



DrumBeat: October 23, 2008

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Topic: [Miscellaneous](#)

[The Peak Oil Crisis: In the Eye of the Storm](#)

So where does all this leave the world's oil supply - the life blood of our civilization? Recent reports say world production dropped rapidly in September. As stockpiles seem to be rising, we can presume OPEC will cut production again or be faced with much lower oil prices. Given that nearly all the world's oil exporters have let their economies become accustomed to six years of steadily climbing oil revenues, they, as well as their customers, are in for some hard times.

The scariest factor at the minute are reports that smaller traders, that have been an essential part of moving oil across the globe, can no longer get financing for oil shipments - though Exxon, Shell, BP and WalMart don't have to worry about such things. This lack of loans is forcing many traders to the sidelines leaving the market to only the largest participants.

[He Called the Peak in Oil, Now Bleier Sees \\$50 Crude in Early '09](#)

"The commodity trade is over...oil is going to \$100 per barrel."

Or so declared Scott Bleier, president of CreateCapital.com, on July 18. What sounded like an outrageous prediction then turned out to be too conservative as commodities, led by oil and gold, have crashed.

Today, Bleier predicts oil will fall to as low as \$50 a barrel in early 2009, and, short of turning off the spigots entirely, he doesn't think OPEC -- which is meeting in Vienna this week -- can do much about it.

[Farmers, our best spokesmen](#)

The one message that needs to be driven home even harder is the cost of food production. Pacelle continually referenced what the European Union has done in lawfully eliminating modern livestock farms and implied that we should follow suit. In the United States of America, when farmers began implementing confinement barns in about 1945, American citizens spent 19.2 percent of their annual disposable income on food. As

recent as 1980, Americans still spent more than 13 percent of their income on food.

Today, even with higher food prices due to the economic instability, Americans spend less than 10 percent of their income on food because of our production practices. This ranks as the lowest of any nation in the world and yet we have the safest, highest quality food on the planet. So why are people like Pacelle trying to screw this up? Perhaps his vegan agenda has something to do with it.

[OPEC President: Many Oil Projects Hit By Banks Crisis](#)

VIENNA -(Dow Jones)- The global banking crisis will hurt new oil development projects and is already forcing many companies to drop oil projects, OPEC President Chakib Khelil said Thursday.

The banking crisis is crimping project financing for foreign oil companies operating in OPEC and non-OPEC nations, Khelil said. Even if oil prices return to \$90 a barrel, that wouldn't be enough in some cases to secure adequate financing for projects, he said, speaking at a Vienna press conference.

[Official: Russia's oil output may drop this year](#)

MOSCOW (AP) - Russia may see its first drop in oil output for a decade in 2008 as the country's West Siberian oil fields mature, a top energy official said Thursday.

Vitaly Karaganov, head of Energy Ministry's department for oil and gas industries, was the first official to say that Russia's oil production may go down, confirming analyst expectations. Karaganov predicted a cut of 0.3 percent, or 1 million metric tons.

"Compared to 2007, when 490 million tons of oil was produced, we forecast a 1 million ton drop (this year)," Karaganov said, according to Russian news agencies. He added that planned new projects by Lukoil company may help prevent a slump in production.

[ANALYSIS - Falling oil could challenge Saudi development plans](#)

RIYADH (Reuters) - Some of the grand development plans in the world's biggest oil exporter could fall victim to falling crude prices, analysts say, but canny money management means Saudi Arabia has no reason to hit the panic buttons yet.

The government has sought to reassure Saudis that modernisation schemes are on track after fears of a global economic slowdown helped push oil prices down to around \$70 a barrel this month from double that three months ago.

[Canada oil sands projects revamped as crude slides](#)

CALGARY, Alberta (Reuters) - Companies developing Canada's oil sands, one of the world's largest deposits of crude oil, said on Thursday they aim to cut spending on multibillion-dollar projects in response to tumbling oil prices and the financial meltdown.

[Africa's Potential to Sate World's Oil Demand Dims](#)

The petroleum potential of Africa, a key contributor of oil barrels to thirsty markets, is beginning to look dimmer because of the credit crunch and a host of endemic challenges.

