

Energetic Resources, the Green House Effect and the Rise of the Oil Prices – Catalysts or Inhibitors for the Change of Mentality?

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Abstract: As well known, in the present days we assist at the growing of oil prices along with the danger of the greenhouse effect. These events claim for a rapid and urgent mentality changing from social economic actors. The first observation of these events is that the singular isolated individual interest of the main socio economic actors is not a catalyst for this necessary process. Only the perspective of huge global phenomena like a world recession and dollar dropping, associated with the greenhouse effect could threaten the general and individual interests. That makes the space for a large spectre of opinions from pessimists to optimists. That leads to the second issue. It is important to be aware not only about the future events but also in equal measure is to develop the multiple aspects of human qualities like in the Gardner's evaluation of the multiple intelligence portfolio structure theory (the language - communicative, spatial-visual, musical-rhythmic, interpersonal, intrapersonal, logic -mathematics, kinaesthetic - corporal, naturalist-ecological and metaphysics aspects). A worker, and much more a strategist, has a multiple disposition to be helpful in this period of challenges. It's still a hope for the future in every field of working.

JEL codes: Q54 - Climate; Natural Disasters; Global Warming; Q55 - Technological Innovation; O31 - Innovation and Invention: Processes and Incentives; L62 - Automobiles; Other Transportation Equipment

As well known, in the present days we assist at the growing of oil prices along with the danger of the greenhouse effect. Taking into account the recent considerations made by Bill Reinart – the mind strategist of Toyota Auto Industries - it is expected that the behaviour of economic agents, political leadership and strategic thinkers to face a major change in attitude and mentality.

The recent ecological disaster at Fort McMurray – Alberta Canada one of the

most important oil reserves area led Bill Reinart to say: „this is the end of oil pipe line era!”

What is the meaning of these words?

First of all, as it is well known that the general economic framework is illustrated by one of the macroeconomic indexes - the GDP (Gross Domestic Product) per capita.

In the same time the perspective of pollution and continuous depletion of resources, conduct the experts to calculate a mirror index so called GDG (Gross Domestic Garbage).

In this respect, even the GDP reflects apparently, the standard of living from the classic national accounting flows point of view, the GDG could reflect the standard from the mirror of environmental accounting indexes matrix containing the pressure, state and response indexes (e.g. the measure of human-induced influences upon environment -the rates of pollution emission-, the condition of environment pressures - the ambient concentrations of pollutants – or the societal responses to environmental problems-regulations, pollution charges).

This general framework of macroeconomic living standard took a dramatic tendency recently, in the context of perspective of rising oil barrel price beyond 100\$ associated with the world wide spreading risk of US mortgage credit crisis and the dropping of US dollar.

Secondly, at the microeconomic side, since 1913, Fordist production mode based on moving assembly line determined the producers and mostly the car producers to create the internal combustion engine dependent on oil derivatives.

Actually these phenomena affected the profit of auto producers in 2007 and determined them to switch to alternative energetic resources like natural gas, ethanol or electric cells.

In the present the microeconomics is shifting from the competition based on cost management efficiency to quality management of eco efficiency valorising not only the limited natural, financial capital but also the existent and latent human capital potential in the of mentality changing of production process.

The necessary mentality shifting is easy to say but hard to play: for the moment the simple economic, financial and politic interest is not a catalytic factor for this major essential event either because of the economic and politic „cake” that not stimulates the risk for investment improvements or because of slow growing of ecologic marketplace due to the demand for actual „strong” but polluting cars.

Is a general mode of living.

On the side of producers, shareholders, consumers or politic leadership for the moment is this not an real interest to change the behaviour from different reasons: due to the slowing efficiency of the ecological marketplace the car producers could be interested in selling strong profitable but polluting cars demanded by consumerist pattern of consumer actual behaviour, the shareholders could be attracted by the predictable protected risk dividends, and the politic leadership manifest the specific behaviour of political rent-seeking in the budgetary process.

