



DrumBeat: April 24, 2008

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Topic: [Miscellaneous](#)

[Good-Bye, Cheap Oil. So Long, Suburbia?](#)

Author James Kunstler says the Automotive Age is almost history and deconstructs McMansion living



The suburban landscape has been marred by foreclosures and half-built communities abandoned in the subprime aftermath. But James Howard Kunstler, author of a dozen books, including *The Geography of Nowhere: The Rise and Decline of America's Man-Made Landscape*, thinks there's a bigger threat to those far-flung neighborhoods: the scarcity of oil. As Kunstler sees it, oil wells are running dry and the era of cheap fuel is over. Given the supply constraints, he says the U.S. will have to rethink suburban sprawl, bringing an end to strip malls, big-box stores, and other trappings of the automotive era.

[Suncor CEO says current oil prices unsustainable](#)

CALGARY, Alberta (Reuters) - Current oil prices above \$115 a barrel are not sustainable over the long term, but the oil industry needs at least \$75 a barrel to attract investment and bring on increasingly tougher to find reserves, Suncor Energy Inc's chief executive said on Thursday.

"To keep those new supplies coming on, which are going to be smaller and smaller, you're going to need a good oil price. I just don't think you're going to need \$115," Suncor CEO Rick George told reporters after Suncor's annual meeting.

He said the current floor price for the industry to operate could be in the \$75-\$80 a barrel range, although exact numbers are hard to estimate.

[Iraq boosts oil exports -- and pressure to pay for rebuilding](#)

Iraq boosted its crude oil exports by 3.3 million barrels in March over the previous month, bringing in nearly \$15.5 billion, Oil Ministry figures showed Thursday.

[Pump glitch adding to gas costs](#)

ALBANY, N.Y. (AP) -- Angry about the price of gas? Just imagine paying for gas you don't get.

Some alert consumers have noticed it over the years: A pump that seems to hesitate a second when the lever is squeezed. Anywhere from 2 to 6 cents tick off before the rush of gasoline starts. That's what happens with a common, hard to diagnose and mostly ignored problem with the "check valve," which is supposed to make sure gas flows at the same time the price meter starts.

[Water Needed To Produce Various Types Of Energy](#)

According to the study, the most water-efficient energy sources are natural gas and synthetic fuels produced by coal gasification. The least water-efficient energy sources are fuel ethanol and biodiesel.

In terms of power generation, Younos and Hill have found that geothermal and hydroelectric energy types use the least amount of water, while nuclear plants use the most.

[Sudan Targets Extra 100,000 B/d Output Mid-2009](#)

Sudan is targeting an increase of 100,000 barrels of oil a day mid-2009 as the result of new investments, particularly Chinese, come on stream, the Sudan oil minister has said.

[Serbia-Russia deal still on hold](#)

Serbia should further negotiate the price for the sale of its oil monopoly to Russia before finalizing a key energy deal between the two countries, the defense minister said Thursday.

[Fuel stockpile safety warning](#)



MOTORISTS have been warned not to put lives at risk by stockpiling petrol.

Fears have been raised that desperate car owners are beginning to store highly-flammable fuel ahead of predicted shortages.

[A six step guide for preparing for a fuel shortage](#)

As the scene in Scotland seems to be set for another round of petrol and diesel shortages due to the industrial dispute within INEOS Grangemouth refinery it is reasonable and timely to review a list of contingency actions that all affected by this potential shortage could take.

['Dry zone' fear for drivers](#)

Helensburgh's only filling station ran out of fuel this week as drivers fearing a petrol drought rushed to the pumps.

The panic buying was sparked by the threat of strike action at Grangemouth oil refinery — which supplies 10 per cent of the UK's fuel. Huge tailbacks formed in East Clyde Street as drivers queued outside the Tesco Express garage. Despite ordering in extra supplies to cope with demand, the petrol station had to turn customers away on Sunday after running out of unleaded, super unleaded and diesel.

[Electric usage drops 20 percent](#)

In the face of Juneau's energy crisis, the city is experiencing a shortage of an item not usually associated with a rain forest - clothespins.

