

Chapter 1 : High fuel prices and driving habits - The Manila Times Online

The author worked in the oil industry and maximizes his intimate experiences with the oil companies in order to educate the reader as to why a lack of competition is behind high fuel costs.

May 31, With prices moving north every single day, this move from the Kerala government drew populist praise. Pinarayi Vijayan, Kerala chief minister, took the high moral ground and said: This is our message to the central government. The state will take a Rs crore hit because of the price cut, according to the chief minister. But the political message is clear. However, beyond the Re 1 price slash is pure political one-upmanship. But not to the extent that the government suggests. But charge Re 1 less per litre of petrol and diesel. That way the state will continue to earn from the high crude prices. The central levy is a fixed amount. At 34 per cent VAT its per litre earning will be Rs If it sacrifices Re 1 it still earns Rs Please note that for a Rs 2 per litre refinery price of petrol with central excise remaining the same the state earns Rs 3. Plus the well known secret is that petrol and diesel pricing are a win-win game for states as besides the VAT collection it gets 42 per cent of the share in central excise as per the 14th Finance Commission recommendations. Why cant other states do a Kerala Interestingly, while the retail price of fuels have gone up, the price dealers pay has come down drastically since The price of petrol charged to dealers during was Rs Similarly, in dealers had to pay Rs In April the per litre price was around Rs This is a massive jump from the gross revenue collection of around Rs 88, crore in , in the last fiscal the collection was just above Rs 2 lakh crore. The Centre needs this money for the slew of sabka saath sabka vikas schemes. Thats exactly the reason why the states too dont want to give up revenue -- they too have schemes to fund. Get real-time alerts and all the news on your phone with the all-new India Today app.

Chapter 2 : The Truth About Political Attacks Over High Gas Prices – Talking Points Memo

The only problem is that speculators are not the reason behind high gas prices. Phantom Menace One of the problems faced by politicians and TV pundits is that often they are called on to speak or fix things they know nothing about.

The answers are out there. Millions of trees have been mulched, gigawatts of energy expended and terrabytes of cyberspace cluttered by those chronicling complaints about pump prices. There are even signs of surrender. The back-to-the-farm nutsos who write editorials for the Las Vegas Review-Journal recently caved in. It just has a good Washington lobby. I say lazy because the facts really are out there, but precious few media have even glossed over the subject. Control the retail prices charged by their subsidiary dealers in order to Drive independent, unbranded retailers either out of business or into the arms of a major oil company, and Survive any legal challenge. The game is simple: Over time, the independents will either fold or become assimilated into the branded BigOil collective. Tuesday may be Independence Day, but not in the oil business. The dominance of the west is almost complete. Independent gasoline outlets are close to extinction. One Reno dealer recently told me that he fears ARCO, now that it has been acquired by one of the legendary Seven Sisters, British Petroleum, will drop the price-zone strategy because the western oligopoly is now pretty much in place. A monopoly, "mono" meaning "one," exists when one guy controls supply. An oligopoly exists when a few enjoy a stranglehold. I recently posted my entire Barbwire Oilgopoly Archive at this website. Read it and weep. I find particularly loathesome the constant consumer price index comparisons of gas prices adjusted for inflation. Only slightly less egregious are the endless charts of prices in foreign countries. These are meaningless because they are based on quicksand. This game has been rigged for decades and decades. Retail gasoline prices in this country are the end result of a huge and very profitable con game. It does not lend itself to rational economic analysis, only to criminal investigation. I defy you to do a web search and find anything as extensive as my archive. Easier to concentrate on O. Department of Justice goes after Bill Gates an honorable pursuit , while BigOil has been ripping us off far worse than Microsoft ever will. The Nevada Legislature tried to impose a remedy several years ago with the passage of a "divorcement" law limiting the number of retail outlets which a major oil producer could own. It worked for awhile, but then some local retailers started their own predatory pricing practices. Lawmakers eventually loosened up the restrictions before the cure became worse than the disease. The answer lies in aggressive government regulation and good, old-fashioned Teddy Roosevelt trustbusting against these bullyboys. All we can do is spread the word, which is why I keep re-writing this same, tired, worn, unsexy story.

Chapter 3 : india high fuel prices: External factors behind fuel price rise: Pradhan, Auto News, ET Auto

Truth Behind Burma Muslims Killing Why They Are Killed - MUST WATCH Buddhist Say About Muslims Kia Bhooka Reh Kar Jaldi Patla Hua Ja Sakta He Dr Telling The Hidden Truth Behind It.

