

**Listen to a radio program in which an economist and a writer are discussing the oil crisis and alternatives to oil.**

**Presenter** Oil is back in the news. I have with me today economist Dr Geoffrey Rodham, and writer and activist Susan Crane. Firstly, Dr Rodham, for those of us old enough to remember the oil crises of 1973, or the early eighties, this all seems rather familiar.

**Dr Rodham.** Well, in fact the situation is far more complicated now. There have been a whole string of events: Iraq is one obvious factor, but then there are the threats to oil companies in Nigeria, the crisis surrounding Yukos in Russia, not to mention the weather.

**Presenter.** The weather?

**Dr Rodham.** Yes, the hurricanes in the Gulf of Mexico over the summer have affected US supplies and contributed to the sort of prices we are seeing at the moment. And another difference today is the lack of spare capacity around, combined with much lower than average reserves.

**Presenter.** Susan?

**Susan Crane** Well, I'd like to think that high prices at the pump will start to concentrate a few minds, especially in the US. Even if oil prices go back down again, we are not talking about an inexhaustible supply. Governments and producers should be seeing this as an opportunity to take a more serious look at alternatives.

**Dr Rodham.** I think if the petroleum industry wants to secure its long term future it must be looking more than ever at smarter use of fuel and at renewables. Indeed some companies are already very much involved...

**Susan Crane.** Well, one or two have some very impressive websites...

**Dr Rodham.** I think if you take a global perspective, the initial efforts at diversification are impressive: transport fuel from natural gas in Thailand, using ethanol from sugar cane in Brazil...they ran a car from Berlin to Barcelona recently on only a few kilos of hydrogen.

**Susan Crane.** I'm encouraged by the European Bus project at the moment, which also uses hydrogen fuel cells. And the only waste product is water. It's a good example of where oil companies and car manufacturers working together can produce an imaginative solution to future transport needs.

**Presenter.** How about solar power? Is it a commercial proposition for the multinationals yet?

**Dr Rodham.** Well, in Europe they are involved in solar panel production, and providing solar power to run service stations that can be sold to and bought back off the electricity grid. And then in Asia they are helping local communities, in the Philippines or Sri Lanka for example, to get electricity from photovoltaic cells where before they had no access to energy at all...

**Susan Crane** Our friends the Americans could learn a thing or two from these types of initiative...