[Suncor Energy CEO Predicts Failure of Some U.S. Oil Refiners](#)

(Bloomberg) -- Some U.S. refiners may be forced to shut plants and go out of business in coming months as declining demand aggravates narrowing fuel-production margins, said Suncor Energy Inc. Chief Executive Officer Rick George.

[Persian Gulf Tanker Rates May Drop on Bookings Delay](#)

de to Asia, the world's busiest route for supertankers, may drop as oil companies hold back cargoes and the supply of ships rises.

There are 85 very large crude carriers, or VLCCs, for hire through Nov. 22, Paris-based shipbroker Barry Rogliano Salles said in a report yesterday. Chartering officials who hire ships for refiners need to find about 82 for the whole of November.

[Gas prices increase student bus ridership](#)

ASHEVILLE – More Western North Carolina students are riding the school bus, according to figures collected last month and finalized this week. Advertisement

Increases in gas prices and the monthlong fuel shortage caused a drastic spike in the number of school bus riders across the region, local school transportation directors said.

[Australia: Orange transport firm victim of high fuel costs](#)

ONE of the city's iconic transport firms has become the first high profile company to fall victim to the high cost of petrol in Orange.

In a disturbing sign of things to come, soaring petrol prices have shifted from an issue of annoyance to a cause of utter devastation to the 30 employees of Whites Westran, who

will all lose their jobs when the business shuts down tomorrow.

The collapse of the company, just two months from Christmas, is a devastating blow to the employees, some long-term, and their families.

[UK: Pensioners cutting back on heating risk death, warns expert](#)

As many as 20,000 more pensioners could die this winter as they try to cut back on heating following the sharp rise in energy prices, new research warned.

[Holidaymakers warned shortage of flights could scupper Christmas in the sun](#)

Families have been warned they may struggle to find a holiday in the sun this Christmas, because holiday companies and airlines have cut thousands of flights.

[Earth as a magic pudding](#)

The resource pyramid idea contains a hidden assumption - that energy is cheap and abundant. In fact, it is the price of energy that ultimately determines the base of the resource pyramid. At each step down the resource pyramid the substance sought is less pure and/or accessible and so it requires more energy to extract.

At some point the cost of the energy required to exploit the resource will equal the value of the substance obtained. It is at that moment that exploitation of the resource ends. To date, energy has been so cheap that we have rarely (if at all) been faced with having to end exploitation. (No examples spring to my mind. Maybe readers can suggest some in comments on this article.) The high price of any substance has usually resulted in substitution by something else more abundant.

[Norway should make oil fund greener: minister](#)

OSLO - Norway should earmark some of its \$295 billion oil fund for long-term investments in environmental stocks, Environment Minister Erik Solheim said on Thursday.

He said that clearer support for renewable energy and other green technologies by big sovereign wealth funds -- Norway alone owns about 1 percent of European equities -- could help stabilise the shares and encourage private investors.

[Wood heat rises again](#)

High cost of oil and gas fuels a boom in wood stoves. But what is the cost to climate?

[The tyranny of the immediate](#)

The difficulty, as I've suggested in previous posts, is that historical change happens at a pace much more leisurely than textbook summaries suggest. Most people who didn't live through the opening years of the last Great Depression leave school with the notion that when the stock market crashed in the fall of 1929, the economy reached a full stop by the time investors stopped plummeting from Wall Street windows. In reality, it took more than three years for the economy to finish contracting, and scenery en route included a dramatic stock market rally in 1930 and some of the best days of rising prices, in percentage terms, that Wall Street has ever seen. At every point along the course of contraction, furthermore, financial pundits drew false conclusions from short-term changes. The resulting headlines have more than a little similarity to the ones that clutter the financial press today.

This habit of reading too much into short-term conditions has shown itself more than once in the recent economic convulsions, and guesses about the future price of oil – a subject of interest to many peak oil researchers – have been particularly affected. Earlier this year, as the price of oil soared to \$143 a barrel, a great many people argued that it would keep on climbing to \$200 or \$250 a barrel in the near future. Now that the price of oil has slumped below \$70 a barrel, the tide of opinion has turned, and some pundits are now predicting a continued slump to \$50 or even \$35 a barrel. These predictions seem quite plausible at the moment they're uttered, but then so did the idea that shares in dot-com startups would keep on climbing in value all through 2000.

