# World Economy

## Global risks of the world economy Energy and environmental problem











The second half of the twentieth century and the beginning of the 21st century is characterized by the growing demands and needs of the population of developed countries, which carry with them increased demands on ensuring the energy needs of these requirements.

We are witness an exponential increase in energy consumption.





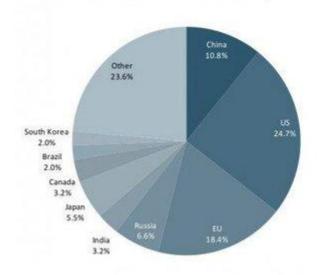






Exhibit 2: US was the largest user of energy in 2000... Breakdown of global energy consumption in 2000

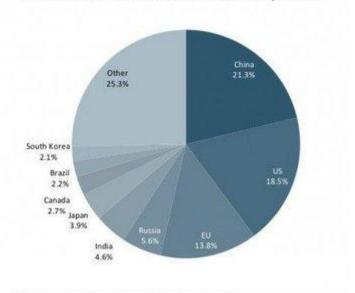
Total use in 2000: 9,355.6 million tons of oil equivalent



Source: BP Statistical Review of World Energy 2012.

Exhibit 3: ...China is now the global leader in energy use Breakdown of global energy consumption in 2011

Total use in 2011: 12,274.6 million tons of oil equivalent



Source: BP Statistical Review of World Energy 2012.

http://www.investicniweb.cz/zpravy/graf-dne/2012/8/22/nejvetsi-spotrebitele-energie-na-svete/

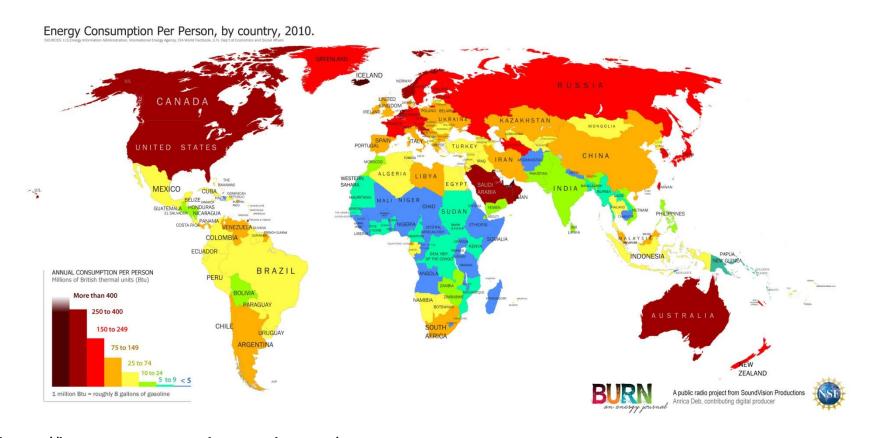












http://burnanenergyjournal.com/wp-content/uploads/2013/03/WorldMap\_EnergyConsumptionPerCapita2010\_v4\_Bar graphKey.jpg

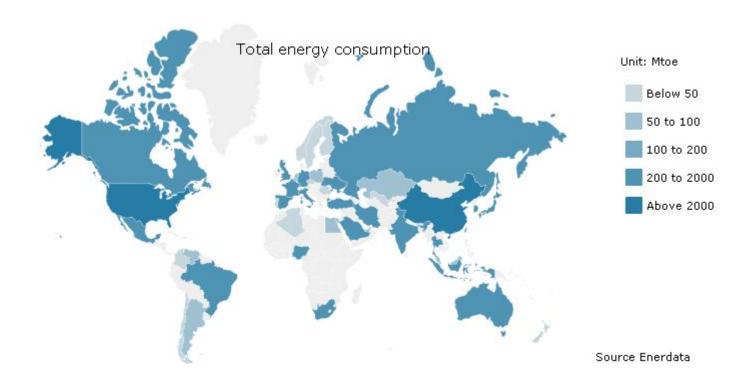












http://yearbook.enerdata.net/energy-consumption-data.html

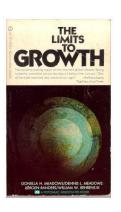












#### The Limits to Growth

**The Limits to Growth** is a 1972 book about the computer modeling of exponential economic and population growth with finite resource supplies. Funded by the <u>Club of Rome</u> it was first presented at the <u>St. Gallen Symposium</u>.

