



Drumbeat: February 21, 2011

Posted by [Leanan](#) on February 21, 2011 - 10:17am

[Libya's revolt scares oil traders](#): *"Nothing explodes like an oil refinery and rioters tend to like to burn things," analyst says.*

Libyans may be excited about the prospects of change. But energy markets beg to differ. "In general, oil markets prefer stability and stability often comes with [various] modes of governance," said Jones, hinting that markets are not perturbed by dictatorships, so long as the pipelines keep gushing.

"The best case scenario, from the oil market's stand point, would be for unrest to calm," Jones added. "That might be at odds with the populace." The analyst would not comment on what would happen to energy markets if unrest spread to Saudi Arabia, the world's biggest oil producer.

Paul Horsnell, head of oil research at Barclays Capital, told the UK Telegraph newspaper that Libya's uprising is "potentially worse for oil than the Iran crisis in 1979".

[Fear of contagion drives oil price surge](#)

The unrest in Libya has pushed oil prices to their highest level in more than two years, but analysts say the rise is out of proportion to Libya's contribution to world supply.

[Crude oil climbs as unrest in Libya widens](#)

Two months ago, the chairman of Libya's national oil company said that he expected the price of crude oil to surpass \$100 a barrel. Thanks to a wave of unrest in his own country, he's turned out to be right.

With signs of disarray in Libya's military and protestors thronging the streets of its biggest cities, anxiety about the security of Libya's approximately 1.2 million barrels a day of oil exports drove up crude oil prices on world markets.

[IEA's Birol says oil prices in danger zone](#)

(Reuters) - International Energy Agency (IEA) chief economist Fatih Birol said on Tuesday that oil prices were in the danger zone and could rise higher if turmoil

continues in the Middle East.

Birol was speaking at conference in Indonesia on Tuesday as oil prices continued their volatility of recent days on worries over growing violence in crude producer Libya.

[U.S. oil prices don't matter at the pump](#)

The gasoline Americans buy is made not just with U.S. supplies but mainly with oil from around the globe, and that fuel is surging in price.

[If Libyan unrest spreads, gas could reach \\$5](#)

If political unrest in Libya spreads to other oil-rich countries and the ensuing chaos disrupts crude oil production, gas prices could hit \$5 a gallon by peak summer driving season, industry analysts say.

[The Resurrection of Peak Oil](#)

It has been a long wait for “peak oilers,” whose passionate belief is that the world will run out of oil in coming years, sending prices through the roof.

[South Stream set for 2015 launch](#)

Russian gas monopoly Gazprom expects the South Stream gas pipeline to be launched in 2015, the company's executive chairman Alexei Miller said today.

[BP closes all Christchurch stations after quake](#)

All BP service stations in Christchurch are closed, the company says.

The stations would remain closed until all ground-based tanks and pipes had been inspected, BP NZ managing director Mike McGuinness said.

[Power company holds off on cleaning up Chicago-area coal plants](#)

The construction permits are in and the financing is ready to go, but some of the Chicago area's biggest sources of toxic air pollution still might not be cleaned up anytime soon.

In recently filed documents, Midwest Generation signaled it might delay installing pollution controls at its six coal-fired power plants "for the maximum time available," making it more likely the aging units will keep churning out high levels of lung- and

heart-damaging soot for most of the decade.

[The Great Disruption is here](#)

When we look back at this period of history, we will see that it was a time of Great Disruption. But from the chaos, a better place will emerge.

WHY DIDN'T MORE of us see it coming? After all, the signals have been clear enough - signals that the ecological system that supports human society is hitting its limits, groaning under the strain of an economy simply too big for the planet. But we didn't and, as a result, the time to act preventatively has past.

Now we must brace for impact. Now comes The Great Disruption.

[Libya unrest stops 100,000 bpd oil, majors remove staff](#)

FRANKFURT/LONDON (Reuters) - Spreading unrest in Libya shut down 6 percent of oil output in Africa's No.3 producer and prompted a host of energy firms to pull out international staff, sending oil prices to above \$105 a barrel.

