



Drumbeat: February 18, 2011

Posted by [Leanan](#) on February 18, 2011 - 10:19am

[The Peak Oil Crisis: The 3rd Transition](#)

With declining quantities of fossil fuels, and the likelihood that renewable forms of energy cannot be developed and expanded quickly enough, continued worldwide economic growth is unlikely. While countries that are self-sufficient in fossil fuels and those able to get a lock on a share of fossil fuel production (most likely the Chinese) will be able to grow for a while. Eventually, however, they are certain to encounter other constraints. At the minute fresh water and food seem poised to follow fossil fuels into scarcity, but there are many other natural resources that soon will be too expensive for common use.

[U.S. Fuel Consumption Edged Higher in January, API Report Shows](#)

U.S. fuel consumption edged higher in January from a year earlier, as winter storms curbed demand growth, according to the American Petroleum Institute.

Total deliveries of petroleum products, a measure of demand, climbed 1.7 percent to 18.8 million barrels a day last month, the second-lowest January total in 10 years, the industry-funded group said today in a report.

[Here comes \\$4 gasoline: U.S. oil prices look reassuringly calm till you look below the surface](#)

At first blush, a replay of the 2008 gas price spike seems far fetched. The biggest driver of U.S. gasoline prices is the cost of crude oil, and near-month oil futures on the New York Mercantile Exchange have sat out the scorching commodities rally. They lately fetched \$85, some 40% below the crisis peak.

But that's where the good news ends for motorists -- and for a U.S. economy that is sputtering even with gas at \$3.15 a gallon.

[Battle Lines Harden Across the Mideast as Rulers Dig In](#)

Security forces and government supporters employed a growing panoply of violent force – from tear gas and batons to shotguns and grenades – in pitched street battles with antigovernment protesters in Libya, Bahrain and Yemen on Friday.

The clashes followed a week of deepening unrest as protesters, emboldened by the toppling of President Hosni Mubarak in Egypt and President Zine al-Abidine Ben Ali in Tunisia, have called for swift revolutions in their own countries. The battle lines between protesters and authoritarian rulers across the Arab world appeared to be hardening, with governments turning to an increasingly brutal script in trying to quash the protests that have swept the region.

[Four protesters die on Yemen's 'Friday of Rage'](#)

SANAA, Yemen — Yemeni security forces and pro-government loyalists clashed with crowds demanding an end to President Ali Abdullah Saleh's 32-year rule in several cities on Friday. At least four people were killed and dozens wounded.

Al-Jazeera reported that three people died as police tried to disperse crowds in the southern city of Aden, where resentment against rule from Sanaa runs high. Protest organizers had billed as the rallies as a nationwide "Friday of Rage."

[Iraqi protesters demand better services in oil hub](#)

BASRA, Iraq — Iraqis demanding better public services, jobs and pensions blocked a bridge Friday in the southern oil hub of Basra, as spreading Middle East unrest emboldens Iraqis to take on government officials over poor living standards.

In the wake of the uprisings in Egypt and Tunisia, frustrated Iraqis have staged repeated protests across the country. This week, at least five people were killed when demonstrations in two Iraqi cities turned violent.

[Baghdad wants U.S. to pay \\$1 billion for damage to city](#)

(Reuters) - Iraq's capital wants the United States to apologize and pay \$1 billion for the damage done to the city not by bombs but by blast walls and Humvees since the U.S.-led invasion that toppled Saddam Hussein.

The city's government issued its demands in a statement on Wednesday that said Baghdad's infrastructure and aesthetics have been seriously damaged by the American military.

[Iraqi Kurdistan crude output about 80,000 bpd](#)

ARBIL, Iraq (Reuters) - Crude production from oilfields in Iraqi Kurdistan has reached about 80,000 barrels per day but only about 50,000 bpd are being exported, sources at Iraq's North Oil Company said on Friday.

