

## **No Oil:**

### **The Coming Utopia/Dystopia and Communal Possibilities**

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Citation: Timothy Miller, "No Oil: The Coming Utopia/Dystopia and Communal Possibilities", *Spaces of Utopia: An Electronic Journal*, nr. 1, Spring 2006, pp. 90-97 <<http://ler.letras.up.pt>> ISSN 1646-4729.

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The world is rapidly running out of oil, and we stand on the brink of a horridly dystopian new world reality. This paper makes three arguments:

1. We are running out of oil. Spot shortages will be here very soon, and devastating shortages will not be far behind.
2. When a serious shortfall of oil supplies finally becomes evident to everyone, the world scene will be hideously dystopian.
3. There are possibilities for moving smoothly to a post-oil culture, and the world of utopian communities, and particularly ecovillages, shows us what is probably humanity's most promising way out of this terrible situation.

#### **1. We are running out of oil**

It seems obvious that a finite resource will eventually be used up, but even among educated people that is not necessarily accepted. For the average citizen the most noticeable oil shock comes with increased gasoline and diesel prices, and many seem to think that we are victims of a vast conspiracy by the multinational oil companies. Although there is probably truth to that contention, that is the smaller, not the larger, problem. Inescapably, we are burning oil at a prodigious rate, and supplies are on the brink of major decline.

The only scientists and other specialists who argue that oil supplies are abundant are those who are economically tied to the energy industry, which even in these perilous days has a vested interest in getting us to use ever more fossil fuels. The independent observers who have examined the world's supply of oil vary in the details of their analysis, but not in their overall conclusion, namely that the production of oil will start declining in the very near future, and will continue to decline thereafter.

The evidence for that scenario is provided not only by environmentalists and those who oppose the power of the multinational companies on political grounds, but also by the oil companies themselves. Richard Heinberg, of the New College of California, USA, provides strong evidence that the decline of oil will come in the very near future. He concludes that the peak of production will come between 2006 and 2015, and the latter end of that range will be the case only if the world economy goes into recession and demand for oil drops (Heinberg 2003: 118-119).

The analysis is supported by the data gathered by Richard Duncan, who has looked at peaks in oil production by country and continent. He finds that production peaked in North America in 1983, in the former Soviet Union in 1987, and in Asia and the Pacific in 2004. Looking at current trends, he projects a peak of production in Europe in 2006, in South and Central America in 2006, in Africa in 2006, and in the Middle East in 2009. Putting all the world numbers together, he projects a world production peak in 2006 (quoted by Heinberg 2003: 103-104).

Paul Johnson adds an even more sobering note in his book *The End of Oil*. He notes that heroic oil-recovery measures have already been used to push the peak of production farther into the future, and that as a result when the peak does come, the decline will not be as gradual as it would have been otherwise. In other words, we are facing not a gentle downhill slope but a steep cliff (Johnson 2004: 52).

But let us not depend for our analysis on the prediction of leftist and environmentalist analysts. Let me provide some information from recent issues of the *Wall Street Journal*, the holy scripture of multinational corporations, including oil corporations. On February 22, 2005, the *Journal* reported that the reserves of Exxon Mobil, the world's largest oil company, had declined in the year 2004. Exxon

maintained that the reason for the decline was that the accounting rules of the Securities and Exchange Commission, the governmental agency that supposedly oversees business financial statements, were based on false premises, and that reserves were actually increasing. BP made a similar claim. But even within corporate financial circles analysts were skeptical, especially because last year Royal Dutch/Shell was forced to admit that it had overstated its reserves by 41% (“Shell Inflated Reserves” 2005: C4), and since then other large oil companies, including ConocoPhillips and ChevronTexaco, admitted that their net oil reserves were declining (Ball 2005: B3).

How do the oil companies respond to the news? In the usual corporate manner, through bookkeeping and takeover actions. ChevronTexaco, it was reported in March, in response to pressure from investors, was considering trying to take over Unocal, another large oil company. As the *Wall Street Journal* observed, “As it becomes more difficult to develop reserves, growth through mergers looks better” (Gold & Berman 2005: C1).

