

Hydraulic water extracted for daily usage and

[Finance](#), [Financial Analysis](#)



Hydraulic Fracturing1. IntroductionThe advent of the industrial revolution triggered the use of gas and petroleum products throughout the globe, especially the United States. Oil and gas appear to be the most powerful and cheap sources of energy, therefore, extracting oil and gas and finding new ways to improve production is a keen interest of oil and gas production companies. Hydraulic Fracturing is a process through which oil and gas are extracted from the earth by injecting pressurized liquid.

This liquid contains toxic chemicals which on one hand makes extraction of fuel quite easy but simultaneously they appear to be a big hazard for humans, animals and the environment. Also, the frequent extraction of fuel for extended periods depletes precious natural resources. The proponents of sustainable development claim that sustainable development is the key to protecting the environment. Sometimes though idealistic because resource depletion takes centuries to recover, efforts should be possessed to save the environment and entails economic gains but Hydraulic fracturing may become an obstacle in way of achieving sustainable development. Therefore, this phenomenon is quite interesting while it does have many impacts on social economic and environmental aspects of society not only in present but in future also. Therefore, impacts of Hydraulic Fracturing on various aspects of society will be discussed in this study.

2. Hydraulic Fracturing: The Dilemma of Modern America2. 1 Hydraulic Fracturing Impact on Environment The United States is the largest producer of Gas in the world, and the largest user of petroleum and Natural gas. The primary energy consumption of country based on carbon producing energy sources which leads to increase carbon emission in the environment. These

<https://assignbuster.com/hydraulic-water-extracted-for-daily-usage-and/>

emissions of gasses and thirst to acquire more and more energy resources led the world into a vicious cycle of global warming and its impacts (Patel et al. 2014).

Fracturing as we know is a process through which toxic pressurized water is injected into rocks, this water includes acids to fracture rocks, these toxins mixed in water extracted for daily usage and waste which eventually make their way to the sea also affects marine life. Besides life-threatening properties of fracturing, increase in fuel production will deplete the natural resources. Just in two centuries of industrial revolution and humans deplete the ozone layer and many scarce resources that may take centuries to regain their place.

The hydroelectric, wind, geothermal and biomass energy are considered to be environment-friendly ways of achieving energy but the production of oil and gas through fracturing increased a lot all over the world. Following table informs about the production of Shale gas all around the world. Table 2. 1 Production of Shale Gas Source: (Linley 2011) Shale Gas refers to phenomena where gas is extracted from breaking of shales or rocks, which is getting popular all around the world (Linley, 2011).

This massive extraction is quite alarming because it is just not hazardous for environment but effect social and cultural aspects of society. 2. 2 Social and Cultural impact of Hydraulic fracturing Hydraulic Fracturing can affect social and cultural aspects of life. The production of shale gas as mentioned in table 2. 1, which is among highest in the United States which means gas utilize in production and domestic use. When this precious natural resource is

available freely to masses, the production will increase which provoke the consumerism, which means people, will purchase things for the sake of purchasing. Increased consumerism rewards society with urbanization that in long run affects cultural identity of people.

Also, fracturing will generate unhealthy society, where organic foods come in piles of unhygienic plastic wrap. Where consumerism isolates human in a name of social media. However, (Brandt et al, 2014) believes the increase in employment opportunities due to increased production helps people to earn a livelihood and live a better life. Similarly, due to new technology the production increased and cost of production decreased which decreases the inflation and save the money of the masses.

2. 3 Economic Gains of

Hydraulic Fracturing The basic purpose of hydraulic fracturing is to extract more gas and oil to fulfill the demand of the economy. Since the process made extraction quite easy, this will have several impacts on the economy. At first, it will increase the production of goods and services in the market because fuel is available at comparatively low prices because fuel is easily available.

Secondly, it will increase the employment level in the economy (Chen et al. 2014). With an increase of oil production, there are many jobs opportunities open in a market, and resolve major macroeconomic problems. Figure 2. 2 shows the employment opportunities created by oil production in North Dakota. Results show that with the increase of production employment increases as well. Source: (Brandt et al, 2014) There might be concern that profits from exports can decrease because production will be increase due to

fracturing but oil prices are decided internationally, there is rarely a likeability this may happen therefore economically fracturing is good and it helps to boost the economy³.

Conclusion This study was an attempt to address potential impact of fracturing in the economy. The study shows that fracturing can affect society harshly when it comes to public health, marine life due to pollution its production and usage create. However, it will give benefit economically, it can resolve several macroeconomic problems