



## DrumBeat: January 30, 2009

Posted by [Leanan](#) on January 30, 2009 - 9:53am

Topic: [Miscellaneous](#)

### [Mexico's Peso Stuns UBS With Biggest Drop Since 1995](#)

(Bloomberg) -- The steepest decline in Mexico's peso in 13 years blindsided everyone from UBS AG economists to Gustavo Huitron, the local marketing manager for Mercedes-Benz.

After weakening 20 percent last year, the currency fell to a record low of 14.4484 per dollar today. RBS Greenwich Capital Markets in Greenwich, Connecticut, now predicts another 4.5 percent drop by June 30. The peso's worst performance since 1995's so-called Tequila Crisis is being driven by the U.S. recession and falling oil prices, which are cutting Mexican exports and government revenues.

### [Shell gets tough on costs as oil prices bite](#)

LONDON (Reuters) - Royal Dutch Shell Plc has intensified its cost-cutting efforts in response to the collapse in oil prices and also plans to step up efforts to improve what it said was a "mixed" safety record.

Shell's head of Exploration and Production Malcolm Brinded told employees in an email seen by Reuters that staff had to make "tough choices".

"We simply need much higher sustainable savings this year and I ask for real actions from all of you .... Shed contractor staff, challenge requirements, eliminate consultancy work, reduce travel massively, cut overheads everywhere," he said.

The E&P boss pleaded for fewer meetings and "75 percent fewer slides".

### [Number of active oil rigs drops by 43](#)

HOUSTON — The number of rigs actively exploring for oil and natural gas in the United States dropped by 43 this week to 1,472.

Of the rigs running nationwide, 1,150 were exploring for natural gas and 309 for oil, Houston-based Baker Hughes Inc. reported Friday. A total of 13 were listed as

miscellaneous.

A year ago, the rig count stood at 1,763.

### [Petrobras CEO Revises Plans to Hire 14,000 by 2010](#)

(Bloomberg) -- Petroleo Brasileiro SA, Brazil's state-controlled oil company, will revise its plan to hire more than 14,000 workers by 2010 as plunging oil prices call for cost cuts, Chief Executive Officer Jose Sergio Gabrielli said.

### [Valero Will Shut Two Refineries If Union Strikes](#)

(Bloomberg) -- Valero Energy Corp., the largest U.S. refiner, said it will shut its Memphis and Delaware City, Delaware, refineries if union members strike.

The company will operate its Port Arthur, Texas, refinery with a contingency workforce, the company said today in a posting on its Web site.

### [Nigerian Militants Call Off Cease-Fire in Oil-Rich Niger Delta](#)

(Bloomberg) -- Nigeria's main militant group in the Niger River delta said it was calling off a four-month cease-fire and would start attacking Africa's biggest oil industry beginning tomorrow.

The Movement for the Emancipation of the Niger Delta, MEND, said in a statement today that it was ending the cease-fire because Nigerian military forces attacked the base of an allied militant group.

### [Byron King: Why Oil is Too Cheap](#)

Houston's most famous investment banker Matt Simmons is one of the great advocates of this aboveground focus, particularly on the issues of industrial capacity. To be fair, Matt discusses the Hubbert-like geological constraints. But Matt devotes much of his argument -- correctly -- to nongeological issues in the oil patch. For example, Matt discusses how there is not enough oil field equipment, from rigs to high-strength subsea valves. Or there are too few trained personnel, or not enough well-drilling, or there's just plain systemic corrosion ("rust") that will limit future oil output.

And Simmons is entirely right about his points. It's always an informative use of time -- and a true pleasure -- to watch Matt give a talk. Over the long term and at the rate things are going, Matt is exactly on target. There will not be enough oil to meet eventual world demand, because of underinvestment in drilling, inadequate personnel,

insufficient industrial capacity and other inefficiencies in the overall industrial process.

### [Norway plans carbon capture project](#)

Norway plans to build a 5.2 billion-kroner (\$812 million) research center for developing technology to capture carbon dioxide from burned fossil fuels as a way of combating global warming, the oil minister announced Friday.