[Irish firm undaunted by N Africa revolts](#)

Ireland's Petroceltic, active in Tunisia and Algeria, wants to drill deeper into North Africa, and unrest sweeping the region should have little impact on oil and gas exploration, its chief executive said in an interview.

[Venezuela: Netizens Comment on Possible Gasoline Use Restrictions](#)

On February 15, Venezuelan President Hugo Chávez announced possible measures to start rationing gasoline. This matter constitutes a very sensitive issue for Venezuelans, since Venezuela is a country with one of the world's lowest gasoline prices, where according to the government, about 90% of its total cost is subsidized. After the announcement, bloggers and Twitter users reacted in different ways.

[Energy pressure piques interest in Colorado oil shale](#)

With crude oil prices creeping back toward \$100 a barrel and unrest racking the Middle East from Egypt – where 3 million barrels of mostly U.S.-bound oil passes through the Suez Canal each day – to Bahrain, home to the U.S. Navy's 5th Fleet, it's not surprising there's renewed interest in Colorado's vast oil shale reserves.

[TNK-BP pondering role in BP-Rosneft Arctic oil deal](#)

Anglo-Russian oil joint venture TNK-BP is pondering a possible role in its UK parent's Arctic exploration deal with state-owned Rosneft.

The news comes after TNK-BP's Russian shareholders won a London court injunction to block the Arctic deal.

[Saudi Arabia's Oil Reserves are a Big Bluff: WikiLeaks](#)

In a world of exploding demand, sufficient oil supplies are critical to maintaining oil prices at reasonable levels. Any slowdown in oil production will cause oil prices to skyrocket. Even now, Brent Sea crude oil is selling for more than \$101 per barrel and energy expert Elliott Gue, lead advisor of The Energy Strategist, has recently gone on record predicting that oil will hit \$120 per barrel later this year.

[Al-Husseini sets WikiLeaks record straight](#)

DHAHRAN: Retired Saudi Aramco senior executive Sadad I. Al-Husseini was surprised recently to be thrust into the international spotlight when newspapers picked up a story about a WikiLeaks release of a US State Department cable that attributed comments to

him purporting to dispute Saudi Arabia's oil reserves.

The former executive vice president and veteran geologist was disappointed by the news stories, asserting that the American diplomat in Dhahran who sent the cable had not understood the technical industry terminology and that the press had sensationalized the communique in the interest of selling newspapers.

[Saudi turns to alternatives to prop up oil power](#)

For oil colossus Saudi Arabia, a shift to renewable energy is as much about preserving its international influence and maximising its revenues as saving the planet.

The world's leading oil exporter and custodian of more than 260 billion recoverable barrels -- around a fifth of the world's stock -- Saudi Arabia has long held sway over markets and governments with its ability to add or subtract crude at a turn of the spigots.

[Bangladesh: Gazprom sees major role in local gas exploration](#)

Russian energy giant, Gazprom is set to emerge as one of major players in the country's gas exploration, following the decision by the government to sign key drilling deals with the state-run company, an official said Thursday.

Petrobangla chairman Hossain Mansur said more than a dozen of state-owned gas wells will be handed over to the Russian company for drilling and development in an effort to boost output in some of the age-old fields.

[Big leaps toward 'good times'](#)

Scenario two is like one except that Peak Oil embraces the world, renewable energy is expensive, climate change-driven economic conditions exist and the gas glut continues. Hence we hit a saw-tooth, boom-bust global economy with the concomitant impact on ours. The probability of this is a bit higher than the first.

In scenario three, we do not find any more gas and oil and we run out of petroleum resources in the next 15 years. Now, oil production is steadily decreasing and we have had no gas finds in years. Further, if there is any petroleum out there it is in deep water. To get at it, the cost is high as is the risk, and the returns are lower.

[Enbridge boosts North Dakota capacity](#)

Enbridge Energy Partners LP said Friday that it will reconfigure its North Dakota transportation system to expand its capacity by 23,500 barrels per day.