By Sunday, a person was hard pressed to find a bag of clothespins on the shelf in either of Juneau's two big chain department stores, and nearby space, where wooden clothes-

drying racks once stood for sale, were empty.

People are buying anything they can to reduce power usage during the crises, said David Tobias, a True Value Hardware employee. Drying racks were sold out the day after the avalanche, he said.

[Sharp rise for natural gas feared](#)

As spring warmth allows homeowners and renters to turn off their furnaces, it may be time for tough choices about next winter.

Suppliers have just started to stockpile natural gas for the main area heating fuel for winter, and it doesn't appear there will be a shortage.

Nonetheless, experts are concerned that prices are higher than normal and could rise significantly this summer.

[Gouging myth out of gas](#)

When you're paying more at the pump, don't blame the station owner. He feels your pain.

[Schools struggle to fuel buses](#)

Soaring fuel prices will cost Middle Tennessee school systems hundreds of thousands of dollars more just to keep buses running until the end of the school year.

To save fuel, bus drivers are being asked not to run their engines when they are parked, even for a short time.

The Williamson County school board on Monday approved dipping into the district's fund balance, money that has been uncommitted, for an additional \$250,000 to buy fuel.

[Higher asphalt costs a strain](#)

Rising crude oil prices are not only hurting drivers at the pump. They will prevent some roads in disrepair from being resurfaced.

The Mississippi Department of Transportation plans to spend between \$55 million and \$60 million on road overlays in fiscal 2009, up about \$10 million past few years. But MDOT chief engineer Harry Lee James said that will cover fewer miles.

[FACTBOX-Why oil prices are at a record high](#)

The fall in the value of the dollar against other major currencies has helped drive buying across commodities as investors view dollar assets as relatively cheap.

It has also reduced the purchasing power of OPEC's revenues and increased the purchasing power of some non-dollar consumers.

[The Future of American Power: How America Can Survive the Rise of the Rest](#)

Despite some eerie parallels between the position of the United States today and that of the British Empire a century ago, there are key differences. Britain's decline was driven by bad economics. The United States, in contrast, has the strength and dynamism to continue shaping the world -- but only if it can overcome its political dysfunction and reorient U.S. policy for a world defined by the rise of other powers.

[Waste Not: A steamy solution to global warming](#)

The U.S. economy wastes 55 percent of the energy it consumes, and while American companies have ruthlessly wrung out other forms of inefficiency, that figure hasn't changed much in recent decades. The amount lost by electric utilities alone could power all of Japan.

[Group touts telecommuting's green benefits](#)

An estimated 1.35 billion gallons of gasoline could be conserved annually if every U.S. worker with the ability to telecommute did so 1.6 days per week, according to a report released today by the American Electronics Association.

[Oil prices, gasoline costs to double: CIBC report](#)

OTTAWA — Crude oil prices will soar to more than \$200 (U.S.) per barrel over the next five years – driving Canadian pump prices to \$2.25 a litre and forcing a fundamental transformation in the North American economy, says Jeff Rubin, chief economist with CIBC World Markets Inc.

In a new report, Mr. Rubin forecast a continued run-up in crude prices, despite a slowing world economy and slumping petroleum demand in United States, the world's leading oil consumer.

...“Whether we are already at the peak of world oil production remains to be seen, but it

increasingly clear that the outlook for oil supply signals a period of unprecedented scarcity," the economist said.

[Caltex chief tips oil to reach \\$US200](#)

The CEO of Australia's largest oil refiner says he expects the price of oil will reach \$US200 a barrel.

The Caltex annual general meeting has heard refining margins dropped during 2007, as the Australian dollar and the price of crude oil soared.

[Oil prices soar to \\$120, and this is not the limit](#)

The world has enough proven oil reserves, which have almost doubled since 1980. But spending on developing new and difficult fields, for example on Russia's Arctic shore and in east Siberia, will be much higher than oil production costs in the 20th century, especially given the current price situation on the oil market.

The logical conclusion is that the current price, \$120 per barrel, is not the limit.