Five variables were examined in the original model. These variables are: <u>world population</u>, <u>industrialization</u>, <u>pollution</u>, food production and <u>resource depletion</u>.

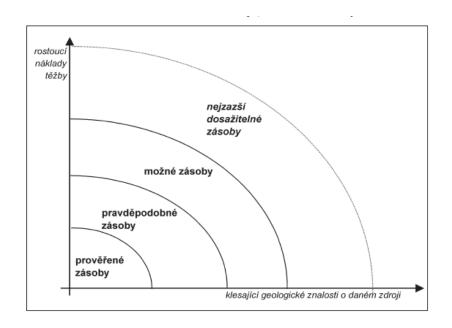












Zdroj: HAMPL, Mojmír. Vyčerpání zdrojů: skvěle prodejný mýtus. Vyd. 1. V Praze: CEP - Centrum pro ekonomiku a politiku, 2004, 65 s. ISBN 80-86547-28-0.

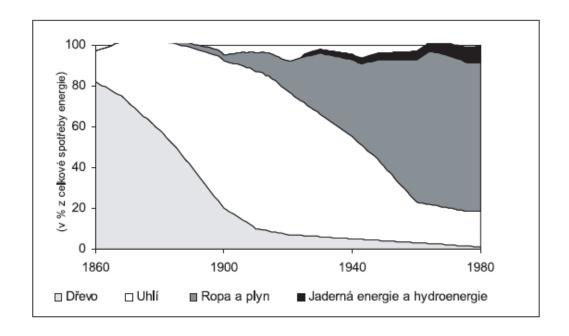












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Biotic – Biotic resources are obtained from the <u>biosphere</u> (living and organic material), such as <u>forests</u> and <u>animals</u>, and the materials that can be obtained from them. <u>Fossil fuels</u> such as <u>coal</u> and <u>petroleum</u> are also included in this category because they are formed from decayed organic matter.

Abiotic – Abiotic resources are those that come from non-living, non-organic material. Examples of abiotic resources include <u>land</u>, fresh <u>water</u>, <u>air</u> and heavy metals including <u>ores</u> such as <u>gold</u>, <u>iron</u>, <u>copper</u>, <u>silver</u>, etc.











Renewable resources – Renewable resources can be replenished naturally. Some of these resources, like sunlight, air, wind, etc., are continuously available and their quantity is not noticeably affected by human consumption. Though many renewable resources do not have such a rapid recovery rate, these resources are susceptible to depletion by over-use. Resources from a human use perspective are classified as renewable only so long as the rate of replenishment/recovery exceeds that of the rate of consumption.

Non-renewable resources – Non-renewable resources either form slowly or do not naturally form in the environment. Minerals are the most common resource included in this category. By the human perspective, resources are non-renewable when their rate of consumption exceeds the rate of replenishment/recovery; a good example of this are fossil fuels, which are in this category because their rate of formation is extremely slow (potentially millions of years), meaning they are considered non-renewable.

http://www.sciencearchive.org.au/nova/newscientist/027ns\_005.htm?q=nova/newscientist/027ns\_005.htm&id=mg19426051.200&print=true





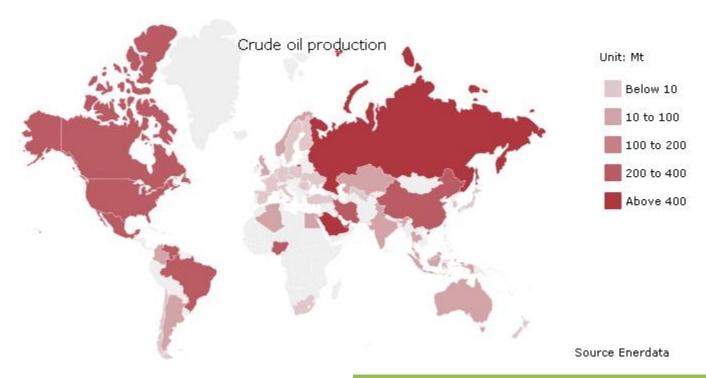






The oil belongs to the non-renewable energy sources, the world stocks are very unevenly distributed around the world, which contributes to a high dependence on imports of this commodity.