"This is a milestone in developing technology for CO<sub>2</sub> capture," said Minister of Petroleum and Energy Terje Riis-Johansen. "It is a difficult project, but it is crucial that we succeed because handling CO<sub>2</sub> is a critical tool in fighting global warming."

### [Cotton farmers using sustainable practices](#)

Energy will be another crucial challenge for cotton farmers with estimates that peak oil production will occur in either 2016 or 2037, depending on which source you believe. "Either way, it's not that far off," Barnes said. "Cheap energy is not in our future and we need to look at the effect of energy use."

He said irrigated cotton is only slightly more energy expensive than dryland production but is "substantially more yield and quality stable."

Nitrogen, however, "doubles the energy footprint for cotton." But, he said, researchers are getting a better handle on the energy contained in the cottonseed itself. "The seed contains two times the energy needed to grow a crop."

Barnes said cotton's energy footprint compares very favorably with its most important competitor, man-made fibers, which are made "from a product that will disappear in 100 years."

### [GM's \\$35 billion albatross](#)

GM needs to prove to the government that it will be able to cut unsecured debt by two-thirds. Some think creditors have no choice but to accept a swap for stock.

### [Caterpillar laying off 2,110 more workers](#)

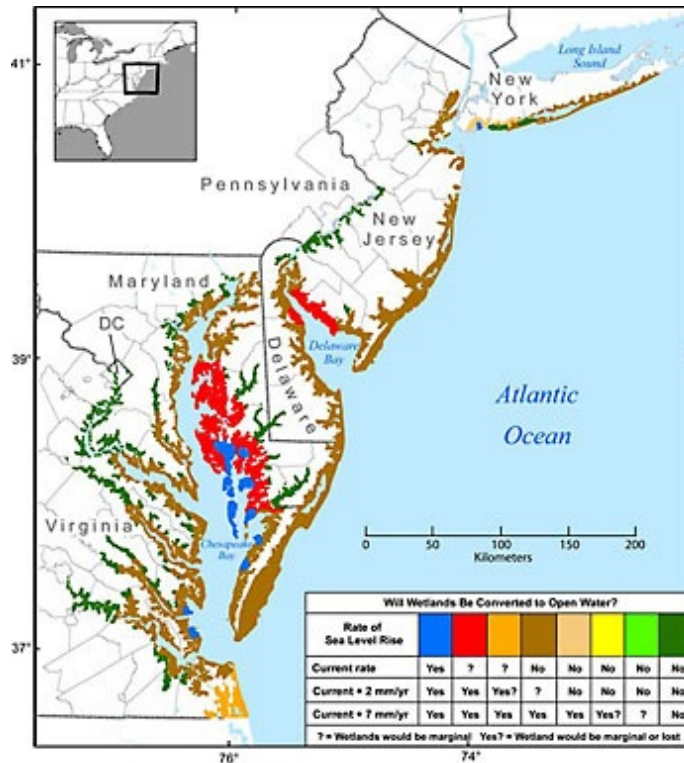
CHICAGO - Caterpillar Inc said Friday it is laying off an additional 2,110 workers, bringing the week's total to about 22,000, as the company scrambles to cope with a downturn in demand for its construction and mining equipment.

The latest cuts affect plants that build products for the mining and energy industries,

customers that had helped sustain Caterpillar as other key markets, like residential construction, swooned.

The recent dramatic pullback in commodity and oil prices has forced those customers to rethink their plans for investment in new equipment.

### [Sea levels rising at nearly double previous estimates due to global warming](#)



Scientists predict that global sea levels could rise nearly 40 inches by the end of the century, according to a recent report from the U.S. Environmental Protection Agency.

The new estimates nearly double the worst-case scenario presented in 2007 by the Intergovernmental Panel on Climate Change, which projected a global sea level rise of 7 to 23 inches by the end of the century.

Parts of New York City would be at risk of submersion even with roughly 16 inches of local sea-level rise, according to research from Columbia University.

Because the additional water would weaken or destroy wetlands and flood protection, major storms could submerge Coney Island, much of southern Brooklyn and Queens, portions of Long Island City, Astoria, Flushing Meadows-Corona Park, Lower Manhattan, and eastern Staten Island, one study showed.