[Kuwait Boosts Sales to China, Stake in Sinochem Plant](#)

(Bloomberg) -- Kuwait Petroleum Corp., the fourth- largest oil producer in the Organization of Petroleum Exporting Countries, wants to increase crude oil exports to China to 100,000 barrels a day this year, a company official said.

[Fuel costs send US Airways to \\$236M loss](#)

PHOENIX — US Airways Group said Thursday it swung to a loss in the first quarter, punished like other airlines by the rising cost of jet fuel.

The Tempe, Ariz.-based carrier said it lost \$236 million, or \$2.56 per share, versus a profit of \$66 million, or 70 cents per share, a year earlier. Excluding special items, the net loss was \$239 million or \$2.60 per share.

[Australia: Carbon tax adds 10c a litre to petrol](#)

THE country's largest oil refiner, Caltex, has stepped up its calls for the Federal Government to quarantine motorists from its proposed carbon-trading scheme, warning it could add an extra \$1.4 billion or 10 cents a litre to the nation's fuel bill each year.

In an abrupt U-turn on the 10-cents-a-litre carbon tax the refiner advocated several weeks ago, Caltex yesterday said the Government should "not impose a carbon cost on motorists".

[State works to stop Juneau energy crisis](#)

JUNEAU — With avalanches having severed Juneau from its source of cheap hydro power, a high-level state disaster cabinet is looking for ways to help the town cope with a sudden spike in power costs.

The 17-member group of commissioners and other state agency representatives met for two hours Wednesday to consider how to soften the blow of what's expected to be about a 450-percent increase in utility bills next month.

[Electric ratepayers may have to cover repair costs as well](#)

Juneau's electric ratepayers won't only be asked to pick up the price tag for the diesel fuel being used to keep the city's lights on.

They may also have to pay for repairing the transmission line and electric towers that were damaged in last week's avalanche near the Snettisham hydroelectric project.

[Air emissions spike in Juneau with increased diesel use](#)

Juneau's electric utility predicts that by late May or early June, it will exceed some air quality permit limits by powering the city on diesel. State permitters may go easy on the company because the cause is a natural disaster.

[Lehman warns that oil boom will deflate](#)

The roaring oil boom of the last few months may be on its last legs as economic growth slows hard across the world and a clutch new refineries come into operation, Lehman Brothers has warned in a hard-hitting report.

"Supply is outpacing demand growth," said Michael Waldron, the US bank's oil strategist.

"Inventories have been building since the beginning of the year. We have pretty significant projects starting soon in Saudi Arabia, and large off-shore fields in Nigeria," he said.

[Big Oil Price Caution Persists Amid Latest Spike](#)

HOUSTON (Dow Jones)--In September 2004, oil prices surged above \$50 a barrel for the first time, foreshadowing today's bullish energy market that shows no sign of abating.

Despite that landmark price, BP PLC (BP) continued to base its investments on \$30 oil, BP Chief Executive John Browne told analysts a few months later on a conference call. BP's restraint reflected the residual caution of an industry that has grown accustomed to boom-bust cycles, including the 1998 downturn that sent oil to the single digits.

[Will gas prices finally drive us to the tipping point?](#)

The most mind-boggling statistic in the EIA report was this one: U.S. gas consumption during the summer driving season - April 1 through Sept. 30 - is expected to decline 0.4 percent.

Yes, that's only four-tenths of 1 percent.

It's discouraging that, when faced with record-breaking gasoline prices - not to mention the specter of fossil fuel-driven climate change - Americans are only likely to curtail their driving by the tiniest of margins.

[Don't blame OPEC for record oil prices, Brown told](#)

A professor of energy policy economics Wednesday confronted Prime Minister Gordon Brown on resorting to again blame OPEC for the ever-escalating price of crude oil.

"Should the prime minister not recognize that there are in fact other causes of high oil prices, in particular unsustainably rapid increases in demand, depleting reserves and the behavior of futures markets?" Philip Wright of Sheffield University said.

[Australia: Get used to \\$1.50-a-litre petrol, experts say](#)

Australian Association for the Study of Peak Oil spokesman Elliot Fishman agreed that the emerging economies of China and India were driving up petrol prices, saying demand far outstripped supply. He said that 1964 was the year the most oil ever was discovered.