The expansion by Houston-based Enbridge Energy between North Dakota and Minnesota will cost \$7 million and is expected to be available in the first quarter of 2011.

[North Dakota: Oil Refinery Grant Bill Defeated in House](#)

The state will not be providing any financial incentives to build a new oil refinery. The House defeated a bill to give a \$5 million grant to a developer to help with the expense of getting an operating permit.

Critics say if a proposed refinery looked profitable, a developer would be willing to move forward without state help. Supporters say a refinery would help ease the state's diesel fuel shortage.

[Is The World Really Running Out Of Food, Water And Oil?](#)

Our entire system of energy is based on making as much money as possible for those who have all the oil.

So if the world has a shortage of energy in the coming years, it is not because that is how it inevitably had to be.

Rather, it will be all about pure, unadulterated greed.

[Minnesota House votes to lift nuclear power ban](#)

NEW YORK (Reuters) - The Minnesota House of Representatives on Thursday overwhelmingly voted to lift a ban on the construction of new nuclear power plants in the state.

Minnesota enacted the moratorium on new nuclear plants in 1994.

[Electric cars: where will the money come from?](#)

Now I can afford an average car, and if an electric car cost the same as an average one, I'd swap.

But they don't, and few drivers will change while there's no incentive in New Zealand to swap the dirty and nasty for the clean and pristine. In fact, I don't think many will go the electric way beyond some very well-off idealists and those on the lookout for something to brag about over dinner now that the novelty of their hybrids has worn off.

[A real chance to cut subsidies to Big Oil?](#)

For the US to deal with peak oil and climate change, we will need a national plan to cut our dependence on oil and quickly ramp up clean energy and conservation. And to have any chance at a rational energy policy, citizens will need to break the power of Big Oil over Washington.

A promising place to start will be cutting unnecessary handouts to the world's wealthiest industry, corporate welfare that the Great Recession has made positively criminal.

[A Bright Spot in an Otherwise Dreary Wisconsin Spring](#)

Yesterday, Wednesday, February 16. I attended the protests in Madison. Students at UW-Milwaukee were provided with buses to head there, and once settled I immediately struck up a conversation with a student much younger than me. A second-year student from outside of Stevens Point, my traveling neighbor was an intelligent, conscious, and sensitive young person, the type of person I wish I were six or seven years ago. We discussed music and literature, sharing thoughts on Don DeLillo, David Foster Wallace, Chuck Palahniuk, and a musician who only records in the winter so that his work reflects the desolation of that season in the North.

In the seats ahead of us, four undergraduate students who knew each other discussed peak oil and anarcho-primitivism with a couple other young students who became interested once the discussion of consumerism, waste, and the problems with industrialization came up among the original four.

[Beyond the False Dawn: Global Crisis 2020-2022](#)

Four long-wave cycles will likely intersect around 2020-2022.

[John Michael Greer - Energy: What really matters](#)

It's not uncommon, when I give public talks about the end of the industrial age, for people to ask me whether I can offer them any hope. Now of course people mean many different things by the very indefinite word at the end of that utterance; some want me to tell them that I was only joking and industrial civilization isn't really careening headfirst into hard planetary limits, others want me to tell them that when the crash is over and the dust settles, some kindly power or other will hand them an even shinier society than the one we've got, and still others will settle for being told that our civilization won't drop dead until at least a few moments after they do.

To all these I have nothing to offer. Still, there are always a few who simply want to know if there's some reason to believe that the next half century or so might not be quite as ghastly as it looks. I do have something to offer them, and it's one of the ironies of our time that the reason for hope I'd like to discuss in this week's post is also one of the most annoying features of contemporary society: the very common assumption that

people in the industrial world can't possibly scrape by without access to amounts and kinds of energy that few if any of our ancestors would have been able to figure out what to do with.