Among the biggest oil producers in the world belongs to the countries of the Middle East, particularly Saudi Arabia, Russia, USA, Iran, Mexico, Venezuela, Norway, Canada, UAE, Nigeria, Kuwait.





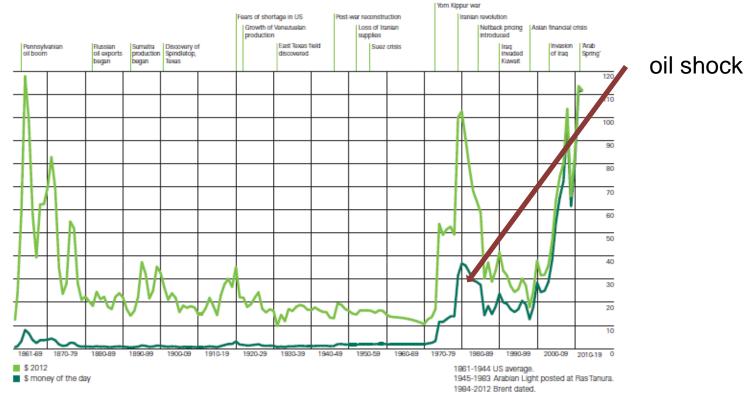








The price of oil as a commodity is currently influenced by the political and security situation in the main production countries, decreasing supplies of North Sea oil, the growth in consumption in China and India, in particular, the development of the nominal exchange rate or, for example, the cost of new methods of extraction.



http://www.bp.com/content/dam/bp/pdf/statisticalreview/statistical review of world energy 2013.pdf











## the growth of oil prices – hence the growth of fuel prices



supply inflation

consequences:

the household?

the company?

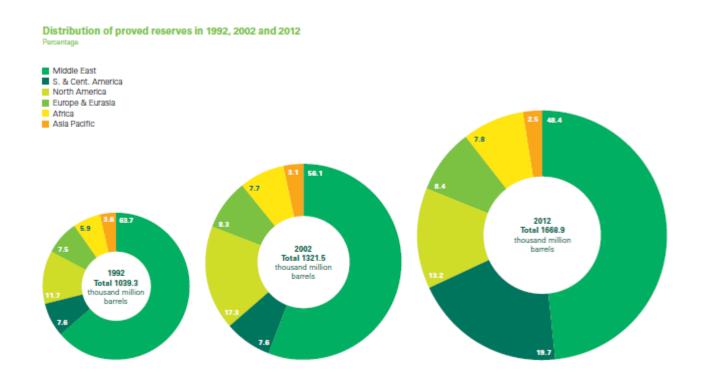












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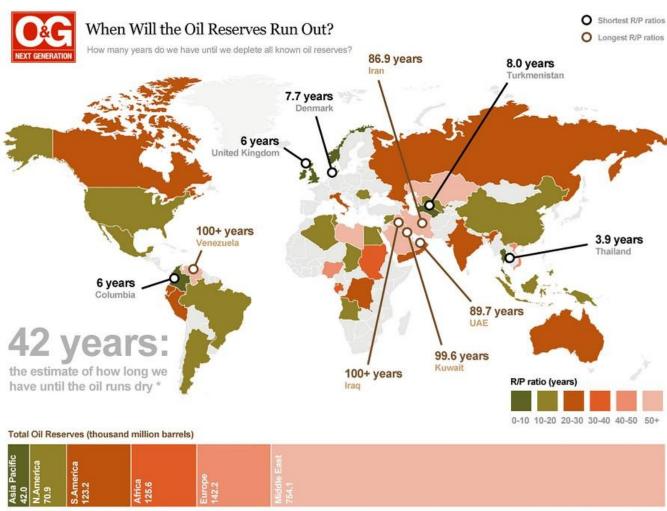












\* An average of the R/P ratios of all countries R/P ratio = Reserve / production ratio, Source: http://www.bp.com/productlanding.do?categoryld=6929&contentId=7044622