The way to lower gas prices is to stop oil speculation, ratchet down Iran war talk, and make real investments in alternative fuel supplies. And the way to be less negatively affected by price hikes is to decrease our oil-intensive and car-centric lifestyle so that we spend less time fretting at the gas pump. These are not catchy or easy fixes, but they are the only ones that will work. While the President is the easiest target to blame, there is actually very little that he can do in the short-term. Gas prices have spiked episodically for decades and each time, the President in office takes a popularity hit. And yet, there is very little the President can do in the short-term to lower gas prices. Most of the solutions being offered -- like approve the Keystone pipeline, open up more areas for drilling, etc. The Keystone pipeline will take months to build so how does approving it lead to an increase in oil supply now? Not to mention that there is no guarantee they will have any impact in the long-term because there is no guarantee that any further oil produced will stay here in the U. We are in this bind only mainly because of our consumption patterns. Because we are so dependent on oil, we are particularly vulnerable to changes in oil prices. In , Americans consumed 19 million barrels of oil per day. There is no shortage of oil produced domestically but no matter how much is produced, it cannot meet our demand. We consume 20 percent of the global oil supply but only have 2 percent of its reserves. The solutions to high gas prices are simply not going to change. Either we start taking responsibility for our unsustainable consumption patterns or continue to suffer through these spikes. One way to decrease our oil and gas consumption is through increased use of public transportation. As I highlighted yesterday, taking public transportation saves billions of gallons of gas each year. Also, the new fuel efficiency standards for cars will help reduce our oil consumption. Other small steps like car pooling or driving less and walking more will also help reduce our consumption.

Chapter 4 : The Inconvenient Truth About High Gas Prices | Demos

The Truth Behind High Gas Prices, in 60 Seconds Inside Story S & E What's behind the falling oil prices? - Inside Story The Truth About Oil Addiction and a Plan for the.

But these days, I dread the arrival of the warmer months. Spring and summer are when people take to the roads en masse, which means the price of gas is bound to skyrocket even higher than its current record rates. June and July could mean higher prices than we have seen in decades. The President and both parties of Congress have ratcheted up the rhetoric to explain why prices are so high and what needs to be done. But are they pitching the truth? World Demand of Oil Oil executives and Republican politicians would have us believe that the problem with rising gas prices is due to a rise in world demand. The countries of India and China are growing their economies and so have an increased need for energy. China, India, and other countries have increased energy needs, and their purchases of oil have risen to compensate. To make matters worse, America is not exploiting its oil resources fully. The President likes to say production has risen under his term, but that is deceiving. Production is up, but not from drilling and not from new permits on public land. Private land used for fracking, the process of liquefying rock and extracting natural gas, is the cause. Oil drilling permits have not been issued, and there has not been a new oil refinery built since the s. Scapegoat Wrong, they are incorrect. Demand was high back then too. If robust world demand increases the price of gas, it would not have dropped in late These are people, or companies, that trade oil futures for profits. Speculators are being blamed for the high price of gas because people believe they are running up the price in order to make a profit. This idea is so strong and persistent, in fact, that Congressman Bernie Sanders of Vermont has written a bill that is designed to stop oil speculation. He is not the only one to call for an end to speculation either. Columnists, pundits, and even the President have called for its halt. The only problem is that speculators are not the reason behind high gas prices. Phantom Menace One of the problems faced by politicians and TV pundits is that often they are called on to speak or fix things they know nothing about. Naturally, and with a public clamoring for quick solutions, this can lead to ineffective or even destructive measures that get signed into law. In order for a group of people to control the price of anything â€” oil, stocks, currency, gold â€” they must be able to move the market. To move the market, they need enough buying power money to control demand for the item in question. But as a group, they do not have that amount of investment dollars. Think of this analogy. Imagine you have a backyard pool. You decide you want to lighten the deep red color, so you pour one gallon of clear water into the pool. But does the color of the pool change? This is the same principle. There are simply not enough oil speculators to have any significant effect on the large size of the oil market. The other issue is that most people do not understand what speculators do or how they think. Oil speculators are securities traders. So the question is: What is causing the move up, if it is not the oil speculators? The Guilty Party Is the U. Dollar The answer to this conundrum is in your wallet. Take out your wallet, pull out a dollar bill, cut it in half, and you have the answer. This is not a revelation to most people. However, most do not realize how a weak dollar affects the prices of all the things we buy, especially gas. Look at the chart below. It shows the value of the dollar versus the price of oil over much of the last decade. As the chart shows, whenever the value of the dollar goes up, the price of oil goes down. When the value of the dollar declines, the price of oil goes up. The reason for this is simple. The oil market is priced in dollars, so everyone buys and sells in dollars. The oil sheiks get paid in U. The chart is the simplest way to see adjustments in the price of oil relative to the strength of the U. The dollar has been in a downward spiral for the last 10 years. It started its downward move under President Bush because he adopted a weak dollar policy to spur the export of U. And when President Obama came into office, he accelerated governmental debt spending, and the Federal Reserve began printing money to help the economy. But neither spending nor the printing of more money has helped the economy. Printing more money has led to a diluted dollar and governmental debt also weakens it. Possible Solutions As a citizen, it is crucial to know the true reasons behind the problems we face. When you do not, you may create or accept solutions, but discover later that the problem has not been solved. Unfortunately, our recent history is rife with such examples. In the wake of the Enron scandal, the Sarbanes-Oxley Act was