[Libya separatists seen posing oil supply threat](#)

MILAN (Reuters) - Political turmoil in Libya could threaten energy exports to Europe if separatists in the oil-rich east of the country target infrastructure and look for a bigger slice of revenues, analysts said on Monday.

Libya is Africa's fourth-biggest oil producer and a key supplier for Europe. Italy, home to Libya's biggest foreign oil operator Eni, gets one fifth of its energy consumption from the North African country.

Ninety percent of Libyan oil exports come from the eastern region of Cyrenaica, epicentre of the revolt against strongman Muammar Gaddafi.

[Fitch downgrades Libya's rating](#)

LONDON (AP) -- A leading ratings agency downgraded Libya's credit rating Monday as the oil-rich North African country reels from days of violence that have reportedly left hundreds of people dead.

Fitch Ratings said its rating on Libya to BBB from BBB+ and warned that another downgrade may be in the offing if there's no clear political resolution or the violence escalates. If it's downgraded another two notches, then Libya's credit rating would be considered junk - surprising for a country with no government debt.

[Oil industry braces for fallout from Libya](#)

LONDON (AP) -- Oil producing nations have emergency reserves to draw on to stabilize markets in case the violence in Libya and the wider Middle East escalates to seriously affect energy production, officials said Monday.

International executives and analysts meeting in London were nervously watching developments in the oil-rich region, worried about the sharp shock political unrest is giving to crude oil prices.

['Shtokman decision will be in March'](#)

Russian gas giant Gazprom will decide on the amount of investment in the Shtokman gas field in March, chief executive Alexei Miller said today.

[Statoil D-day for Asian yards](#)

Norway's Statoil has issued a tender for at least two new specialised drilling rigs for use on mature Norwegian fields, with four South-East Asian yard heavyweights reported to be in the running.

[Pent Up Behind Aging Dams: Danger](#)

Lake Isabella Dam is just one acute example of a widespread problem: Of the nation's 85,000 dams, more than 4,400 are considered susceptible to failure, according to the Association of State Dam Safety Officials. But repairing all those dams would cost billions of dollars, and it is far from clear who would provide all the money in a recessionary era.

[The Less Discussed Part of Walker's Wisconsin Plan: No-Bid Energy Assets Firesales](#)

The fight in Wisconsin is over Governor Walker's 144-page Budget Repair Bill. The parts everyone is focusing on have to do with the right to collectively bargain being stripped from public sector unions (except for the unions that supported Walker running for Governor). Focusing on this misses a large part of what the bill would do. Check out this language, from the same bill (my bold):

*16.896 Sale or contractual operation of state-owned heating, cooling, and power plants. (1) Notwithstanding ss. 13.48 (14) (am) and 16.705 (1), the department may sell any state-owned heating, cooling, and power plant or may contract with a private entity for the operation of any such plant, **with or without solicitation of bids, for any amount that the department determines to be in the best interest of the state.** Notwithstanding ss. 196.49 and 196.80, no approval or certification of the public service commission is necessary for a public utility to purchase, or contract for the operation of, such a plant, and **any such purchase is***

considered to be in the public interest and to comply with the criteria for certification of a project under s. 196.49 (3) (b).

The bill would allow for the selling of state-owned heating/cooling/power plants without bids and without concern for the legally-defined public interest.

[With part-time jobs, executives salvage salaries](#)

As the economy sputters back to life, businesses are beefing up their management teams to help stimulate growth. Many small firms that can't afford to hire executives full time are bringing them in to work a few days a month instead.

[Central government building on fire in Libya](#)

TRIPOLI — A central government building in the Libyan capital Tripoli was on fire Monday, a Reuters reporter said, in the latest sign that the revolt against Moammar Gadhafi is gathering strength.

"I can see the People's Hall is on fire, there are firefighters there trying to put it out," the reporter said. The building is where the General People's Congress, or parliament, meets when it is in session in Tripoli.

The privately owned news website Qureyna said flames were seen leaping from the building, and that the headquarters of the Olympics Committee was also on fire.