"Since that time we've been finding less and less oil and we've reached a point now where we consume four barrels of oil for every one discovered," Mr Fishman said.

["Bad Money" author says our focus on finance could be our downfall](#)

To hear Kevin Phillips tell it, the U.S. is a world power on the skids, an overstretched empire slumping toward the fate of Hapsburg Spain, the maritime Dutch Republic and imperial Britain.

The culprits: Wall Street and Washington.

The former Republican strategist lays out his harsh case in "Bad Money," an update of his 2006 best-seller, "American Theocracy," which warned that the U.S. was dangerously dependent on debt and oil. Events have so far vindicated his views.

["Profit From the Peak: The End of Oil and the Greatest Investment Event of the Century"](#)

There is no doubt that oil production will peak, if it hasn't already, and that all other fossil fuels will peak soon after. The important questions for investors are: when will it happen, to what extent, and what can I do to capitalize on it?

According to Brian Hicks and Chris Nelder, the authors of "Profit from the Peak: The End of Oil and the Greatest Investment Event of the Century (Wiley; March 2008; \$27.95; 978-0-470-12736-0; Cloth)," we are quickly facing the end of our oil-based economy. Half of the world's known oil reserves are gone, and with roughly a trillion barrels remaining -- and consumption up to eighty-six million barrels a day -- the world has about thirty years of oil left. And that's a best-case scenario.

[Australia: Here's what 2020 needed to be about](#)

Given the challenge of global warming and peak oil, debate about tax reform should be focused on what changes are necessary to encourage environment-friendly investment and lifestyles instead of the old debate about the "tax burden", which is completely divorced from what taxes buy.

Measures to stimulate consumption of fossil fuels total more than \$4 billion a year. Why should the fringe benefits tax reward those who use their company cars mostly for private use while lesser mortals pay income tax and GST on their public transport fares?

['Cash in on mixed future for farming'](#)

A huge rise in North Wales plantings already reflects the drive for self-sufficiency and Tony Little, of Organic Centre Wales, told the meeting consumers would also have to change what they eat in the post peak oil economy.

"Feeding animals to feed ourselves is not efficient, though getting rid of livestock altogether is not desirable or obtainable," he said. "But to produce more food, we need more people. One estimate suggests 20% of the workforce – we just need another 19%!"

[Sneaky ways to get better gas mileage](#)

Motorists in the United States looking to save as much as 32 cents on a gallon of gas needn't drive across state lines in search of cheaper prices at the pump.

The answer is right under the hood. That's because more frequent air filter changes can improve your vehicle's gas mileage by as much as 10%, the Car Care Council says.

[U.S. arms sales to OPEC at risk over oil: senators](#)

WASHINGTON (Reuters) - A group of U.S. senators on Thursday will call on the Bush administration to use its leverage with OPEC to increase oil supplies or risk Congress holding up multimillion dollar arms deals with Saudi Arabia, the United Arab Emirates and other members of the oil producing group.

"As Americans are paying more than ever to fill up their cars at the gas station, it is clear that oil production by OPEC members is below the capacity at which they could be producing," the lawmakers said in a joint advisory announcing a press conference in which they will release a letter to President George W. Bush asking him to pressure OPEC for more oil.

[Russia is now the world's largest oil producer ahead of Saudi Arabia](#)

Last year, Russia was the world's largest oil producer ahead of Saudi Arabia. At roughly 9.84 million b/d, Russia produced almost a fourth of non-OPEC crude oil in 2007. However, the latest data now suggests that the days of strong Russian oil output growth are over. After an increase of 2.3% in 2007, crude oil production plummeted in January & February. The decline accelerated further in March, to 1.0% YoY, and Russia's first quarter crude oil production averaged just 9.75 million b/d, down 0.8% YoY.

[Nigeria to oblige oil companies to refine output](#)

BARCELONA (Reuters) - Nigeria is planning legislation to oblige international oil companies to refine a proportion of their crude in the West African country, a Nigerian state oil official said on Wednesday.