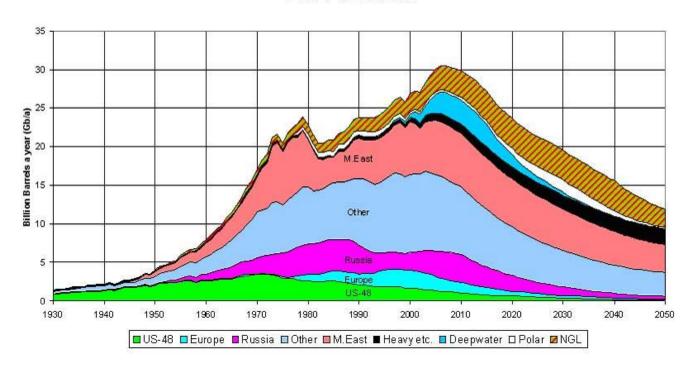




## Hubbert's peak oil theory

## geolog M. King Hubbert

#### OIL AND GAS LIQUIDS 2004 Scenario





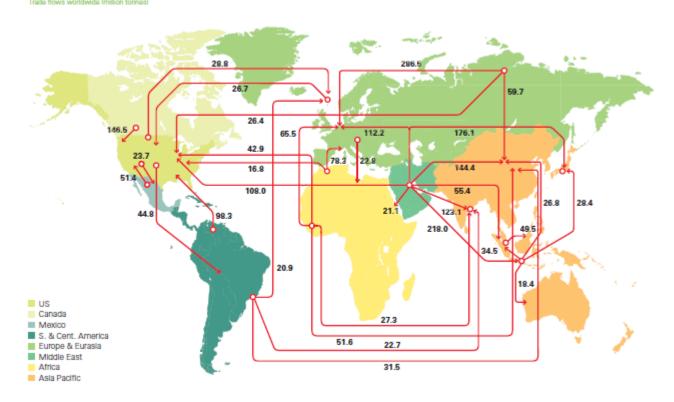








#### Major trade movements 2012 Trade flows worldwide (million tonnes)



http://www.bp.com/content/dam/bp/pdf/statisticalreview/statistical\_review\_of\_world\_energy\_2013.pdf

#### **Natural Gas**

Natural gas is cheap and "clean" energy source, whose expansion was, in particular, from the 70 's. years 20th century. A significant advantage of natural gas is the ability to import without expensive modifications to the final consumer.

The largest reserves of natural gas are located in Russia, Iran, Qatar, Saudi Arabia, UAE, USA, Nigeria, Algeria and Iraq.

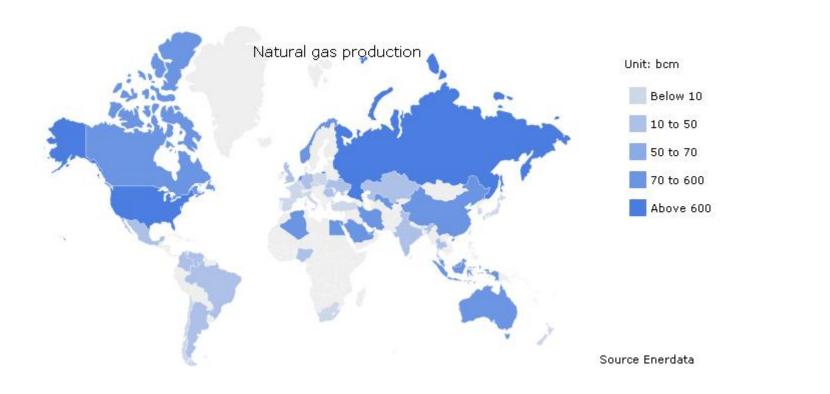














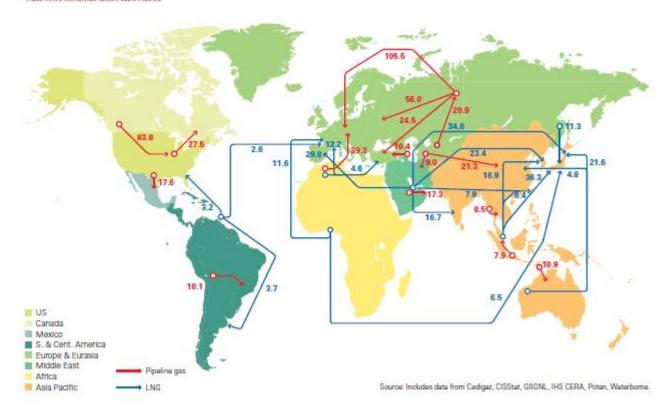








### Major trade movements 2012 Trade flows worldwide (billion cubic matres)















http://www.youtube.com/watch?v=X5pCzqWHy0c











Coal is the largest source of energy for the <u>generation of electricity</u> worldwide, as well as one of the largest worldwide <u>anthropogenic</u> sources of <u>carbon dioxide</u> releases.