signed into law. It was supposed to stop fraud regarding financial records. But years later, Bernie Madoff was jailed after defrauding billions in large part owed to fraudulent financial records. Sarbanes did not stop it. In , the financial market crashed because of the mortgage market, derivatives , and a financial sickness created by Fannie Mae and Freddie Mac. Now, we have the Dodd-Frank Act, written by the guys who were in charge of the recently collapsed mortgage market. Though the Act intends to prevent another banking crisis, it does not in any way affect, include, or deal with Fannie Mae or Freddie Mac. A prediction that it will not prevent another banking crisis is easy to make. Both examples illustrate responses that did not address the real issues behind the events they were supposed to prevent. Congress could make every single oil speculator in the world disappear tomorrow, and yet gas prices would not come down. A Republican controlled Congress and President could order drilling off every single oil hole in America, and in the long-term it would do nothing to decrease gas prices. Though an increase in supply could lower prices in the short-term, we would still be faced with the issue of a declining dollar. If that is not addressed, gas prices could go even higher. This is especially true since it is unlikely the U. If, however, we enact policies that lead to a strong dollar and the value of the dollar goes up, the price of gas would come down even without additional drilling. Final Word Our monetary policy is the most effective means we have to control the price of gas and positively affect the lives of everyday Americans. Your wallet is getting thinner, so to speak, because the dollars bills in it are worth less. That is why gas will be so expensive this summer, in the fall and winter, and in the foreseeable future unless, of course, the value of the dollar goes up.

Chapter 5 : The Truth About Why Gas Prices Are Rising So High

The Truth Behind High Fuel Prices by Richard G Clough starting at \$ The Truth Behind High Fuel Prices has 1 available editions to buy at Alibris.