In the face of immobilism, strategic minds offered a middle way to a more catalytic approach. For example, Bill Reinart encouraged Toyota to restructure its production portfolio: to diminish the percentage of strong cars (like Corolla model), to encourage the ecological cars (like the Prius model) and especially to develop the middle-class sector in the form of sport and pick-up cars- as an important catalyst that satisfies both the consumer, producer and economic policy interests (in the form of products, profit and taxes) but also constitutes an important financial resource for the necessary investments in the scientific researches for plug-ins ecologic models production.

But the real problem appears when these separated interests are analyzed together in a wide approach included here both the green house effect the oil price rising or environmental regulations applied in the context of the recent mortgage credit crisis or the dollar currency position. What we'll do in the face of recession?

And as the Nobel Prize Winner Al Gore said we must move rapidly no more than 2015 to do something in this respect.

So in this context there are two principal points of view: the pessimistic approach and the optimistic point of view.

The pessimist approach

On one hand, it is said that the pessimist is a very informed optimist person. In the present the energetic resources are in a continuous depletion but not because of the resource reserves per se or the extraction and manufacture costs only, but there are other factors in discuss.

Firstly, is about the actual macroeconomic extraordinary perspectives from Asian countries-mainly India and China- that reflect the growth of GDP per capita but also in equal measure a mirror growth of the GDG.

Secondly, because of the consumerist preference pattern tendencies to a more reasonable mode of living made a very few steps like in the US.

They need to consume energetic resources but also create the prerequisites for huge irreversible pollution.

Thirdly, the last but not the least is the perspective of world recession due to the mortgage market crisis, the dollar dropping and the world political oil problems - Iraq, Iran.

That leads to the fact that not only the producer interests are affected but also the consumer and political leadership will be confronted by the world social economic polarisation: the rich will be richer and the poorer will be poorer but the greenhouse shock will affect them together suddenly and this could mean the beginning of what's so called the war of human survival in the phrase of homo hominy lupus - the total war between people.

The first conclusion of these events is that the singular isolated individual interest of the main socio economic actors is not a catalyst for the mentality changing for the future but the perspective of huge global phenomena that could threaten the general and individual interests. That makes the space for a large spectre of opinions from pessimists to optimists.

The experts are thinking to produce the synthetic oil. So to maintain the actual trend needs the production of synthetic barrel oil needs a lot complex costly technology but in the same time generates important carbon dioxide emissions: that's why the era of cheap oil is ended.

Thus, the prognosis are not so optimistic: some experts like Jeffrey Rubin chief economist at CIBC World Markets Inc., Jan Kreider engineering professor at the University of Colorado or Peter Wells, director of research firm Neflex Petroleum Consultants Ltd. in Abingdon, England predict that the world oil production will peak at about 100 millions barrel a day in about a decade and by 2030 the output will fall to today's level of 87 million barrels.

But the declining production will collude with rising demand which could hit 118 millions barrels a day by 2030 if the trends continue. In the context of an imitated production the price will be between 200 and 300 \$.

Although, Bill Reinart considers that the oil price may drop because of recession between 75 and 125 \$ a barrel, for the moment.

In this framework we can say that the car producers in mutual competition are forced to produce faster as possible a new ecological car as in example of Toyota and GM companies: their intention is to put on market less consuming- strong polluting and new ecological cars until 2011: the start of Toyota Prius model and the intention plan GM to produce 16 car model based on alternative energy resource like hybrids natural gas or the Nissan Motor Co and Honda intention to put in practice the electric cells and plug ins models .

The optimistic perspective

On the other hand, is another point of view based on the Canadian Fort McMurray example and the discovering of Florida's new oil reserves in the USA.

It is well known that it is a region whose soil was saturated with petroleum when landmasses collided to form the Rocky Mountains millions years ago. Oil related development has displaced i.e. 330 sq. meters of previously untouched forest rich with the spruce trees and peat bogs. The population has doubled and the opportunities for business and working places developed grace to the oil sand mines: refineries mines and as so called situ extraction oil made the Fort McMurray not only a simple enterprise but something similar as the ancient pyramids construction.

