



## Peak Oil Media: Food v. (Bio)fuel, Fast Money saying "It's Supply, Stupid" and Cramer on Ending the Ethanol Mandate

Posted by [Prof. Goose](#) on May 9, 2008 - 10:00am

Topic: [Alternative energy](#)

Tags: [algal biodiesel](#), [cellulosic ethanol](#), [corn](#), [eroi](#), [ethanol](#), [fast money](#), [jim cramer](#), [joe terranova](#), [mad money](#), [peak oil media](#) [[list all tags](#)]

Thanks to TOD reader Tim R. for pointing out [this piece on the food v. fuel problem in the Seattle PI yesterday](#). One takeaway message (but is it a valid one?) is contained in this chart from a group at The University of Washington (click to enlarge):

### HOW GREEN ARE BIOFUELS?

Biofuels are getting a bad rap as stories of rising food prices and shortages fill the news. But the environmental, energy and land use impacts of the crops used to make the fuels vary dramatically. Current fuel sources – corn, soybeans and canola – are more harmful than alternatives that are under development.

#### FUEL SOURCES

CROP	USED TO PRODUCE	GREENHOUSE GAS EMISSIONS* Kilograms of carbon dioxide created per mega joule of energy produced	USE OF RESOURCES DURING GROWING, HARVESTING AND REFINING OF FUEL				PERCENT OF EXISTING U.S. CROP LAND NEEDED TO PRODUCE ENOUGH FUEL TO MEET HALF OF U.S. DEMAND	PROS AND CONS
			WATER	FERTILIZER	PESTICIDE	ENERGY		
Corn	Ethanol	81-85	high	high	high	high	157%-262%	Technology ready and relatively cheap, reduces food supply
Sugar cane	Ethanol	4-12	high	high	med	med	46-57	Technology ready, limited as to where will grow
Switch grass	Ethanol	-24	med-low	low	low	low	60-108	Won't compete with food crops, technology not ready
Wood residue	Ethanol, biodiesel	N/A	med	low	low	low	150-250	Uses timber waste and other debris, technology not fully ready
Soybeans	Biodiesel	49	high	low-med	med	med-low	180-240	Technology ready, reduces food supply
Rapeseed, canola	Biodiesel	37	high	med	med	med-low	30	Technology ready, reduces food supply
Algae	Biodiesel	-183	med	low	low	high	1-2	Potential for huge production levels, technology not ready

\* Emissions produced during the growing, harvesting, refining and burning of fuel. Gasoline is 94, diesel is 83.

Source: Martha Groom, University of Washington; Elizabeth Gray, The Nature Conservancy; Patricia Townsend, University of Washington; as published in Conservation Biology

SEATTLE P-I

UNDER THE FOLD, you will find two youtube videos that are worth your time. The first is from [Fast Money](#) (CNBC) yesterday entitled "It's Supply, Stupid." After a bit of discussion on the panel, Joe Terranova provides a really nice discussion (about 4 mins) of the reasoning behind why the price oil is rising: supply and demand. Sure, it's a little bit the weak dollar, it's a little bit speculation, but Terranova makes an elegant argument as to why it's mostly the fundamentals-- which is kinda what we've been saying for a while around here, eh?

The second video, is [Jim Cramer of CNBC's Mad Money](#) (1:30) discussing ethanol and its implications for food; he uses the words "Wall of Ethanol Truth," "that issue is killing Americans," "ending the ethanol mandate," and "Malthusian." Wow. Let's discuss.

Here's the Fast Money crew and Joe Terranova..."It's Supply, Stupid..."

and here's Cramer...he's not very happy with ethanol.

Thanks Leanan! :)



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