### [UK energy saving policy 'failing'](#)

The UK government is failing to support its own measures designed to deliver energy savings, an expert has warned.

Philip Sellwood, chief executive of the Energy Saving Trust (EST), said local authorities needed more funds in order to ensure savings were being made.

While ministers were quick to promote new policies such as "zero carbon homes", existing building regulations were not being upheld, he added.

### [Tata Motors Has Loss on Lower Sales, Foreign Exchange](#)

(Bloomberg) -- Tata Motors Ltd., the Indian truck maker that owns Jaguar and Land Rover, posted its first quarterly loss in seven years as tighter credit and slower economic growth hurt vehicle sales and it had a foreign exchange loss.

### [Airlines in financial crisis, aviation group says](#)

Airlines around the globe are in their most widespread financial crisis since World War II, the world's largest aviation trade group said Thursday.

The International Air Transport Association (IATA), which represents 230 airlines worldwide, reported that December's international air passenger traffic fell 4.6% year-over-year, and only about 74% of plane seats were sold. International air cargo volume fell an unprecedented 22.6% year-over-year, a sign of plummeting consumer spending.

### [Pa. Natural Gas Operations to Face New Rules](#)

A Pennsylvania industry task force, comprised of state Department of Environmental Protection and representatives of the natural gas industry, met this month for the first time to develop new rules for controlling wastewater pollution from drilling operations and methods to treat wastewater. They also discussed ways to streamline the permitting process.

### [Indian Court Lifts Ban on Reliance's Gas Field Sales](#)

(Bloomberg) -- The Bombay High Court temporarily lifted a ban on the sale of natural gas from Reliance Industries Ltd.'s largest field off India's east coast, paving the way for supplies to fuel-starved fertilizer and power companies.

"The court has lifted the ban as an interim measure till it pronounces the final judgment," Additional Solicitor General Mohan Parasaran, who represents the Indian government in the dispute between Reliance Industries and Reliance Natural Resources Ltd., said by telephone from Mumbai.

### [John Michael Greer: The ecology of social change](#)

Survey any of the major historic outbreaks of mass scapegoating and violence and you'll find it in a context where socially acceptable belief systems failed to keep up with a changing world. Behind the European witch hunts, for example, lay the collapse of late medieval worldviews that hardened into dogma as they were cracking apart at the seams, just as the fatal mismatch between German fantasies of global dominion and Germany's actual status as a little country without oil reserves or defensible borders in an age of sprawling petroleum-fueled empires played a major role in setting the stage for its catastrophic 20th-century history.

What makes the situation in contemporary America interesting, from this perspective, is the way that its mainstream culture and its self-described alternative countercultures have fallen into versions of the same double-bind. Many posts here, and of course quite a bit of excellent analysis by other authors, have outlined the way that the narratives of the cultural mainstream in contemporary America built a worldview of perpetual progress and limitless abundance on the temporary foundation of cheap fossil fuels, and have been made hopelessly irrelevant by the end of the petroleum age. Less often discussed and, I believe, less often noticed is the way that most current proposals meant to replace the current order of society with a better one also rest on beliefs about the world that hold up very poorly in the face of experience.

### [OPEC's El-Badri Says \\$70-90 Is 'Reasonable' Oil Price](#)

(Bloomberg) -- Abdalla el-Badri, OPEC secretary-general, said \$70 to \$90 a barrel is a "reasonable" oil price to support investment in new production.

"It's a reasonable price where we can invest and that's the most important thing for the world," el-Badri said in a television interview at the World Economic Forum in Davos today. "We control 75 to 80 percent of the world reserves, we need to develop that reserve so we can have more supply to the world."

### [StatoilHydro says Venezuela payments not delayed](#)

OSLO (Reuters) - Norwegian oil and gas producer StatoilHydro, a partner in a big Venezuela heavy oil project, said it has not seen any delays in financial dealings with companies in the South American country.

This week Venezuela seized a rig owned by ENSCO International after the U.S. company halted operations because of unpaid bills, stoking concern over the future of Venezuela's state-controlled oil sector.