The standard counterargument to this scenario of steady decline of oil production is that new supplies will be found – both new supplies of conventional oil, and exploitable supplies of alternative forms of oil and related hydrocarbons, including tar sands and oil shale. Because new supplies of conventional oil are declining steadily, there is quite a lot of activity in the oil industry surrounding unconventional oil sources. One hint of what is to come emerges with the purchase by the China National Offshore Oil Corporation, owned by the government of China, of a stake in MEG Energy Corporation of Canada, which is looking to exploit the huge deposits of oil sands in Canada.

Oil sands and oil shale look good because they contain vast amounts of oil. The problem is that of turning the reserves, locked into other geological formations, into useful oil. According to current estimates, for each three barrels of oil produced, two barrels must be used to produce the oil. And then there will be vast byproducts. Richard Heinberg reports that to replace the net energy of current oil production with oil sands would require a waste pond of over 17,500 square kilometers – about the

size of Lake Ontario, well over three times the size of the Bodensee (Lake Constance), about six times the size of Luxembourg, just slightly smaller than Wales, and well over half the size of Belgium (Heinberg 2003: 112).

The American government of George W. Bush is pushing hydrogen as the fuel of the future. However, the only ready source of hydrogen is natural gas, and that supply is declining with oil. The other obvious source of hydrogen, water, is impractical, because it takes more energy to separate the hydrogen from the oxygen in water than is produced. Some would promote increased use of coal, but coal is much less versatile than oil, and it has terrible problems ranging from emissions of greenhouse gases to toxicity.

The only plausible answer to the dilemma is the rapid development of new and alternative sources, but it is already too late for them to replace the decline in oil. Had we started working on such sources a decade or two ago, things might be better. But the investment it would take to replace oil with wind, solar, and other alternative power sources will keep that from happening in a timely fashion.

The last option is nuclear power, and that presents all kinds of problems of its own. Even if nuclear is pursued, it will take at least ten years to develop substantial additional resources, and during those years oil production will be declining dramatically.

## **2. The after-oil scene will be dystopian.**

It is entirely rational to forecast that the reaction of the people of the world, and especially those in the developed countries, to the decline in oil supplies will be entirely irrational. Presuming that market economics continues to prevail, as supplies start to dwindle, even as demand continues to rise, then we can expect prices to go up substantially.

One telling sign of what is to come is the downgrading of the creditworthiness of General Motors and Ford. Those two companies, formerly the largest automobile companies in the world, have become enormously dependent on gas-hogging sport-utility vehicles. But those sales are dropping, and are projected to drop dramatically in

the future. On that basis Standard and Poor, the leading American credit rating company, has reduced the creditworthiness of both Ford and General Motors to “junk” status (Hawkins 2005: A1).

Frantic development of known oil sources will be of only small help. As the oil production of the United States declined after 1970, North Sea oil from England and Norway was brought online quickly and staved off disaster. But a trick like that will be hard to pull off again.

Will people accept much higher oil prices calmly? We have already seen truckers strike when their fuel prices have gone up, and many violent incidents flared up when the United States had its relatively minor fuel crisis of the 1970s. Anyone who says that the human response will be rational is uninformed about both history and human nature.

And will our oil-based economies respond positively to reduced supplies of our sacred nectar? If an economy is based on vast supplies of oil, and those supplies disappear, then economic collapse will surely follow. The social dimensions of the new reality may be utterly dystopian.

Governments will step in quickly to maximize the flow of oil. We recently saw the United States try to depose the democratically elected Chavez government in Venezuela, and it is not an accident that Venezuela is a major American oil supplier. Such political chicanery will increase, and it will not be only the United States that will be pursuing it.