One needs to ask this question and understand the facts behind the issue, as we are talking about statements of politicians. The price of Petrol has remained market determined since without any subsidy and the subsidy on Diesel price was withdrawn in October. One needs to understand the complete background of this colossal problem that the Indian government has been nurturing over decades. Once we are there, it would be easy for anyone to fathom the unfolding story of how the current NDA government has been taming this monster. To understand and appreciate this gargantuan problem, we need to look into the issues related to domestic LPG and other fuels petrol, diesel and kerosene separately and in detail. Parikh in June. The Expert Group recommended a set of reform measures in its report [pdf]. Despite their recommendation to reduce the number of subsidised LPG cylinders per household to 6, this cap which was initially reduced to 6 in , was increased to 12 again in in view of the upcoming general elections and that too when the crude oil price was nearing a all time high. This increase in number of subsidised cylinders and that too when the estimated average under-recovery per cylinder rose to a whopping Rs. This was further aggravated due to effects of depreciation of Indian Rupee and persistently strong average cost of Indian crude oil basket. The huge under-recovery in petroleum products by the OMCs year-on-year, lead to the total debt rising to Rs 4. With a potentially explosive Fiscal situation, the NDA government lost no time in implementing the recommendations of the Expert Group with all sincerity and vigour, once they took charge. Over 1 Crore had given up voluntarily till April. This step eliminated leakage of this benefit by stopping illegal diversions. By applying a Rs. The price of subsidized LPG cylinder was allowed to be increased gradually by Rs. The price of non-subsidised cylinder was made market determined and hence came down from a high of Rs. The above approach narrowed down the price gap between subsidized and non-subsidized cylinders to just Rs. Simultaneously, this has rewarded those who opted to give up subsidy. Above everything else, importantly, the under recoveries on LPG alone â€” meaning the hit that the Oil Marketing Companies OMC had to take up due to administered pricing â€” has reduced from a high of Rs. The total subsidy on LPG â€” i. The whole of this amount is supported by the budget. Chances are, this will be much lower in the years to come, but may not go away completely any time soon. The NDA government grabbed this golden opportunity for covering the fiscal deficit and improving the health of the government finances rather than to give short-term benefits to the Indian consumers. The excise duty on Petrol and Diesel was increased from Rs. Also, the reduced base price of the fuel meant lower revenue to the states. Hence several states resorted to steep hikes in the VAT. In , Punjab had the highest VAT of. The revenues from petroleum products shot up due to the impact of the above measures as shown clearly in the graph above. But those who lament that the petrol and diesel prices are very high in India compared to the neighbouring countries and that the taxes are higher than even the developed countries, would understand that they were looking at a biased picture once they see the holistic comparison presented below. The prices of fuels in Delhi are taken for comparison. One cannot but notice that while in some of the neighbouring countries the petrol and diesel prices are lower, that is more than compensated for high LPG and Kerosene prices. This determinate action by the present government can be appreciated, if one understands what good this has done to the Indian Economy, by reading the facts presented here. Within three years hence, it fell to Rs. For FY it is estimated at 3. The additional revenue from taxes on petrol and diesel has aided in achieving this. Usually a hike in the price of fuel in the hands of the consumers should stoke fears of inflation. On the contrary, government has managed to bring down the CPI inflation from a high of. The PPAC data of petroleum products shows that the consumption of petrol and diesel has grown 5. This clearly indicates that the consumers are not too much worried about the additional burden due to the increase in the price of these fuels. Further, a lack of any major and sustained protests or general strike against the higher fuel prices during the last 3 years reinforce the belief that the Indian public trust and support the initiatives of the GoI. An increase in consumption of petroleum products necessitates an augmentation of refining capacity.

This refinery, missed several deadlines due to various reasons, was dedicated to the nation in February by the Hon. This would give RBI enormous strength in tackling currency fluctuations should any unexpected global events rattle the global markets. With the elimination of under-recovery from , the Oil Marketing Companies have become profitable. But the over Rs. To summarize, the taming of the LPG subsidiary monster is nothing short of a wonder that demonstrates the systematic and goal-oriented approach of the current government. This was the decision of the GST Council as the State Finance Ministers who are part of the council found it necessary to protect the revenues of their states as a substantial part of their revenues were from the petroleum products including petrol and diesel. This apprehension sounded reasonable considering this: Recently in September , when questioned about the high taxes on petrol and diesel, the Union Minister for Petroleum and Natural Gas, Mr. Dharmendra Pradhan expressed hope that they would be brought under GST soon. This statement, when read with the fact that Excise Duty for petrol and diesel has not been increased since nearly 18 months after March , helps in deducing that the GoI has already achieved its short term objectives and hence ready to bring the petroleum products under GST ambit at the earliest. But that decision clearly rests with the council. Hence the central government cannot be blamed for the prolonged high prices for these fuels at the hands of the consumers. The call for a reduction in the fuel prices is quite reasonable as it pinches the purses of the common man resulting in lower savings. It appears that reasonable GST tax revenue realization in the first months after the GST went live will convince the states to agree for bringing the petroleum products under GST. How about from January ? Preparations for the next decade The present Indian Government has not stopped with the above achievements that might help in making the economy better in the short term but has spelt out its policies that it wants to promote to protect its economy from potential future shocks from crude oil. The crude price has remained low and favourable to India since mid but may not remain so forever. In , the Hon. The Union Minister for Road Transport and Highways MORTH has recently reinforced this by calling manufacturers to reduce the growth of cars, particularly diesel cars, and replace them by those running on a more sustainable fuel like electricity or ethanol. This, when implemented in a sustainable and time-bound manner, should contribute reducing fossil fuel consumption. Extension of the metro rail services in the cities where they are already operating and faster completion in over a dozen cities where they are under construction or planned should motivate the public to abandon their personal vehicles and switch over to Metro services. Subsidies to LPG â€” An overview of recent reforms:

Chapter 6 : NPR Choice page

Issuu is a digital publishing platform that makes it simple to publish magazines, catalogs, newspapers, books, and more online. Easily share your publications and get them in front of Issuu's.