## [Don't Expect Oil Prices to Break \\$50 Until Q2 - FirstEnergy Capital](#)

The “stability for now, upside later” argument for crude oil prices appears to be holding true for both WTI and Brent pricing, which has done little to set any directional bias so far in 2009. But one thing FirstEnergy Capital analyst Martin King says he can be sure of, is that his call for the price bottom in mid-December remains correct.

“This is a market, though still dealing with some oversupply issues at Cushing, Oklahoma, that has begun to realize that corrective forces are at work,” he said in a research note, adding that OPEC production cuts is a powerful force that is finally getting some attention. “If anything, these cuts look to be more serious than many market pundits originally thought.”

## [Obama's Mexican challenge](#)

Mexico is Latin America's second-biggest economy and the third-biggest oil supplier to the United States. It could also prove an unexpected challenge for President Obama, says David Stevenson.

## [Mexican president seeks foreign oil investment](#)

MEXICO CITY: Mexican President Felipe Calderon sought to sell the heads of the world's biggest energy companies on his nation's oil industry on Thursday, touting new openings for foreign firms, his office said.

Oil executives he met with on the sidelines of the World Economic Forum in Davos, Switzerland, said the current slump in crude prices could lead them to rethink production and exploration plans, a statement from Calderon's office said.

## [10 Predictions for 2009 by PimJohn van Gestel](#)

Just a quick note on oil. The media are continuing their plug on demand destruction based on the current economic crisis. The bigger picture they are not focusing on is supply destruction. Oil is not something that replenishes itself and we are seeing the top oil producing wells now in depletion. Another issue I see is that with the price of oil being driven down so heavily, producers have put new projects on hold. So with the top producers now in decline and no new projects commencing, I believe we are going to get into an energy crisis within the next couple of years.

## [Yemen's Main Oil Pipeline Blown Up, Flow Not Affected](#)

Unknown attackers blew up Yemen's main oil pipeline that carries crude oil from the north-central province of Marib to a Red Sea export terminal Thursday, but export operations were not disrupted, security sources said.

The sources, who asked not to be named, said a technical team was assessing the damage to the pipeline that carries around 80,000 barrels of crude oil per day.

### [DOE report paints bleak picture of our electric future](#)

There's a long tradition of using Fridays to release reports you'd rather not see attract attention, and the Department of Energy has used the last Friday of the Bush Administration to release a big one. Its Electricity Advisory Committee, composed primarily of power industry executives, has released a series of reports on the future of the US electric grid. These include focused looks at the potential for power storage and the smart grid, but it's the overall evaluation that's badly off the administration's message: the government needs to make a significant intervention in the power market, it's completely failed to do so for the past eight years (and longer), and conservation needs to be part of anything we do.

### [Reactivating Nuclear Reactors for the Fight against Climate Change](#)

Even environmentalists are reevaluating nuclear power as a possible solution to global warming, but can it really help?

### [UK: City gets a storm warning](#)

David Strahan, an expert in how the decrease of available oil in the world affects councils, also spoke yesterday.

He said: "Councils must focus on private and public transport.

"Biofuels are inadequate – a better idea would be to charge fleet vehicles via wind turbines – or look at electric vehicles."

### [When Giants Fall: An Economic Roadmap for the End of the American Era](#)

The altered dynamic of key resource markets has set the stage for a debilitating and increasingly divisive struggle for advantage. Financial Times commentator Martin Wolf has made reference to a "zero-sum world," where a shortage of productivity-enhancing energy might turn back the clock to a time when gains could be achieved only at others' expense. The prospect of a further disorderly unwinding of numerous global imbalances – apart from the extraordinary eruptions already seen – also signals serious trouble ahead. So does a reversal of the productivity gains of recent years, brought on by



heightened geopolitical unrest, rapidly diminishing economies of scale, and adverse demographic trends.

### [It's cheaper to drill - but no rush for rigs](#)

The record rally in commodities from oil to metals had doubled the cost of building a refinery in Saudi Arabia, tripled the budget for a super-clean fuel plant in Qatar and drove up the price of pumping oil and gas.

Soaring costs made companies think twice about investments despite oil's run to nearly \$150 a barrel in July.

Now, partly compensating multinationals and producer countries hurt by the collapse in prices to \$40, cost inflation has eased on the projects they need to safeguard future output.