"Everybody producing in the country will be mandated to refine a percentage in Nigeria," said Sola Alabi, Group General Manager for refinery projects at the Nigerian

National Petroleum Corp. (NNPC).

[Nigerian Union Begins Partial Strike Against Exxon](#)

(Bloomberg) -- Nigeria's white-collar oil workers union began a partial strike today at Exxon Mobil Corp.'s operations in the country after the two sides failed to reach an agreement over compensation, company and union officials said.

[Libya halts 45,000 bpd offshore oil output - Ghanem](#)

LONDON, April 24 (Reuters) - Some 45,000 barrels per day of Libyan offshore oil production has been halted due to a technical problem and could be off line for a few weeks, the head of Libya's National Oil Corporation (NOC) said on Thursday.

[Ireland: Electricity bills tipped to soar](#)

Electricity costs in Northern Ireland may rise by as much as 30% this year.

The price hike could come as early as June. It follows news that consumers face a rise of 28% in the price of gas.

[UK: 'Local storage' for nuclear waste](#)

Waste from a new nuclear reactor in Somerset would be kept on site, local residents have been told.

British Energy is looking to build a third reactor at Hinkley Point after the government approved a new generation of nuclear power stations.

The company has explained its plans to people living near the site.

[Warming shifts gardeners' maps](#)

Every gardener is familiar with the multicolor U.S. map of climate zones on the back of seed packets. It's the Department of Agriculture's indicator of whether a flower, bush or tree will survive the winters in a given region.

It's also 18 years old. A growing number of meteorologists and horticulturists say that because of the warming climate, the 1990 map doesn't reflect a trend that home gardeners have noticed for more than a decade: a gradual shift northward of growing zones for many plants.

[ConocoPhillips Profit Up 17% on Higher Oil Prices](#)

HOUSTON (AP) -- ConocoPhillips said Thursday its first quarter profit rose almost 17 percent as the third-largest U.S. oil company benefited from record oil prices.

The Houston-based company said Thursday net income rose to \$4.14 billion, or \$2.62 a share, for the January-March period, from \$3.55 billion, or \$2.12 a share, in the year-ago quarter.

[Brazil Oil Finds May End Reliance on Middle East, Zeihan Says](#)

(Bloomberg) -- Brazil's discoveries of what may be two of the world's three biggest oil finds in the past 30 years could help end the Western Hemisphere's reliance on Middle East crude, Strategic Forecasting Inc. said.

Saudi Arabia's influence as the biggest oil exporter would wane if the fields are as big as advertised, and China and India would become dominant buyers of Persian Gulf oil, said Peter Zeihan, vice president of analysis at Strategic Forecasting in Austin, Texas. Zeihan's firm, which consults for companies and governments around the world, was described in a 2001 Barron's article as "the shadow CIA."

..."We could see that world becoming a very violent one," said Zeihan, former chief of Middle East and East Asia analysis for Strategic Forecasting. "If the United States isn't getting any crude from the Gulf, what benefit does it have in policing the Gulf anymore? All of the geopolitical flux that wracks that region regularly suddenly isn't our problem."

[Myth of peak oil debunked](#)

The head of Oklahoma's largest independent producer of oil and natural gas debunked the myth of peak oil on Wednesday, saying the biggest hindrance to recovering new reserves of oil and natural gas are governments and their policies.

[Oil's quest to find tomorrow's fuel](#)

The world's major oil companies are being forced to turn to the once unimaginable raw materials of chicken fat, tar and algae to make fuels and sustain their businesses into the next century.

For, in spite of massive legacy positions in oil and gas built over 100 years, gone are the days of the 1970s, when the majors controlled 85 per cent of the world's oil reserves – the raw materials on which they built their businesses.

[Big Oil Asks: Where Will Tomorrow's Oil Come From?](#)

The Kingdom of Saudi Arabia is the world's leading petroleum exporter. Officially, it has reserves of about 260 billion barrels of crude oil - approximately 24% of the world's total proven petroleum reserves.

But Saudi Arabia has a problem. And it's the same one that every oil-producing nation will face someday: Its oilwells are drying up.