In 1999, world gross <u>carbon dioxide emissions</u> from coal usage were 8,666 million tonnes of carbon dioxide.

In 2011, world gross emissions from coal usage were 14,416 million tonnes. In 2013, the head of the UN climate agency advised that most of the world's coal reserves should be left in the ground to avoid catastrophic global warming.

http://web.archive.org/web/20110523215823/http://www.eia.doe.gov/iea/carbon.html

http://www.theguardian.com/environment/2013/nov/18/leave-coal-avoid-climate-catastrophe-un











On a global scale is a coal oil right after the second most utilized energy raw material in the world.

The total annual consumption is estimated at approximately 7.8 billion tonnes.

#### China

proven reserves: 111 mld. t

probable reserves: 4 gazillions t

annual consumption: 3,8 mld. t

annual production: 3,5 mld. t

http://www.okd.cz/cs/tezime-uhli/soucasnost-u-nas-i-ve-svete/uhli-ve-svete











#### India

probable reserves: 92 mld. t

annual consumption: 0.7 mld. t

annual production: 0.595 mld. t

#### Russia

probable reserves: 157 mld. t

annual consumption: 0.22 mld. t

annual production: 0.36 mld. t

### **USA**

probable reserves: 245 mld. t

annual consumption: 0,82 mld. t

annual production: 0,93 mld. t

http://www.okd.cz/cs/tezime-uhli/soucasnost-u-nas-i-ve-svete/uhli-ve-svete













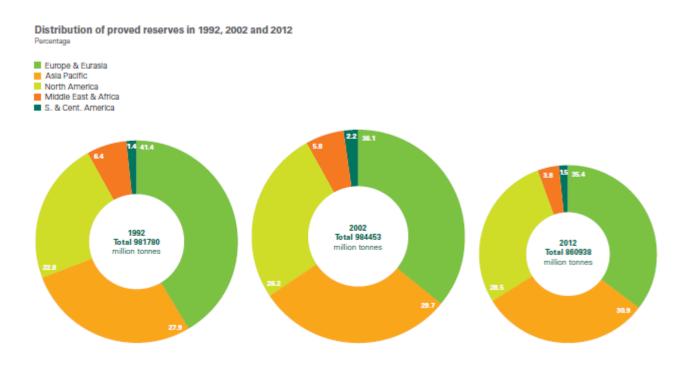












Source: Survey of Energy Resources 2010, World Energy Council.

http://www.bp.com/content/dam/bp/pdf/statisticalreview/statistical\_review\_of\_world\_energy\_2013.pdf











Figure 70. World coal consumption by region, 1980-2040

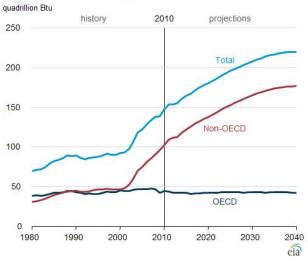
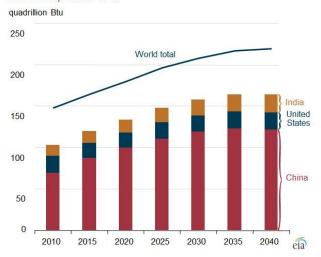


Figure 71. World coal consumption by leading consuming countries, 2010-2040



http://www.eia.gov/forecasts/ieo/coal.cfm











Nuclear energy accounts for nearly 13% of the world production of electric energy.

Among the countries with the largest number of nuclear reactors include USA, France, Japan, Russia, South Korea, Canada, China, the United Kingdom.

The total number of nuclear reactors is 432.

