

Re: Cheap oil forever!

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<royls@telus.net> wrote in message news:40cb8157.27932311@news.telus.net...

> *On Sat, 12 Jun 2004 04:50:05 GMT, Grinch <oldnasty@mindspring.com>*

> *wrote:*

>>

> *>Although admittedly the geocentric solar system agreed much better*

> *>with empirical observations of reality.*

>

> *What has happened to the real price of oil over the last 35 years,*

> *Grinch? How about over the last 20 years?*

>

>*From a quick glance at a chart that the folks at inflationdata.com have on their site**, it seems that from 70 to 81 there was a BIG run up in the cost of oil from \$14 to nearly \$60. Through the balance of the 80s, the price dropped precipitiously though not back to \$14. By '88 it was however down to \$18 and change. The recent numbers are pretty well all over the map with a low of \$11.50 in 1998 and of course the current unremarkable run up.

> *>Meanwhile, we're all still waiting for our first observation of a*

> *>mineral resource rising in price perpetually (much less running out)*

> *>due to scarcity as a result of humanity's consumption of it.*

>

> *Do you or do you not understand that the real price of oil fell until*

> *about 1970, and has been rising since then? Don't you think 35 years*

> *is enough to establish a trend?*

>

> *>But as long as one ignores the total lack of all empirical evidence*

> *>needed to confirm it, the theory looks great!*

>

> *The real oil prices over the last 35 years are a total lack of empirical evidence?*

>

Looking at the actual inflation adjusted price of a barrel of oil I'd have to say "Yes".

Now in all fairness, you did say "real price" so to come up with a "real

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price" we'd have to factor in the costs of listening to ecoweenies whine about how cheap gas has been and how much better things would be if it was hideously expensive. That's a high cost indeed.

*

http://inflationdata.com/inflation/Inflation_Rate/Historical_Oil_Prices_Chart.asp