[Urge Obama to say "peak oil" on April 20](#)

Transition Voice, along with our friends at three other prominent organizations dealing with peak oil, have just launched a petition drive urging President Obama to mark the anniversary of the Gulf spill with a major speech to the American people on the subject of peak oil.

[Year one of the global commons movement](#)

I spend most of my time helping to build the Commons Movement, in fact quite a few of us do, as my colleagues from the Commons Strategies Group. Together, we explore the commons and Peer-to-Peer Production. We want to contribute to developing a coherent political narrative for the commons. Actually, I consider this notion as the most fertile mothersoil for the convergence of movements – be they rural or urban, digital or environmental, social or academic, from the North or from the South.

[Carbon Nation](#)

Director Peter Byck opted for corny graphics, a wall of statistics, a voice-of-God narrator and a xylophonic score, but behind the infomercial presentation are solid ideas that warrant scrutiny. Byck focuses on the energy crisis from outside the global-warming debate, homing in on its moral, economic and national-security imperatives and identifying some increasingly viable solutions.

[Saudi Arabia seeks share of \\$100 billion climate aid fund](#)

(Reuters) - Saudi Arabia is a special case in need of climate aid if the world shifts to clean energy, the world's top oil exporter told the United Nations ahead of a Monday deadline for proposals about slowing global warming.

Almost 200 nations agreed in Mexico in December to a package of measures including a new fund to help poor nations, due to be worth \$100 billion annually from 2020, find ways to adapt to climate change and protect tropical forests.

[Saudi Arabia May Risk Shiite Unrest After Turmoil in Bahrain](#)

Violent unrest in Bahrain provoked by discontent among the majority Shiite Muslim population risks spilling over to their co-religionists in neighboring Saudi Arabia, which holds one-fifth of the world's oil, analysts say.

Bahrain, a close Saudi ally which is ruled by the Sunni Muslim Al-Khalifa family, has been rocked by protests since Feb. 14 that have led to calls for the government's dismissal after at least five people died as security forces cracked down on the demonstrators.

Saudi Arabia has a Shiite minority concentrated in its eastern oil-producing hub that also complains of discrimination. Any spread of unrest into the world's biggest oil exporter risks pushing crude prices above the two-and-a-half-year high they reached this week. Saudi authorities arrested 38 people after clashes involving Shiite pilgrims in the holy city of Medina two months ago.

[Saudi Arabia Default Swaps Jump on Bahrain Contagion Concerns](#)

(Bloomberg) -- Credit-default swaps on Saudi Arabia surged on concern political unrest in neighboring Bahrain will spread to the world's biggest oil exporter.

[Bahrain mourners call for toppling of monarchy](#)

MANAMA, Bahrain – Thousands of mourners called for the downfall of Bahrain's ruling monarchy and worshippers at Friday prayers chanted against the king as anger shifted toward the nation's highest authorities after a deadly assault on pro-reform protesters that has brought army tanks into the streets of one of the most strategic Western allies in the Gulf.

The cries against the king and his inner circle — at a main Shiite mosque and at burials for those killed in Thursday's crushing attack — reflect an important escalation of the political uprising, which began with calls to weaken the Sunni monarchy's power and address claims of discrimination against the Shiite majority in the tiny island nation.

[Libya's 'Day of Anger' Protests Reported to Leave at Least 19 People Dead](#)

Libya's "Day of Anger" protests against Muammar Qaddafi, in power for 41 years, led to clashes with pro-government forces in which at least 19 people were reported killed.

An opposition website and an anti-Qaddafi activist said violence broke out during marches yesterday in five Libyan cities, according to the Associated Press. The 19 deaths were in the second- and third-largest cities, Benghazi and Beyida, according to Al Arabiya television. An opposition website said some demonstrators were killed by snipers from the internal security forces, according to AP.