HERMOSO With our bellies closer to the ground, we live and breathe setsuden energy saving as the Japanese call it whenever fuel costs rise almost every week. There will always be the noisy minority demanding subsidies as their selfish entitlement, causing a cascade of other goods straining to rise along. For fear of appearing to look powerless against the law of supply and demand, the lawmakers of the House and the Senate have proceeded to respond with half-baked ideas and knee-jerk pronouncements that are best harmless and ineffective against the status quo. Truth be told, a lot of fuel, money and time can be saved if only the majority of drivers change the way they drive. Looking at multi-lane urban highways like EDSA, so much fuel can be saved if the teeming buses keep to one solitary yellow lane and travel in a speed-limited convoy like a subway train. Buses should not be allowed to overtake each other in the selfish pursuit of the zero-sum game; i. When the buses travel in a train-like convoy and do not overtake, a real bus schedule might actually work with precisely timed arrivals and departures. Just like the MRT, where a succeeding train stays a good distance away dwell from another that arrived a few minutes ahead at the station, buses can be forced to queue. With this setup, we can prevent buses from careening from one stop to the next, occupying four lanes of the six-lane EDSA. Everyday, these pedal-pumping hooligans accelerate very hard in departing from a bus stop, only to slam on the brakes at the next a mere 1. Worse, the buses do this four abreast, leaving no lane left for other traffic on EDSA. Periodically, Isuzu brings motoring journalists on a road test of its trucks and buses. Both buses and trucks are laden with sandbags to simulate their legal maximum capacity. Isuzu also invites some truck fleet and bus companies to send their drivers to the test. All are briefed on how to drive economically. One would think that bus drivers, ever conscious of their boundary and the fuel costs that they directly bear, would be the best motivated to drive economically. Truck drivers should also be used to being subject to their vigilant fleet managers. But the best results were posted by motoring journalists, many of whom have never driven a truck over three and a half tons. Their consumption averaged 30 to 50 percent better than the best of the experienced truck and bus drivers. This just goes to prove that years of so-called experience over several generations is founded on really bad and wasteful driving. Shell and A-1 Driving School, in a consumer program participated by the public some years ago, proved that proper driving technique boosts fuel economy by at least 20 percent. If only bus drivers were to learn how to relax, cruise, keep their distance and stop treating the accelerator like a bungee cord, traffic flow will smoothen. But the profit motive and one-upmanship overrides any concern to save money and fuel, leaving it to the government to subsidize the fuel price because the drivers just refuse to change their ways. So how about the private motorist? First of all, drivers should watch the road far beyond their hood ornament. The proper way is to maintain the safe distance between your front bumper and the car in front, regardless if a rude interloper cuts in. That way you can coast with minimal risk of bumper-to-bumper contact or worse. But everyone has to do it. It just takes one point and squirt lane-grabber of a driver to disrupt the smooth flow of traffic. Globally, high fuel prices have prodded technology to extract oil from shale and explore for sources deep in the ocean. On a larger scale, alternative energy like wind farms, solar panels, wave capture and even nuclear power have been made economically feasible. High global fossil fuel prices have goaded world governments to accelerate on-the-road acceptance of plug-ins and hybrids plus the adoption of self-driving vehicles. It will take time and money but now, industries, the government and research are finally pursuing these paths. To be clear, there is no shortage of fuel but fear of the future is what keeps prices high. At our level, we have it in our hands and feet to stretch every peso we spend on fuel. It begins with changing the way we drive.

Chapter 7 : The Truth Behind High Gas Prices, in 60 Seconds - Governors' Biofuels Coalition

Fuels America has released a new video highlighting the truth behind high gas prices and how renewable fuels can help.

DOWNLOAD PDF THE TRUTH BEHIND HIGH FUEL PRICES

Many studies, including a report from the American Security Project, have shown that the country can't drill its way out of high gas prices and vulnerability to global oil markets.

Chapter 8 : anyone know the truth behind gas price increase? | Yahoo Answers

The reason for high gas prices is simply supply and demand in this country, not the cost of barrel of crude oil, be it purchased from Saudi Arabia or elsewhere.

Chapter 9 : The Truth About High Gas Prices - Video Dailymotion

despite the fact it seems unfair. the gas companies have a right to charge whatever they want for it. they are not publicaly owned companies and therefor could charge \$ a litre if they felt like it. prices will only go down when people refuse to pay these prices.