[Saudi Aramco Aims to Double Crude Oil Supply to China By 2010](#)

(Bloomberg) -- Saudi Aramco, the world's biggest state oil company, aims to double its crude oil supply to China by 2010 from about 500,000 barrels a day last year, an official from unit Saudi Petroleum Ltd. said.

[Strike could close key Grangemouth oil refinery for a month](#)

Plans to haul fuel by road from locations in England and Wales to Scotland will be put in place today ahead of a two-day strike at Grangemouth, Scotland's biggest oil refinery.

...It will take up to a month to bring the refinery back up to full capacity, according to its owners.

[BP says power cut at UK refinery would shut Forties](#)

LONDON (Reuters) - Britain's Forties oil pipeline will have to close completely if a power plant at the Grangemouth oil refinery in Scotland stops running because of a strike planned for Sunday, a spokesman for pipeline operator BP said on Thursday.

[Gazprom's New Focus On Production](#)

Russian gas export monopoly Gazprom plans to increase investment in gas production and transportation substantially while cutting spending on acquisitions. This will reassure European customers concerned about its capacity to meet export commitments. However, Gazprom's capacity to deliver will be severely tested as it tackles an array of ambitious projects.

[Far from Middle East, U.S. farmland yields new oil](#)

NEVADA, Missouri (Reuters) - George Stapleton has been in the oil business for 30 years, helping plumb sands and shale across the Middle East, Asia and Europe. Now the chief executive of MegaWest Energy Corp is drilling deep into Missouri farmland.

In a non-descript pasture bordered by a pecan grove and a fish pond, Stapleton's company has hit black gold -- and in doing so is demonstrating how record prices of more than \$100 a barrel are fueling a modern-day American wildcat oil era.

[EU eyes raise of emergency oil stocks as prices soar](#)

The European Commission has launched a public consultation on whether changes should be made to the management of emergency oil stocks held by EU member states as oil prices edged closer to \$120 a barrel on Tuesday (22 April).

The consultation will seek input into the "shortcomings" of the current system in the face of the growing risk of oil supply disruptions caused by rising global demand for oil, the Commission said on Tuesday. The consultation is open until 17 June.

[‘China not main driver of soaring oil’](#)

Soaring international crude prices are driven by a range of factors including speculation and depreciation of the US dollar, not mainly by China demand, Saudi Aramco regional vice president Mohammed al-Mahdi said today.

[Prayer At the Pump](#)

Rocky Twyman says nothing else has worked, so he's urging motorists to pray for lower gasoline prices when they fuel up.

Twyman says he and his fellow volunteers at a church soup kitchen launched "Pray at the Pump" today at a gas station in Washington D.C.

After fueling up their cars, Twyman says they bowed their heads and asked God for cheaper gas.

[Oil's Flight Grounds AirTran](#)

Although AirTran hastened to assure investors that the quarter's loss was just a bump caused by rising fuel prices, the company's decision to issue shares and stall expansion plans indicates there's more than a little turbulence ahead for the airline.

[Airline flies slower to cut costs](#)

Belgium's Brussels Airlines has announced it is slowing speeds and reducing weight on some of its aircraft in order to reduce fuel costs.

The airline said slowing its planes by about 10km/h would cut its annual fuel bill by 1m euros (\$1.6m; £800,000) and add a minute or two to flight times.

[EasyJet Exec Predicts Cull Of Budget Airlines](#)

Oil prices well above USD\$100 a barrel will drive most of Europe's low-cost airlines out of business, the head of easyJet's French subsidiary said on Wednesday.

The stark warning of a cull of low-cost airlines came as the British budget airline's shares fell more than 4 percent after another increase in oil prices towards USD\$120 a barrel.

[Hamish McRae: A permanently high oil price might not be a bad thing if it forces conservation](#)

Oil is in blow-off territory and a reaction in the price is inevitable, probably quite soon. But that does not mean that we will return to cheap oil in our lifetimes.

[Panic at the pumps: Soaring petrol prices and fuel rationing introduced to prevent garage droughts](#)

Demand for unleaded fuel has risen by 68 per cent, according to the UK Petroleum Industry Association, a trade body for the industry.