[Polish Gas Firm Pulls Out Employees from Libya](#)

Polish state-controlled gas firm PGNiG said Monday it's evacuating all of its employees from Libya due to violent clashes between security forces and protesters in the country.

[Armed robbers in Libya attack Serb oil workers - media](#)

Some 50 Serbian nationals who work in the Petrolcomet oil company have been attacked by armed robbers near the Libyan city of Ras Lanuf, Serbian media reported.

"Yesterday evening, some 20 armed people attacked our camp, trying to steal our cars and rob us," the B-92 radio quoted an email letter from workers as saying.

[Libya's oil money has made it major world shareholder](#)

Libya's vast oil reserves have enabled it to invest more than \$70bn (£43bn) around the world – making it a major shareholder in companies such as the Financial Times, Fiat

and Juventus football club.

[OPEC unlikely to take action in Riyadh: delegates](#)

RIYADH (Reuters) - OPEC ministers meeting on the sidelines of an international conference in Riyadh are unlikely to increase output, OPEC delegates said on Monday, even though unrest across the Middle East has driven oil well above \$100.

[Russia wants explanation of EU energy blueprint](#)

MOSCOW—Russia's gas monopolist says Moscow wants the European Union to clarify how Europe's new common energy policy can be implemented without harming Russia's interests.

Gazprom's CEO Alexei Miller voiced concern on Monday that the new blueprint, also known as the Third Energy Package, would hurt Russian gas supplies and discourage investors from funding gas pipeline projects.

[Economy ministers appear in Venezuelan Congress for hearing](#)

Venezuela's Minister of Energy and Petroleum Rafael Ramírez is certain that if it were not for President Hugo Chávez, Venezuelans would have not the state-run oil holding Petróleos de Venezuela (Pdvs), oil would be depleted and Venezuela would not be a sovereign homeland.

[Geoscientists calls for early utilization of Thar Coal reserves](#)

HYDERABAD: The eminent geoscientists of Pakistan while emphasizing the need of adopting speedy measures for early utilization of indigenous resource of Thar coal said that with establishment of coal power plants would help in overcoming of energy crises as well as boot the economy of the country. They (geoscientists) were addressing the participants of national seminar on Coal of Sindh-Endeavors for power Pakistan” organized by National Centre for Pure and Applied Geology, University of Sindh at Jamshoro on Saturday.

[Plea to PM not to yield to petrol lobby & encourage bio-diesel](#)

BANGALORE: BJP President Nitin Gadkari today said he will appeal to Prime Minister Manmohan Singh not to yield to the petroleum lobby and encourage production of bio-diesel through effective implementation of bio-fuel policy.

[Vail-area Rep. Polis, some energy experts doubtful oil shale will ever pan out](#)

Congressman Jared Polis, a Boulder Democrat who represents Vail and surrounding Eagle County, is skeptical that vast oil shale reserves just to the west of his district in neighboring Garfield County are what one pro-business publication last week deemed “the brightest hope for America's energy independence.”

[Green energy firm finds gold in the halls of power](#)

In the world of alternative power generation, Bloom Energy is golden. It certainly has figured out how to get some the public's green.

[Is the case for the green economy now unanswerable?](#)

Given all the current turmoil in the Middle East, it is perhaps timely to trot out the old truism that all revolutions – democratic, military or industrial – look inevitable in retrospect. Peering back through the lens of history it is usually possible to identify the way in which the case for change had become so unimpeachable, so powerful, so right – that change simply had to come. All that is then required is a tipping point, an incident that makes the case for change so compellingly obvious that people take action.

[Some schools cut lunch options for kids who struggle to pay](#)

The Agriculture Department – which administers the NSLP – says roughly two-thirds of the 5 billion meals served under the program each year are free or are sold at a reduced price. That means you can't keep raising meal prices indefinitely, because the burden is disproportionately borne by the pupils who buy the one-third of meals sold at full price.

...Here's the option they hit upon in Lee County, one that's similar to steps being taken in an increasing number of schools across the country: Kids who can't pay get one free hot lunch. After that, they get a bare-bones "alternate meal." In Lee County, it's a cheese sandwich and a 4-ounce juice box. Take it or leave it.