[Mexican Senate takes up oil reform amid protests](#)

MEXICO CITY (AP) — Riot police are surrounding the Mexican Congress as the Senate prepares to take up a controversial energy reform bill.

The measure would allow more private and foreign investment in the state-run oil company Petroleos Mexicanos, or Pemex.

The company is facing dropping production.

President Felipe Calderon proposed the bill and says it will help the company tackle deep-water drilling. But leftist opponents argue it is a veiled attempt to privatize the industry.

[Pemex Enters Gulf Ultra Deepwater in Search of Oil](#)

(Bloomberg) -- Petroleos Mexicanos has started seismic studies for oil under seas three times deeper than anything it has drilled, marking its entry into ultra deepwater as it seeks to offset an almost five-year decline in output.

[Canada in 2020](#)

From the current financial crisis to the issues of energy, food and the environment, we are increasingly seeing the complex networks that connect us all. There are issues of oil supply, man's impact on the environment and the search for viable alternative energy. There are issues of education and infrastructure — and hard questions about whether or not Canada is prepared to do what it takes to stay competitive (see what former Canadian astronaut Roberta Bondar has to say about that). And finally, there are issues about what we're going to do to best manage the wealth we generate and the products and services we manufacture. Read on as *Canadian Business* takes a look at the future and some of the long term challenges facing Canada and our global neighbours over the next decade.

[Rural energy a hot topic for cold climate communities](#)

ANCHORAGE, Alaska -- Alaska leaders met in Anchorage Wednesday to deal with the high cost of energy in Alaska's rural areas.

The discussion took place during the annual Alaska Federation of Natives Conference. The focus Wednesday was helping Alaska Native villages and Bush communities deal with fuel prices that are double what they are in Alaska's cities.

[Visionaries look to the past for rural Alaska's future](#)

A tribe-owned company aspires to turn the trees into firewood and barge their product to Bethel, where heating oil is getting unbearably expensive, said Mark Leary, the Napaimute village official spearheading the project.

[South Africa: Penalties for power hogs likely to wait](#)

Johannesburg - The government is expected to delay implementing proposed energy penalties until after next year's general elections, to avoid upsetting consumers.

Proposals before the national emergency response team are that consumers that use more than 10 percent more than their allocation on three occasions will face an electricity price of R18 a kilowatt-hour, which is 72 times the average electricity price of 25c per kilowatt-hour.

[Balochistan peace must for oil exploration: Zardari](#)

ISLAMABAD: President Asif Ali Zardari said on Wednesday that the government would restore peace in Balochistan and make it safe for oil and gas exploration after holding dialogue with stakeholders.

At a briefing on energy crisis and the pace of oil and gas exploration in the province by officials of the ministry of petroleum and natural resources at the presidency, he said energy security was as much vital for the nation as food security.

[School encourages carpooling](#)

Like most community colleges, Walters State is a commuter college. A program on the college's website is helping students connect and save money by carpooling.

Students sign in and find students in their area who want to carpool to class.

"It's saving me right around \$80 a month," said student Jonathan Barrett.

[No electricity, no study: teachers and students unite](#)

LAHORE: Students and teachers are equally suffering due to the unscheduled load shedding in the city, which is hampering their lectures and laboratory work.

Students in Masters and Bachelors programmes, especially those enrolled in the semester system, said that they were the 'worst victims' of unscheduled power outages. They said the problem was even worse for science and information technology students because most of their classes were held in laboratories and required electricity.

[Cash-strapped Pakistan finds few friends in time of economic need](#)

Islamabad, Pakistan - With Pakistan forced to ask the International Monetary Fund (IMF) Wednesday for help avoiding bankruptcy, its government is learning that having friends in high places doesn't always pay.

Pakistan, a frontline country in fighting global Islamic militancy, counts wealthy nations like the United States, China, and Saudi Arabia among its friends – all of whom understand that Pakistan's shortage of funds will severely handicap its already weak government.