[Crude Rises in London as Protests in Mideast Fan Supply Fears](#)

Crude oil rose in London, headed for its fourth weekly gain, as escalating protests in Bahrain and Libya fueled concern that supplies from oil-producing nations may be

disrupted.

Protesters in Bahrain gathered for the funeral of two men killed by security forces, calling for democracy and the fall of the government as unrest in the Middle East spread to Libya where 20 were reported dead in clashes. Prices trimmed gains after the People's Bank of China raised the reserve requirement ratio for banks and the dollar advanced against the euro.

[Gas Producer Hedging Gains as Rally Chances Dim](#)

Natural gas producers are increasing forward sales of their U.S. output for a second year, a sign they see little prospect that prices will rebound from their lowest level for any winter in the past nine years.

[Consumer prices rise at quickest pace in over a year](#)

WASHINGTON — U.S. core consumer prices rose at their quickest pace in more than a year in January, but the increase was not strong enough to suggest a troubling build-up in inflation pressures.

[Growing economy brings whiff of inflation](#)

Business at his Wallingford, Conn.-based company is booming. The company recently hired new workers and bought new equipment to keep up with growing orders for custom-made plastic parts used in everything from oil rigs to medical equipment.

But while his orders are rising, so is the cost of raw materials. Increased demand and higher oil prices have driven plastics prices higher across the board. For the most part, Rolffs has been holding the line on passing along those higher costs to his customers.

[Saudis forge foreign tie-ups](#)

Saudi Aramco said today it has signed two contracts with consortia of Saudi Arabian and foreign companies to carry out engineering work in the world's largest oil exporter.

[ExxonMobil to help Ukraine find shale gas](#)

(Reuters) - Ukraine's state-run energy firm Naftogaz and a top oil major ExxonMobil have signed a memorandum on cooperation to explore for shale gas deposits in Ukraine, Naftogaz said on Friday.

The company said the memorandum had been signed this week and ExxonMobil would also help Ukraine to look for methane gas deposits in coal mines.

[Reliance Cuts Exports to Cash In on Demand in India](#)

Reliance Industries Ltd., India's largest company by market value, cut fuel exports by 50 percent in the first half of this month, selling domestically to profit from shortages during plant maintenance by rivals.

[Egypt Confirms Iran Asked for Warships to Use Suez Canal](#)

Iran has asked Egypt to allow two Iranian naval ships to pass through the Suez Canal, a move that Israel says will be a "provocation."

"The request is being studied," Hossam Zaki, a spokesman for the Foreign Ministry, said today in a telephone interview in Cairo. "Whether or not they actually send them is another story."

[Egyptian troops protect Sinai gas line to Israel](#)

EL-ARISH, Egypt – The Egyptian military has dispatched hundreds of additional soldiers to the northern Sinai Peninsula to guard a pipeline that carries natural gas to Israel, security officials said Thursday.

An Israeli defense official said the Jewish state has agreed to the deployment, which follows a Feb. 5 explosion at a gas terminal in the area that disrupted the flow of gas to Israel and Jordan. Security officials said a bomb caused the blast at the el-Arish terminal, while Egypt's natural gas company said it was caused by a gas leak.

[Uganda election: Politics and land rights collide in the country's oil-rich east](#)

How to tap Uganda's relatively new oil finds is dominating politics in the country's oil-rich east ahead of Friday's presidential and parliamentary election.

[Nigerian Oil Exploration at 10-Year Low Before Petroleum Law](#)

Oil exploration in Nigeria has slumped to the lowest in a decade after producers including Royal Dutch Shell Plc and Total SA backed away from investment until the country's petroleum law is passed.

Just one exploration well was drilled in Nigeria in the past two years, the lowest since 1999, according to official figures released by the Petroleum Ministry. The number of wells peaked at 34 in 2002.

[Chevron foundation, USAID give Nigeria \\$50M](#)

Chevron Corp. has announced that its foundation and a U.S. aid agency are to spend \$50 million to improve living standards in Nigeria's oil-rich southern delta.