Demand for diesel was up 40 per cent, it added.

To protect supplies, some garages have introduced unofficial "rationing", limiting customers to £10 of fuel.

[As if the credit crunch wasn't bad enough, the oil price is now piling on the agony](#)

No wonder the British Airways share price fell to a new four-year low yesterday. Less than two months ago, the finance director Keith Williams warned that his operating profits would be completely wiped out by an oil price of just under \$120 a barrel, and that, if sustained, such a price would lead to fundamental change across the airline industry as a whole.

Back then, it seemed quite unlikely prices would reach such an elevated level, yet here we are, less than two months later, with the price of oil at a point which apparently

spells financial Armageddon even for relatively healthy airlines such as BA. I hope you have already paid for this summer's airline tickets, for, the way things are going, the age of cheap air travel may already be a thing of the past, along with cheap mortgages and low-cost flatscreen TVs from China.

[The end of cheap clothes is near](#)

US cotton consumption is set to fall 6.5% from last year to less than a million tonnes whilst EU consumption is expected to fall 11% to about 460,000 tonnes, the Economist Intelligence Unit (EIU) predicts.

At the same time, they are hit by more expensive raw materials and by soaring oil prices, which make their factories more expensive to operate and which pushes up the cost of shipping to foreign markets.

[Surge in oil prices prompts warnings of global recession](#)

The price of oil has surged to a new record above \$119 per barrel. Given the spate of "Record Oil Price!" stories that have filled newspapers in recent months, investors might be inclined to dismiss the latest threshold crossed – if it weren't for the increasingly dire warnings being issued about the havoc that expensive oil may wreak on the global economy.

[Fuel poverty summit branded a disaster](#)

One of Britain's biggest charities has condemned today's energy industry summit as a "disaster" for the 4.5m households who now find themselves living in fuel poverty.

Mervyn Kohler, special adviser for Help the Aged, described the lack of concrete measures to come out of the summit as a slap in the face to the poorest consumers who are now forced to spend at least 10% of their income to heat and light their home.

[Spectre of food rationing hits US](#)

The spectre of food rationing arose in America today as retailers began imposing limits on rice and flour sales following bulk purchases by customers alarmed by rocketing global prices for staple foods.

[Bill McKibben: The Greenback Effect](#)

Greed has helped destroy the planet—maybe now it can help save it.

[Pine beetle outbreaks turn forests into carbon source](#)

DENVER - An outbreak of mountain pine beetles in British Columbia is doing more than destroying millions of trees: By 2020, the beetles will have done so much damage that the forest is expected to release more carbon dioxide than it absorbs, according to new research.

The study, led by Werner Kurz of the Canadian Forest Service, estimates that over 21 years trees killed by the beetle outbreak could release 990 megatons of carbon dioxide into the atmosphere — roughly equivalent to five years of emissions from Canada's transportation sector.

[New Zealand's largest glacier will disappear: scientists](#)

WELLINGTON (AFP) - New Zealand's largest glacier is shrinking fast due to climate change and will eventually disappear altogether, scientists said Thursday.

The 23-kilometre (14.3 mile) long glacier in the South Island's Southern Alps is likely to shrink at a rate of between 500 and 820 metres a year, said Martin Brook, a physical geography lecturer at Massey University.

[GMO coupled with organic farms best for environment](#)

HONG KONG (Reuters) - Genetic engineering, combined with organic farming, may be the best way to grow food for a rising population as the world confronts climate change and environmental degradation, a U.S. rice scientist said.

[China will go further in climate change talks, UN official says](#)

BEIJING (AFP) - The impact of climate change on China's environment will likely lead Beijing to make greater concessions in negotiations on a new global warming pact, a senior UN official said Thursday.

[Scientists say accumulation of greenhouse gases accelerating](#)

WASHINGTON - Major greenhouse gases in the air are accumulating faster than in the past despite efforts to curtail their growth.

Carbon dioxide concentration in the air increased by 2.4 parts per million last year, the

National Oceanic and Atmospheric Administration reported Wednesday, and methane concentrations also rose rapidly.



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