Yet its tumbling economy has caused even its strongest allies to so far resist bailing it out.

[Survival Of The Fittest Building](#)

As the largest controllable operating cost, energy conservation in commercial buildings is hardly a new idea. From the World Wars to the energy crisis of the 1970s, efficiently harnessing the power needed to run commercial buildings at optimum comfort and performance levels has been no small task for facility professionals. Now that challenge is increasingly urgent, as utility costs continue to spike, cities and nations combat escalating climate change concerns, and facility managers (fms) look for the competitive edge in a tightening economy.

[Wheeling considering electric carts on village streets](#)

Wheeling trustees again considered allowing electric carts to drive on village streets last week and this time momentum seems to be in favor of the unconventional mode of transportation.

[Oil predicted to rebound above \\$100 US](#)

On a day when the price of oil plunged by more than \$5 US a barrel to a 16-month low below \$67, one of the country's top economists and an oilpatch expert told the city's commercial real estate industry that oil will rebound to more than triple digits next year.

Before about 1,300 delegates at the Calgary Real Estate Forum on Wednesday, Jeff Rubin, chief economist for CIBC World Markets, said four of the past five global recessions were triggered by huge spikes in oil prices, which peaked at \$147 in July.

But he said the world oil supply has not grown for the past three years and predicted oil prices will rebound to triple digit levels by next year and could go to even "higher triple digits than we've seen before."

[Oil, anyone want it?](#)

Energy investors had better hope that China continues to burn through more and more crude oil, because the United States sure isn't going to. The latest report from the U.S. Energy Department showed that oil inventories rose more than 3 million barrels last week, higher than forecast.

Previously, rising inventories had been blamed on so-called demand destruction, where the high price of energy forced consumers to cut back. Now, with the price of crude oil less than half of what it was in July, the slowing economy is getting the blame.

[NY pol asks oil companies to redo contracts](#)

WHITE PLAINS, N.Y. (AP) — The Westchester County executive says heating oil companies should renegotiate with homeowners who agreed to a fixed price when oil was much more expensive than it is now.

County Executive Andrew Spano says some customers may have locked in prices as high as \$4.50 a gallon, fearing the price would go even higher. Now prices are averaging \$2.78 in Westchester.

Spano has asked 69 companies to consider assisting some customers, especially seniors and others on fixed incomes.

[Are airlines a buy now the oil price is down?](#)

Are the risks of falling consumer demand as a result of a global economic downturn outweighing the benefits of lower oil?

[Oil powerhouse Venezuela struggles to keep lights on](#)

SAN FELIX, Venezuela (Reuters) - Despite having some of the world's largest energy reserves, Venezuela is increasingly struggling to maintain basic electrical service, a growing challenge for leftist President Hugo Chavez.

The OPEC nation has suffered three nationwide blackouts this year, and chronic power shortages have sparked protests from the western Andean highlands to San Felix, a city of mostly poor industrial workers in the sweltering south.

[Vietnamese president called for joint oil/gas projects with Russia](#)

HANOI (Itar-Tass) - Vietnamese President Nguyen Minh Triet has called for joint oil and gas projects with Russia, not only in the Vietnamese territory, but also in Russia and third countries.

"Russia is implementing 58 investment projects in Vietnam at present," he said expressing the hope that it will continue to take part in the key Vietnamese projects.

[Official describes secret uranium shipment](#)

WASHINGTON (AP) — Enough processed uranium to make six nuclear weapons was secretly transported thousands of miles by truck, rail and ship on a monthlong trip from a research reactor in Budapest, Hungary, to a facility in Russia so it could be more closely protected against theft, U.S. officials revealed Wednesday.

[U.S. to boost geothermal energy use on federal lands](#)

WASHINGTON (Reuters) - The U.S. Interior Department said on Wednesday it would make more than 190 million acres of federal lands in 11 western states and Alaska available to energy companies to develop geothermal energy resources for generating electricity.

"These federal lands ... hold a huge energy potential," said Interior Secretary Dirk Kempthorne.

[Political pressure keeps ethanol cash flowing](#)

By most rational measures, the corn-based ethanol industry should be on its knees. Its six biggest public companies have lost more than \$8.7bn (€6.7bn, £5.3bn) in market value in the past three years alone.