The increase in the number of nuclear power plants is so evident in the advanced economies, such as France, but also in less developed economies (India, China)





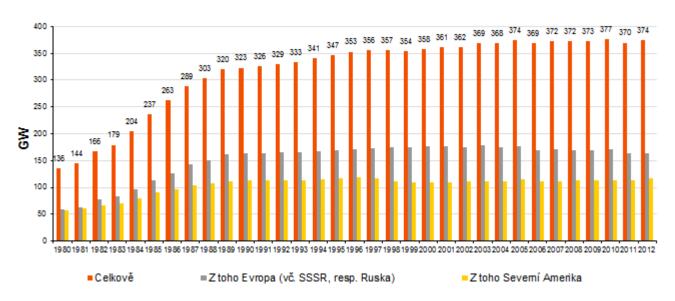






## Total capacity of nuclear power plans

#### Světová instalovaná kapacita jaderných elektráren



http://www.cez.cz/cs/pro-media/cisla-a-statistiky/energetika-ve-svete.html

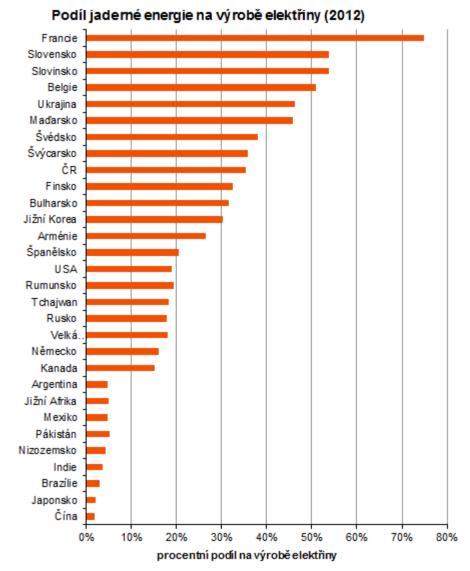












http://www.cez.cz/cs/pro-media/cisla-a-statistiky/energetika-ve-svete.html













http://www.cez.cz/cs/pro-media/cisla-a-statistiky/energetika-ve-svete.html











The emergence and development of a global environmental problem posed by the devastation of the environment can be divided into four stages.

The first stage describes the period from the beginning of human civilization until the end of feudalism

Stage of the development of manufacture production

The third stage is characterized by the period from the onset of the technological revolution to the second third of the 20th century.

The fourth stage is dated from the introduction and use of the concept of sustainable development (United Nations Conference on the environment in 1992, UNCED)











United Nations Conference on Environment and Development (UNCED), Rio de Janeiro, Brazil

Rio Declaration on Environment and Development

Agenda 21

Kyoto Protocol

http://www.mzp.cz/C1257458002F0DC7/cz/kjotsky\_protokol/\$FILE/O MV-cesky\_protokol-20081120.pdf

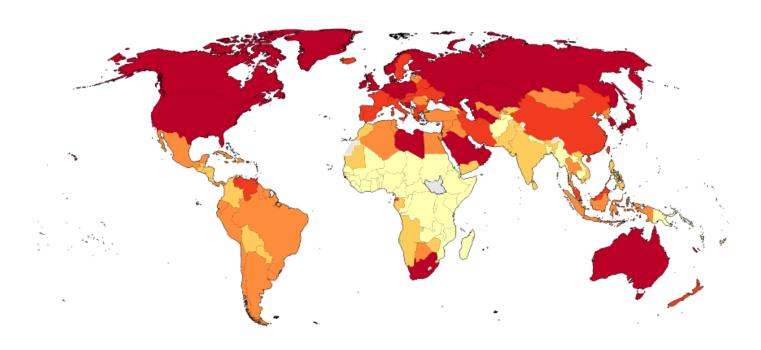












2010-CO2 emissions (metric tons per capita)

less than 0.5 7.8 or more











JENÍČEK, Vladimír a Jaroslav FOLTÝN. *Globální problémy světa: v ekonomických souvislostech*. Vyd. 1. V Praze: C.H. Beck, 2010, xix, 324 s. ISBN 978-80-7400-326-4.

HAMPL, Mojmír. *Vyčerpání zdrojů: skvěle prodejný mýtus*. Vyd. 1. V Praze: CEP - Centrum pro ekonomiku a politiku, 2004, 65 s. ISBN 80-86547-28-0.

MUSIL, Petr. *Globální energetický problém a hospodářská politika: se zaměřením na obnovitelné zdroje*. Vyd. 1. Praha: C.H. Beck, 2009, xiii, 204 s. ISBN 978-80-7400-112-3.