Before long the response to scarcity will inevitably be war. Wars could take place among the various consumers of oil that will fight for access to supplies, and they could and will take place between the Western consuming nations and the major producing nations of the Middle East. Will the United States go to war with China over oil supplies? One hopes not. But war involving the producing countries has already happened. The West, and particularly the United States, has already gone to war to preserve its hegemony over the oil fields, and as the crisis becomes more intense it is impossible to believe that a military solution will not be irresistible.

Ironically, war will make the situation even worse simply because war itself is

an intensive user of oil. The current American occupation of Iraq is enormously dependent on oil, most of which is trucked in from Kuwait, Jordan, and Turkey. 2,000 fuel trucks leave Kuwait daily to supply the inefficient vehicles of the occupation forces in Iraq with their fuel, which amounts to about 1.7 million gallons, or about 6.5 million liters. The fuel convoys are frequent targets for Iraqi nationalists, and so they must be defended and armored, all at great expense in further petroleum use (Bryce 2005: 34).

Had we had visionary political leadership in the West much of this dystopian scenario for the near future could be avoided. Oil production in the United States peaked in 1970; had American leaders then started developing conservation and alternative-energy programs, things would be much different today. But neither in the United States nor elsewhere in the industrialized West has there been leadership that has done timely planning for a future of sharply reduced oil supplies.

### **3. The utopian communal world gives us a positive, even utopian, vision of a post-oil future.**

Although time today is critically short, there are many on our planet who are showing us a way to a future that will not depend on vast supplies of oil. Nowhere are those visionaries more evident than in the world of utopian communities, and especially ecovillages. I personally doubt that their message will be heeded sufficiently to head off our crisis, but we would do well to look at the utopian possibilities being worked out in the real world today.

Environmental visionaries have long been pointing out that we could continue most of our present comfortable lifestyle by making some relatively minor adjustments in our approach to the use of energy. We could build efficient, well-insulated houses and heat them or cool them only moderately. We could transport ourselves in ways that would decrease fuel use enormously – by using self-propulsion, public transit, and cars that get fifty or more kilometers per liter of fuel, a level of fuel use that is already available if we give up large, powerful car engines. We could shop and structure our lives to work and shop within walking distance of our homes.

And that kind of list could go on at great length. We all know all of those things. I want to conclude, however, with a salute to those who are demonstrating just how good the future could be even with a great decline in the availability of oil. The ecovillage movement is a set of practicing utopian experiments that shows us that a sensible future is no pipe dream.

Precursors to ecovillages have been around for a long time. Some farmers have always engaged in sustainable agricultural practices, and traditional cultures have lived in harmony with the environment for thousands of years. In the last few decades, however, a new generation of visionaries is taking the best of the past and combining it with the best of what the technological age has to offer.

As a result, ecovillages exist on truly small inputs of fossil fuels. They take both of the main tracks on energy efficiency: they reduce their use of energy, and they develop energy from alternative sources. Buildings are superinsulated, often of straw bale construction. They are oriented to take advantage of passive solar heat. They use solar hot-water systems and photovoltaic electricity. They are built compactly so that cars are not often needed. They grow much of their own food so that their food does not need to be trucked in.

And their environmental friendliness goes far beyond low consumption of fossil fuels. They use natural, chemical-free methods of sewage treatment, for example. They pay attention to the way in which we make decisions, disdaining conflict in favor of cooperative approaches toward solving disputes. They are dedicated to permaculture, which seeks to create sustainable ways of living by developing permanently renewable fuels, food production, housing, and other systems (Holmgren 2002). Most importantly of all, they work on changing attitudes, recognizing that human beings have to be retrained to live in a sensible way with limited resources.

Today there are hundreds of ecovillages in the world, all of them standing as demonstration projects for a greener future. Gaviotas, in Colombia; Sieben Linden, in Germany; Torri Superiore, in Italy; the Farm, in the United States; and Longo Mai, in France, are just a few of the utopian experiments that can help teach the human race how to live in a future that is nearer than most of us are willing to admit.

So there we have it: an impending dystopia, yet some utopian possibilities. We humans are given the power of choice. It will be more than interesting to see what ones we make.

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