The fuel has had little impact on either greenhouse gases or US dependence on foreign oil, in spite of an estimated \$80bn in taxpayer subsidies that were supposed to address both issues.

[Can Cape Wind save your ocean view?](#)

If one thinks that to be a sound reason for selecting a property that is to become a family treasure into the future, perhaps one needs to do some research on climate change.

At present our air contains 385 ppm (parts per million) of CO₂, and we are increasing that by 2 ppm annually. At 350 ppm polar and glacial ice melt is beyond the tipping point. NASA climate scientist James Hansen says sea level rise of 20 feet in this century can't be ruled out unless we get below 350 ppm pronto!

[UK announces world's largest algal biofuel project](#)

The world's biggest publicly funded project to make transport fuels from algae will be launched today by a government agency which develops low-carbon technologies.

The Carbon Trust will today announce a project to make algal biofuels a commercial reality by 2020. The plan could see up to £26m spent on developing the technology and infrastructure to ensure that algal biofuels replace a significant proportion of the fossil fuels used by UK drivers.

[Beetle invasion threatens New England trees](#)

WORCESTER, Mass. - A wood-devouring beetle has gained a foothold in New England, and authorities plan to cut down large numbers of infested trees and grind them up to stop the pest from spreading to the region's celebrated forests and ravaging the timber, tourism and maple-syrup industries.

..."The movement of firewood is probably, in my mind, the biggest threat in this area because so many people burn wood, so many people move wood without thinking, 'Oh, I could be transporting a pest,'" said Tom Denholm, who has set up a federal program to fight the insects in New Jersey and was sent to Massachusetts to help with efforts here. "We can move the beetle a lot faster moving firewood than the beetle moving on its own."

[Stern: Green routes to growth](#)

There are two crucial lessons we must learn from the financial turbulence the world has been facing. First, this crisis has been 20 years in the making and shows very clearly that the longer risk is ignored the bigger will be the consequences; second, we shall face an extended period of recession in the rich countries and low growth for the world as a whole. Let us learn the lessons and take the opportunity of the coincidence of the crisis and the deepening awareness of the great danger of unmanaged climate change: now is the time to lay the foundations for a world of low-carbon growth.

High-carbon growth - business as usual - will by mid-century have taken greenhouse gas concentrations to a point where a major climate disaster is very likely. We risk a transformation of the planet so radical that it would involve huge population movements and widespread conflict. Put simply, high-carbon growth will choke off growth. To manage the climate, we must cut world emissions by at least 50% by 2050, as recognised by the G8 earlier this year. Given that rich countries' emissions are far above the world average, their cuts should be at least 80%, acknowledged in Europe and the UK, with the adoption of that target last week.

[OPEC faces 'uphill battle' as oil prices plummet](#)

SAN FRANCISCO (MarketWatch) -- Members of the Organization of the Petroleum Exporting Countries saw fit to schedule an "extraordinary" meeting this Friday after seeing oil prices drop more than 50% in three months.

That constitutes an emergency to them, just like the weakening global economy is to the rest of us.

"It's about a snowball running downhill, and turning into an avalanche," said Anthony Sabino, a professor of law at St. John's University, whose legal practice includes oil and gas law. "Per-barrel price is cascading downward and only gaining momentum."

[Oil companies take steady, careful approach to '09](#)

SAN FRANCISCO (Reuters) - Energy companies put on a brave face in response to rapidly deteriorating pricing on Wednesday, keeping 2009 spending plans largely steady, even as crude oil prices tumbled to a 16-month low.

Executives plan to wait for cues from clients before altering capital budgets because, even if oil prices are half that of three months ago, a \$70-a-barrel range still represents a historically healthy level for production.

[What World Religions and Leaders Won't Talk About](#)

All great religions promote unending and limitless birth rates. The Catholic Church, no matter how much humans suffer, promulgates endless birth rates. That holds true for Buddhism, Islam and the rest of them.

So, what's the big deal? Too many people, that's the big deal!

[Seattle never 'misses a chance to miss a chance' on light rail](#)

The only thing keeping it from succeeding here are the myths propagated by foes, says this economics journalist. Here's a line-by-line debunking.