"Cheaper material costs will at least partly offset the drop in oil prices, supporting project economics despite the downturn," said Antoine Halff of Newedge brokerage.

### [Putin's Grasp of Energy Drives Russian Agenda](#)

MOSCOW — The titans of Russia's energy industry gathered around an enormous map showing the route of a proposed new pipeline in Siberia. It would cost billions and had been years in the planning. After listening to their presentation, President Vladimir V. Putin frowned, got up from his chair, whipped out a felt pen and redrew the map right in front of the embarrassed executives, who quickly agreed that he was right.

The performance, which was carried on state television in 2006, was obviously stage managed, but there was nothing artificial about its point. It was a typical performance for a leader who has shown an uncanny mastery of the economics, politics and even technical details of the energy business that goes well beyond a politician taking an interest in an important national industry.

### [Energy chiefs debate the cost of energy](#)

DAVOS, Switzerland (Reuters) - Energy leaders at the World Economic Forum debated the true cost of fuel on Thursday as they grappled with the implications of world recession and how to navigate out of it.

Record-high oil prices close to \$150 a barrel in July last year added to the pain of economic slowdown, and now much cheaper prices of near \$40 a barrel could help the global economy to rally.

But for consumers, producers and the planet, oil at that level could be too cheap as it slows investment in new supplies of fossil fuel as well as in alternative energy.

### [UK energy workers walk out in foreign jobs row](#)

NORTH KILLINGHOLME, England (Reuters) - British energy workers staged unofficial walkouts on Friday when anger over the use of foreign workers at an oil refinery spread to about a dozen sites across the country.

### [Nigerian oil workers threaten to stop oil export over suspected corruption](#)

LAGOS (Xinhua) -- Nigerian oil workers in the Department of Petroleum Resources (DPR) on Thursday vowed to shut down Nigeria's 21 crude oil export terminals by Feb. 11, 2009 over management's suspected corruption activities.

### [ConocoPhillips Hopes Russia Can Provide Future Haven](#)

Much of Russia's oil is locked away in distant, hard-to-reach places. Without strong oil prices, it would be difficult to justify investing in expensive projects.

However, depending on the deal ConocoPhillips managed to strike with the Russian government, it might be able to correct for another of its deficiencies — its habit over the past few years of making acquisitions in lieu of developing resources of its own. The implication that it could be looking for its own development opportunities is supported by the company simultaneously launching a \$6 billion bond offer and Mulva saying that he's no longer interested in new acquisition opportunities.

### [Exxon posts annual profit record](#)

NEW YORK (CNNMoney.com) -- Exxon Mobil reported the largest annual profit in U.S. history Friday, making \$45.22 billion on the back of record oil prices.

But Exxon's quarterly profit fell over 33%, as crude prices dropped precipitously in the last quarter as recession spread through the globe.

### [Venezuela Faces Oil Pinch](#)

With the price of its crude oil close to \$30 a barrel, Venezuela is confronting a new reality after years of largess. While the country has massive reserves of extra heavy oil in the Orinoco belt, it must find a way of surviving falling oil production and prices, as well as ensure investment in future oil output.

### [George Soros: The game changer](#)

To prevent the US economy from sliding into a depression, Mr Obama must implement a radical and comprehensive set of policies. Alongside the well-advanced fiscal stimulus package, these should include a system-wide and compulsory recapitalisation of the banking system and a thorough overhaul of the mortgage system – reducing the cost of mortgages and foreclosures.

Energy policy could also play an important role in counteracting both depression and deflation. The American consumer can no longer act as the motor of the global economy. Alternative energy and developments that produce energy savings could serve as a new motor, but only if the price of conventional fuels is kept high enough to justify investing in those activities. That would involve putting a floor under the price of fossil fuels by imposing a price on carbon emissions and import duties on oil to keep the domestic price above, say, \$70 per barrel.

### [Benjamin Netanyahu, Peak Oil, And a World On The Brink](#)

Yes, an attack on Iranian nuclear sites by Israel could prompt a massive disruption in the oil markets, causing crude oil prices to soar during a vulnerable time in the American economy. Indeed, the issue is even multiplied by the fact that the world may be facing a peak oil situation, where oil production has no more room to grow. This could be the final trigger that sends the world economy into a panic, as it may test Saudi Arabia, in particular to make up for production disruptions that would likely occur from Iran.