It's not as coldhearted as it might sound at first.

[Crude oil jumps 4% as Libya protests spread](#)

Crude oil prices jumped 4% Monday as violent protests spread in Libya, raising the possibility that oil supplies from that OPEC nation could be disrupted.

By early afternoon in Europe, benchmark light, sweet crude for March delivery was up \$3.10 a barrel to \$89.30 in electronic trading on the New York Mercantile Exchange. The April contract was up \$3.19 to \$92.90. A barrel is 42 gallons.

[Unrest in the Middle East and North Africa -- country by country](#)

(CNN) -- Two months ago, a Tunisian fruit vendor lit a match that started a fire that has spread throughout the Arab world. Muhammad Bouazizi's self-immolation prompted anti-government protests that toppled the regime in Tunisia and then Egypt. The demonstrations have spread across a vast swath of the Middle East and North Africa. Here are the latest developments, including the roots of the unrest.

[Oil-Price Swings Double as Unrest Spreads Before Saudi Talks](#)

(Bloomberg) -- Oil-price swings have doubled this year as unrest spreads through the Middle East, source of one-third of global crude supply, hampering producer and consumer efforts to stabilize the world's biggest commodity market.

As officials from more than 90 nations including Saudi Arabian Oil Minister Ali al-Naimi and U.S. Deputy Energy Secretary Daniel Poneman gather in Riyadh tomorrow to seek ways of curbing fluctuations, oil's 20-day historical volatility has risen to 29.4, according to data compiled by Bloomberg. It was at 12.6, an all-time low, at the end of December. U.S. futures for April jumped as much as 4.5 percent today as violence spread in Libya, holder of Africa's biggest crude reserves.

[Qaddafi's Son Warns of Libyan Civil War, Offers Dialogue](#)

Muammar Qaddafi's son called on protesters in Libya to engage in dialogue or face a civil war that risks the country's oil wealth, as a widening revolt posed the most serious challenge to his father's four decades of rule.

"Instead of weeping over 84 dead people, we will weep over hundreds of thousands of dead," Saif al-Islam Qaddafi said on state television. "Rivers of blood will flow."

[Libya's Ghanem can't say if unrest affecting oil production](#)

Shokri Ghanem, chairman of Libya's National Oil Corp, said he didn't know if unrest sweeping the North African nation has affected its output of crude.

"Until now, we don't have any information," Ghanem said when asked about any such impact on production. He spoke in a brief telephone interview from the country's capital, Tripoli.

[BP Suspends Exploration as Libya Unrest Worsens; Eni Drops](#)

BP Plc suspended exploration work in the Libyan desert as shares of Eni SpA dropped on concern that worsening violence in the North African country will disrupt oil and gas production.

BP, which has no producing assets in the country, is evacuating families and non-essential staff, spokesman David Nicholas said today. Eni, the largest foreign producer in Libya, fell as much as 4.1 percent, the most since May.

[Wintershall to stop Libya oil output and remove staff](#)

(Reuters) - Wintershall, the oil and gas exploration arm of chemicals company BASF, said on Monday it was preparing to wind down oil production in Libya and fly out international staff in response to unrest.

[FACTBOX-Oil companies active in Libya, response to unrest](#)

(Reuters) - Violence and unrest that has swept the Middle East and North Africa gripped Tripoli on Monday, capital of Libya, an OPEC member that produces 1.6 million barrels per day (bpd).

The news helped to push oil prices LCOc1 above \$104 a barrel.

Foreign oil companies were reassessing operations in the country, and oil had reportedly stopped flowing at the Nafoora oilfield in Libya's Sirte basin, according to Al Jazeera, although few details were available.

The following lists oil and gas companies present in Libya.

[Libyan Protester Deaths Exceed 170 as Bahrain Opposition Prepares Demands](#)

Libyan security forces launched overnight attacks on anti-government protesters seeking to emulate the uprisings in Egypt and Tunisia, increasing the death toll over five days of unrest to more than 170, Human Rights Watch said.

