and that he pushes you, you must draw, if he draws you, you must push. Nobody can nothing any more change with the rise in the price of oil, what counts is to anticipate it and follow this tendency. If to oppose seems me to be a serious error, the tendency is too strong to resist it. The economic development was unaware of the problem of the resources a long time in the broad sense. But the end of the era of oil at handsome price brutally will recall to the world that abundant resources riment not with inexhaustible. Some will say that, coal and its great reserves, are the solution, but we tackle a second problem which will be added with that with the resources, it is that of the rejections....

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<sup>4</sup> If you want to read only one line of this article, it is most important.

<sup>5</sup> Individuals, company or country.

This is only one opinion, and thus remains to be consumed with moderation.

**Dr. Thomas Chaize**

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