[Village bid for greener future](#)

IF a group of green-thinking residents achieve their ambitious goal, a Suffolk village could soon be self-sufficient ... with solar panels glistening from its famous medieval roofs.

A group of villagers have launched a campaign to transform Lavenham into a "transition village" – making it an eco-friendly community less reliant on fuel and food from outside the area.

[Going Udall the way](#)

New Mexico Democrat Tom Udall is battling for a vacant Senate seat in a race that enviros are watching closely this year -- just like his cousin in Colorado.

Republican New Mexico Sen. Pete Domenici is retiring this year, and Udall is facing

Republican Rep. Steve Pearce in a contest to fill the vacancy. Enviros are happy to see Domenici go -- the six-term senator has just a 14 percent lifetime score from the League of Conservation Voters.

[As store shelves go bare, Kremlin whitewashes credit crisis](#)

Russian President Dmitry Medvedev has couched the crisis as an illness exported by the West - one that Russia is better prepared to ride out than other countries thanks to Russia's massive sovereign wealth fund, which has been filled by years of rising oil prices.

But with a recent drop in oil prices, energy firms Rosneft and Lukoil are among rich companies lining up for government credits. Moscow's bourses have lost 70 per cent of their value from peaks in May.

Kremlin critics say the government's planned 170 billion dollars in loans will be handed out based on political ties. Furthermore, they say it will only boost inflation, already closing in on 15 per cent.

But shoppers staring at the empty store racks Friday mainly shrugged.

[Oil rises to \\$67 as OPEC prepares to cut output](#)

(Bloomberg) -- Crude oil rebounded from a 16-month low after Iran said OPEC should cut production by 2 million barrels a day to stem the slump in prices.

Oil rose after Iranian Oil Minister Gholamhossein Nozari said OPEC must ``balance" the market after prices tumbled 53 percent since a record high in July. Analysts in a Bloomberg survey expect OPEC to reduce output by at least 1 million barrels a day when the group meets in Vienna tomorrow.

[The passing of peak oil?](#)

When a Goldman Sachs analyst predicted that oil prices could reach \$200 a barrel over the next six to 24 months in May, it sent shockwaves around the world.

Newsweek ran a cover that conceptualized what a future \$200-a-barrel-world would look like, while the Los Angeles Times envisaged a breakthrough in telecommuting. All the while, Western governments railed against OPEC for refusing to increase output.

By September, the same analyst cut his 2009 oil price target from \$140 to \$110. Last week, Goldman Sachs slashed its 2009 oil price target by another \$35 to \$75.

"We clearly underestimated the depth and duration of the global financial crisis," a team

of commodity analysts wrote in a research note. And yet \$200 oil didn't seem like such a strange idea this summer, when a barrel of crude was nearing \$147.

[Savings from cheap gas not getting spent freely: Despite dramatic fall, consumers are wary about spending habits](#)

HOUSTON - It's almost like a surprise stimulus check: Gas prices have fallen so fast that the nation has found itself with an extra \$125 billion to spend. But don't expect the freed-up cash to pump much life into the economy.

Filling up for less than \$2.50 a gallon in some places hasn't done much to boost confidence — not when disappearing jobs, sagging home prices and the financial meltdown are everyday worries.

[OPEC Faces Worsening Oil Price Drop as Growth Slips](#)

(Bloomberg) -- OPEC's first production cut in almost two years may fail to stanch a collapse in oil prices as roiling stock markets signal that the financial crisis has spread to emerging markets, the center of demand growth.

[Norway to maintain oil production](#)

Norway will at present not follow the call by the organisation for oil producing nations (OPEC) for a cut in oil production, says Foreign Minister Jonas Gahr Stoere.

[Suncor Cuts 2009 Spending Plan by 33%, Delays Oil-Sands Project](#)

(Bloomberg) -- Suncor Energy Inc., the world's second-largest oil-sands producer, trimmed its 2009 capital budget by 33 percent to C\$6 billion (\$4.8 billion) and slowed construction at its Voyageur project.