[Industry testifies on plan to cut Alaska oil taxes](#)

JUNEAU, Alaska – Oil industry leaders delivered a stinging rebuke of the production tax that became a hallmark of Gov. Sarah Palin's administration, telling a legislative committee Wednesday that it has discouraged investment and made Alaska a less attractive place to do business.

[BP workers could have prevented rig accident: report](#)

WASHINGTON (Reuters) – BP had workers on the doomed Deepwater Horizon rig who could have prevented the missteps that led to the massive Gulf of Mexico oil spill, but they were not consulted, the White House oil spill commission said on Thursday.

[BP Says Spill Settlement Terms Are Too Generous](#)

In the eight months since Kenneth R. Feinberg took over the \$20 billion fund to compensate victims of the Gulf of Mexico oil spill, he has been attacked by many of those filing claims and by coastal state politicians who argue that the process is opaque, arbitrary and slow. Many of them have also argued that Mr. Feinberg's recently published estimates of future damage to those in the gulf are too optimistic, and thus his offer of compensation in a final settlement is too low.

Now he is getting complaints from another quarter: BP.

[Oil companies say they're ready for new spills](#)

NEW YORK — A group of oil companies led by Exxon said Thursday that they have a system that can stop an undersea oil spill within weeks, a critical step towards resuming drilling in the deepest parts of the Gulf of Mexico.

[Statoil to 'halve' offshore incidents](#)

Norway's Statoil said today it aimed to more than halve the number of serious incidents at its offshore platforms by 2015 and that a gas leak in December was one of the worst two last year.

[Watchdog Groups Urge Stronger U.S. Standards for Oil Sands Pipelines](#)

The thick, sticky type of oil carried from Canada to the United States in several high-profile pipelines also brings a higher risk of leaks and ruptures that demand stronger government safety standards, green groups and pipeline watchdogs argue today in a new report.

[U.S. Geologist Jailed for Eight Years Loses China Appeal on Secrets Charge](#)

A Chinese court rejected an appeal by a U.S. geologist jailed for eight years in July for breaching state secrets by buying data on the nation's oil industry, his lawyer said.

[China Acts to Tighten Grasp on Rare Earths Production](#)

HONG KONG — Premier Wen Jiabao of China and his cabinet decided Wednesday to “streamline” the country's rare earth industry by consolidating production, clamping down on illegal mining and clearly deciding which government agencies would oversee it, the government said.

[Solar Power Comes to Saudi Arabia in a Big Way as Peak Oil Looms](#)

Saudi Arabia is the world's largest exporter of oil. But as experts and WikiLeaks previously detailed--the country's oil supply may be fast dwindling and that has made renewable energy options, such as solar, that much more appealing. Just this week the country announced that construction of its largest solar power plant will be completed by September--and this just days after WikiLeaks reports about exaggerated oil quantities from the country hit the news.

"The solar market in the Gulf region is still in its infancy," said Klaus Friedl, general manager of Phoenix Solar, the firm contracted to build the new solar plant. "There is, however, a huge potential for solar power plants in Saudi Arabia."

[Conergy Unit Plans \\$2.7 Billion Australian Wind Farms](#)

A unit of Conergy AG, the German solar power company, said it plans three wind farms in Australia estimated to cost as much as \$2.7 billion that will proceed if the government does more to spur clean energy investment.

[Who got high speed rail money](#)

NEW YORK (CNNMoney) -- The federal government already has more than \$10 billion in stimulus and other money set aside for high speed rail projects. To date, it has made commitments to spend \$4.5 billion of that.

President Obama has made infrastructure a centerpiece of his presidency, calling for \$53 billion in additional funds for high speed rail in his budget proposal this week.

[Poll: Americans OK with newer light bulbs](#)

Most Americans support the U.S. law that begins phasing out traditional light bulbs next year and, despite some consumer grumbling, say they're satisfied with more efficient alternatives, according to a USA TODAY/Gallup poll.