In the same time some specialists consider that "it is a lot of oil in the world" not only in the Arab zone but also in US or Russia to sustain the optimism that there are sufficient energetic resources for maintaining the actual mode of living. But despite of the evidence, the more is postponed the mentality changing the more will be harder to face the future pessimistic events.

For example, the construction of little or non-polluting car clamed for development of a network projects included here a grid for electrical or hybrid and ecologic resources production and alimentation station (researchers in the field of eco efficient cars based on unconventional combustibles like hybrid gas,, lithium batteries feasibility or photo voltaic electric cells),along with a new projects of the cities (the housing more nearer the work places and the fluidisation of traffic congestion).

That leads to the second important conclusion.

It is important not only to be aware about the future event but also in equal measure is to develop the multiple aspects of human being. It is a question of culture and continuous professional training.

In his researches published in the books "Frames of Mind- the theory of multiple intelligence" (1983) and later in "Intelligence reframed- Multiple intelligences for the 21st century" (1999), the psychologist Howard Gardner sustained that all the human living have multiple intelligence structured in a form of a portfolio including different types of inner human qualities that could be developed, weaken or ignored.

This intelligence portfolio includes some aspects like language - communicative, spatial - visual, musical - rhythmic, interpersonal, intrapersonal, logic-mathematics, kinaesthetic -corporal, naturalist - ecological and metaphysics aspects (capacity to communicate and sensibility at the rhythm and significance of the words, the modality of geometric spatial thinking, the ability to develop an abstract conceptual logic thinking, the quality to express feelings through music and rhythm, to be able to express trough the pantomimic body and objects movements, the capacity to detect and be reactive to the necessities of the other persons to real be helpful, the capacity to be aware and be connected to analyse the inner intimate feelings and thinking processes in terms of convictions and value systems ,to be able to recognise and evaluate the environmental and nature animals and flora , and the last but not the least the capacity to be careful to put fundamental questions about the primordial cause of existence and the sense of living. All these types of intelligence define the human being and they act either in isolation or together in different part of the brain; there is no hierarchy between them but in a form of a network that provides ones intelligence can help the other in developing of a wide cultural and managerial horizon of human potential

To became a good specialist in any profession included a strategist is necessary to work hard and seriously beginning from the apparently simple things to work on the portfolio structure of intelligence.

For example, Bill Reinart the actual strategist of Toyota at the very beginning raised in a hostile family environment that leads him to temporary jailhouse.

After three weeks in jail, he enrolled in the University of Colorado and got a bachelor's degree in biopsychology. In 1979, when the fall of Iran's Shah Mohammed Reza Pahlavi sparked an oil crisis, he joined the university's master's program in energy engineering.

Reinart graduated and was hired by professor Kreider. His job was to attach solar panels and windmills to microwave telephone towers that were otherwise dependent on diesel fuel airlifted into the Rockies. He became a pioneer in so-called power electronics, co-ordinating electricity from wind and the sun with a battery and diesel engine. He maintained the towers via helicopters based in Grand Junction, Colorado.

Reinart joined Toyota to run energy operations at the California sales headquarters in 1990. He spent eight years badgering top brass to let him use power electronics to design cars.

He helped imbue the Prius with a hatchback and fold-down back seats for maximum cargo space and acceleration of 0-60 miles per hour in 10.4 seconds - 4 seconds faster than its predecessor.

But the sparkling thing about Reinart was his intelligent mode of promotion the Prius car model .He won the assignment of chauffeuring actress Charlize Theron in 2004 on the night she won an Oscar for *Monster*. He remembers how she hugged her mother when paparazzi pounded on their fuel cell-powered car.

In the present days Reinart is preoccupied by the general phenomenon of pollution: the region where he lives with his wife - the ranch Santa Margarita, California was rich in forest not like today.

Reinart tries to make people sensible about these things. He personally declared "I feel an abject sense of hopelessness that I can't do anything to stop this," he says. "I feel like I've lost part of myself, like something's been amputated."

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