### [Tanzania: Crisis? That was only a taste of things to come if we don `t act](#)

There are many shortcomings with the operations of the oil sector in the country.

Some of these start right back with the liberalisation and the conditionalities from financial institutions, scholars from the University of Dar es Salaam say.

But they contend that government can still get the situation under control: Four outspoken University of Dar es Salaam dons have described the oil crisis that paralysed the country earlier this month as a wake-up call for the government to re-examine the oil industry.

### [Japan tax tribunal dismisses Nippon Oil tax appeal](#)

TOKYO (Reuters) - Japan's Nippon Oil Corp said on Friday the National Tax Tribunal rejected its request to nullify extra taxes imposed on the refiner in 2006 on gains from energy derivatives trading. Nippon Oil contested the Tokyo regional tax office's decision that the refiner pay an extra 12.5 billion yen (\$139.5 million) in tax on swaps trading to

hedge against moves in crude oil prices. Nippon Oil said in a statement on Friday it would examine the tribunal's decision and decide on the next course of action.

### [Tokyo Gas eyes new LNG terminal](#)

Tokyo Gas, Japan's biggest natural gas utility, is looking to build a new liquefied natural gas receiving terminal in Hitachi, northeast of Tokyo by 2017-18 to meet projected growth from the industrial sector.

### [The world needs abundant, cheap, clean energy](#) (review of *Energise!*, by James Woudhuysen and Joe Kaplinsky)

Fears about climate change are well-placed, but the answer is not to moralise about personal energy consumption, but to invest boldly in new forms of power supply.

### [Frugal family tips to save money on energy bills](#)

When looking for ways to cut home energy costs, it helps to disregard some things your mother told you. You do not, for example, need to wash your clothes in hot water to get them clean, says Steve Luxton, a home energy auditor for CMC Energy in Fort Washington, Pa.

And turning off the lights when you leave a room doesn't hurt, Luxton says, but the overall reduction in your energy costs will be minimal. If you really want to slash your energy bills, he says, get rid of that avocado-green fridge in the basement. While old refrigerators provide a good way to store your beer and Costco purchases, they're huge energy wasters, he says.

### [When Technology Fails: How to Survive the Long Emergency](#)

*When Technology Fails* is -- at its root -- a comprehensive handbook of survival skills. Those skills range from building an emergency shelter and purifying water to foraging for food and dealing with medical situations at home. Obviously the future is uncertain, but can you give us a list of your Top 10 most crucial survival skills?

### [Seed bank for the world threatened by financial crisis](#)

ARDINGLY, England (Reuters) - A seed bank that is trying to collect every type of plant in the world is now under threat from the global financial crisis, its director says.

The Millennium Seed Bank Project aims to house all the 300,000 different plant species known to exist to ensure future biodiversity and protect a vital source of food and

medicines, director Paul Smith said.

The project is on track to collect 10 percent of the total by 2010 but the financial crisis is drying up funding, casting serious doubts on future collections, he said.

### [Buzz grows for modernizing energy grid](#)

Alternative energy is taking it on the chin this recession, with solar and wind developers canceling projects and laying off workers. But a far more obscure slice of the energy sector is hotter than ever: the electricity grid.

### [Rising electricity prices 'to benefit renewable sector'](#)

The Sustainable Energy Association says a significant increase in electricity prices will boost the renewable energy sector.

The Western Australia Office of Energy has recommended a 78 per cent increase to the charges for household electricity over the next two years, to bring prices into line with supply costs.

### [Indian wind power giant Suzlon swings to Q3 loss](#)

NEW DELHI (AFP) – Suzlon Energy posted a third-quarter loss as it was hit by foreign exchange losses and payments to replace faulty equipment but forecast a recovery in 2010.

The company, the world's fifth largest turbine maker which dominates the Indian wind generation market, reported a consolidated net loss for the three months to December of 589.7 million rupees (12 million dollars).