[Will gas price dip help vehicle-dependent firms?](#)

Greenco Environmental had some ambitious plans, but last spring found itself pinned between the fixed rates it had negotiated for contracts and the soaring cost of diesel fuel.

The Barnesville company, which hauls organic trash and turns it into compost, was spending up to \$1,500 more per month on fuel. Now, with prices falling, the company has decided that money can be used to create a new job.

[Petro-Canada's Profit Rises 61% on Higher Oil Prices](#)

(Bloomberg) -- Petro-Canada, the country's third- largest oil company, said third-quarter profit rose 61 percent from a year earlier on higher prices, beating analyst estimates.

[Five things investors believed about the market six months ago but now don't](#)

Related to the emerging market story are two other tales no-one gives much credence to anymore. First, the commodity super-cycle, which was pedalling furiously until the prices of everything from oil to copper and wheat turned south in July. In the 18 months prior to this, the benchmark commodity index had risen by 120pc. In the three months since, it has fallen by 46pc, almost back to where it started. The Baltic Dry Index, which measures the cost of shipping these commodities, has fallen by 90pc since May. Second, the investment opportunity represented by global warming and energy insecurity, which has cooled as fast as the oil price. The iShares Global Clean Energy ETF has fallen by 48pc in three months. Have these two stories, which sounded so reasonable half a year back, really been so discredited? Are half a billion Chinese no longer moving from the countryside to the city? Has peak oil been cancelled or merely deferred? Has the credit crunch put climate change on hold?

[Australia plans electric vehicle network](#)

Melbourne - A United States firm on Thursday unveiled plans to build a massive \$667-million (about R7,6-billion) charging network to power electric cars in Australia as it seeks cleaner and cheaper options to petrol.

Better Place, which has built plug-in stations for electric vehicles in Israel and Denmark, has joined forces with Australian power company AGL and finance group Macquarie Capital to create an Australian network.

[Energy Financing Is Gone with the Wind](#)

Financing for wind farms has disappeared and fewer companies will be able to develop the kind of "mega projects" needed to feed the growing demand for energy, said Reyad Fezzani, CEO of BP's (BP) wind and solar operations, at the Dow Jones Alternative Energy Innovations conference Wednesday.

In just the last month, money that typically would be available for building renewable-energy projects has "completely dried up," thanks to the financial market crisis, Fezzani said during a keynote and on-stage interview with Yuliya Chernova, editor of Dow Jones' Clean Technology Insight.

[City urged to spend cash on local food](#)

Activists would like bolder action than city hall's go-slow approach to buying more locally grown food as a climate-change initiative.

"The message should be (we're) going to 30 per cent to 50 per cent local," said Jamie Reaume, executive director of the Holland Marsh Growers Association. "They've limited themselves to 37 daycare centres in the first year."

Councillors yesterday endorsed a policy to "progressively increase" the percentage of local produce served at city-owned venues.

[Spain's ex-prime minister blasts 'new religion' of climate change](#)

MADRID (AFP) - Former Spanish prime minister Jose Maria Aznar Wednesday dismissed climate change as a "new religion" that is drawing hundreds of billions of euros at a time of economic crisis.

[Some epidemics linked to climate change](#)

WASHINGTON — When a 1991 cholera outbreak that killed thousands in Peru was traced to plankton blooms fueled by warmer-than-usual coastal waters, linking epidemics to climate change was a new idea.

Now, scientists say, it is a near-certainty that global warming will drive significant increases in waterborne diseases around the world.

[The Five Horsemen of environmental change](#)

And as railroads built national networks, so the new capitalists followed them, merging, acquiring, or stamping out local firms, which were unable to compete with the financial muscle and economies of scale of the new trusts – Rockefeller's Standard Oil, Carnegie Steel, American Tobacco, the sugar trusts. Truly national economies emerged.

But even more fundamentally, the railroads changed America's self-image forever. Swept aside was the ideal of Jeffersonian agrarianism; in its place, American exceptionalism, America as technological optimist, the glittering New Jerusalem – the America of the Chicago World's Fair of 1893, a technological sublime captured by Katherine Lee Bates' vision in *America the Beautiful*: "Thine alabaster cities gleam/undimmed by human tears."



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