[Passive houses aggressively reduce energy](#)

Heat your home by throwing a dinner party?

This concept may sound bizarre, but it's feasible in cutting-edge green homes that are so well-insulated, they don't need a furnace or boiler. They'll stay warm simply with body heat. A hairdryer might also suffice.

[Wind and gas lobbyists scuffle over green claims](#)

The head of the European Wind Energy Association (EWEA) has blown cold air on gas lobby claims that Europe could save €900 billion and still hit its 2050 greenhouse gas reduction targets if it built more gas plants fitted with controversial carbon capture and storage technology.

"Anybody who claims that Europe could save billions by investing in energy technologies based on gas that nobody knows the future price of is either a clairvoyant or will inevitably be proven wrong by history," Christian Kjaer, the CEO of EWEA, told EurActiv.

[Forest sell-off abandoned: I'm sorry, I got it wrong, says Caroline Spelman](#)

Environment secretary apologises to MPs as she confirms the government has abandoned plans to sell off England's forests amid widespread criticism.

[You Will Be Assimilated \(if You Wish\)](#)

Climateprediction.net is a distributed-computing scheme that harnesses the power of people's computers at times they are sitting idle.

[Flood studies bring climate change lawsuits a step closer](#)

A leading climate professor says that new evidence which further reinforces the connection between global warming and extreme rainfall is "extremely important" in setting out a methodology which could one day be used to sue energy companies for climate damage.

[Emissions Fell in 2009, Showing Impact Of Recession](#)

WASHINGTON — Greenhouse gas emissions in the United States declined in 2009 for the second consecutive year, reflecting the impact of the recession on industrial production and overall energy use, the federal government reported on Wednesday.

Emissions of carbon dioxide and other climate-altering gases fell 6 percent in 2009 and were at their lowest level since 1995, according to the Environmental Protection Agency, which produces the annual inventory of emissions. The agency attributed the decline to the economic slowdown and a shift from coal to cleaner-burning natural gas to produce electricity as the price of natural gas has declined.

[Preparing For Sea Level Rise, Islanders Leave Home](#)

These episodes — the little cultural clashes, the homesickness — are actually a form of climate change adaptation. More than 80 people from Kiribati, including Baure and Ariera, are studying nursing at Australia's Griffith University on a special scholarship called the Kiribati Australia Nursing Initiative, or KANI.

It's sponsored by Australia's foreign aid organization, AusAID, and like similar programs, it aims to get i-Kiribati people jobs. Except KANI has one important difference: With most AusAID scholarships, students are trained and then required to return to their developing country, so they can help the place out. KANI, however, is training people in case one day they don't have a country to go back to.

[China expected to import more grain](#)

Even as its economy cools, China's demand for imported grain is likely to surge this year, providing a boon to the U.S. and other exporting nations.

[Hungry for a Solution to Rising Food Prices](#)

The hunger that has roiled the Middle East was not caused by the whims of autocrats and cops. It began last year with crippling drought in Russia and later Argentina, and torrential rains in Australia and Canada. The deluges in Saskatchewan were so sustained and intense that farmers couldn't plant some 10 million acres of wheat, according to the Canadian Wheat Board. "What is typically the driest province was never wetter," said the governmental agency Environment Canada. Shrunken wheat harvests in those countries, along with cool, wet summer weather in the American Midwest that delayed the U.S. harvest, helped drive wheat prices at the Chicago Board of Trade up by 74

percent in the past year. Corn traded in Chicago rose by 87 percent during the same period. More recently, grain prices have spiked even higher because of yet another drought, this one threatening China's wheat crop, the world's largest. In that country's eight major wheat-producing provinces, some 42 percent of winter wheat cropland has been hurt by a dry spell, according to Agriculture Minister Han Changfu.



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