### [Air Force drops plan to make fuel from coal in Montana](#)

WASHINGTON — The Air Force on Thursday dropped plans to build a coal-to-liquid plant to produce fuel for its aircraft, a plan that would've reduced dependence on oil but increased the emissions of the heat-trapping gases that cause global warming.

### [Sulfur in Heating Oil to Be Reduced](#)

The suppliers will reduce sulfur in heating oil to 0.0015 percent from 0.2 percent. Brandon Wright of the Petroleum Marketers Association of America said that

consumers should see a small increase in the price of oil as a result of the change, but that it would be offset by savings from more efficient furnace and boiler operation in their homes.

### [Snow study shows California faces historic drought](#)

SAN FRANCISCO (Reuters) - A new survey of California winter snows on Thursday showed the most populous state is facing one of the worst droughts in its history, Governor Arnold Schwarzenegger said.

The state, which produces about half the United States' vegetables and fruit, is in its third year of drought and its main system supplying water to cities and farms may only be able to fulfill 15 percent of requests, scientists said.

The snowpack on California's mountains is carrying only 61 percent of the water of normal years, according to the survey by the state Department of Water Resources. Last year the snowpack held 111 percent of the normal amount of water, but spring was the driest ever recorded.

### [Pole-to-pole flight finds CO2 piling up over Arctic](#)

NEW YORK (Reuters) - Scientists who flew a modified corporate jet from pole to pole to study how greenhouse gases move found carbon dioxide piling up over the Arctic, but also higher than expected levels of oxygen over the Antarctic.

### [Gore hails Obama's climate goals despite crisis](#)

DAVOS, Switzerland – Nobel Peace Prize winner Al Gore urged President Barack Obama and other world leaders to seal a quick deal to fight global warming despite the pervasive financial crisis.

Gore called Obama "the greenest person in the room" for making environmental funding a big chunk of the \$819 billion economic stimulus bill passed by U.S. lawmakers this week.

### [Professor Gore's Climate Change Lecture Warmly Received by Senate](#)

For a few minutes, it was like a scene from *An Inconvenient Truth*: Al Gore, the former vice president, lecturing about global climate change, skipping authoritatively from one data point to the next, wielding statistics, graphs, and charts about shrinking ice caps and greenhouse-gas emissions.

His audience, this time around, was the Senate Foreign Relations Committee, in its first



hearing since President Barack Obama's inauguration. Its choice of Gore as star witness was layered with political symbolism, highlighting the priority that congressional Democrats, bolstered by their enlarged majority and new White House support, are giving to climate change issues.

### [New Jungles Prompt a Debate on Rain Forests](#)

CHILIBRE, Panama — The land where Marta Ortega de Wing raised hundreds of pigs until 10 years ago is being overtaken by galloping jungle — palms, lizards and ants.

Instead of farming, she now shops at the supermarket and her grown children and grandchildren live in places like Panama City and New York.

Here, and in other tropical countries around the world, small holdings like Ms. Ortega de Wing's — and much larger swaths of farmland — are reverting back to nature, as people abandon their land and move to the cities in search of better livings.

These new “secondary” forests are emerging in Latin America, Asia and other tropical regions at such a fast pace that the trend has set off a serious debate about whether saving primeval rain forest — an iconic environmental cause — may be less urgent than once thought. By one estimate, for every acre of rain forest cut down each year, more than 50 acres of new forest are growing in the tropics on land that was once farmed, logged or ravaged by natural disaster.

### [Rising Acidity Threatens Oceans](#)

The oceans have long buffered the effects of climate change by absorbing a substantial portion of the greenhouse gas carbon dioxide. But this benefit has a catch: as the gas dissolves, it makes seawater more acidic. Now an international panel of marine scientists says this acidity is accelerating so fast it threatens the survival of coral reefs, shellfish and the marine food web generally.

### [Glaciers around the world found shrinking for 18th year](#)

BERLIN - Glaciers from the Andes to Alaska and across the Alps shrank as much as 10 feet, the 18th year of retreat and twice as fast as a decade ago, as global warming threatens an important supply of the world's water.

Alpine glaciers lost on average 0.7 meters of thickness in 2007, data published yesterday by the University of Zurich's World Glacier Monitoring Service showed. The melting extends an 11-meter retreat since 1980.



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