The U.S. and U.K. expressed concern about the escalation of violence. U.K. Foreign Minister William Hague in a call today told Saif Qaddafi, son of the Libyan leader Muammar Qaddafi, that the Libyan government's actions "were unacceptable and would result in world-wide condemnation," the Foreign Office in London said in an e-mailed statement.

[Bloody Clashes in Tripoli as Gov't Offices Burn](#)

Libyan protesters celebrated in the streets of Benghazi on Monday, claiming control of the country's second largest city after bloody fighting, and anti-government unrest spread to the capital with clashes in Tripoli's main square for the first time. Muammar al-Qaddafi's son vowed that his father and security forces would fight "until the last bullet."

Even as Seif al-Islam Qaddafi spoke on state TV Sunday night, clashes were raging in and around Tripoli's central Green Square, lasting until dawn Monday, witnesses said. They reported snipers opening fire on crowds trying to seize the square, and Qaddafi supporters speeding through in vehicles, shooting and running over protesters. Before dawn, protesters took over the offices of two of the multiple state-run satellite news channels, witnesses said.

[Report: Egyptian police officers arrested](#)

(CNN) -- Three police officers in Alexandria, Egypt, have been arrested, and authorities are investigating whether they fired live bullets at demonstrators in late January, a state news website reported Sunday.

[Yemen's president compares protests to 'influenza'](#)

Sanaa, Yemen (CNN) -- Yemeni President Ali Abdullah Saleh rejected demands Monday that he step aside, comparing the anti-government protests in his country to a virus sweeping through the region.

"This is a virus and is not part of our heritage or the culture of the Yemeni people," he told reporters. "It's a virus that came from Tunisia to Egypt. And to some regions, the scent of the fever is like influenza. As soon as you sit with someone who is infected you'll be infected."

[Teenager dies, 39 hurt in fresh clashes in Iraq's Kurdistan](#)

Baghdad (CNN) -- A teenage boy was killed and 39 people were wounded Sunday evening when hundreds of demonstrators clashed with Kurdish security forces in Sulaimaniya in northern Iraq, officials said.

[Bodies found after Moroccan protests](#)

Rabat, Morocco (CNN) -- Five people were found dead Monday, a day after protests were held in cities across Morocco calling for political reform, the nation's interior minister told reporters.

[UAE awards \\$1.1 bln in defence contracts](#)

ABU DHABI (Reuters) - The United Arab Emirates awarded \$1.1 billion of defence contracts to local and international firms with more deals to come this week, signalling continued military spending by the oil exporter.

[Quashed protests show China's fear of social unrest](#)

Beijing - China's state-run media on Monday underscored the government's heightened concern about its ability to contain social unrest, one day after authorities mobilized the security forces to crack down on attempted anti-government protests.

Police had dispersed scores of people who gathered in central Beijing and Shanghai after an online call to participate in China's own 'Jasmine Revolution,' following the example of Tunisia.

[Sinopec Shares Gain in Shanghai, Drop in Hong Kong After Fuel Price Rise](#)

China, Asia's biggest oil consumer, increased retail gasoline and diesel prices for the first time this year, aiding state refiners under pressure from \$100 crude.

[Q+A-Is China's oil demand immune to price rises?](#)

(Reuters) - China raised gasoline, diesel and jet fuel prices on Sunday for the first time in 2011.

Simple economics dictate that demand should fall as prices rise. But in China, the situation is more complicated. Here's a look at the relationship between prices and oil demand in China.

[Efficiency is the name of the new game](#)

Pointing to the growing crude demand in the transportation sector and the impact of the rapid growth in the number of vehicles in the developing and the "transition" countries, Appert projects the world may need an additional 15.7mbpd of oil and 5mbpd of substitutes by 2035. In the meantime, carbon dioxide emission could also go up by 33 percent, posing a major environmental challenge to the world. This needs to be changed.

[Shell Says It Shut Nigeria Bonga Oil Field for Maintenance](#)

Royal Dutch Shell Plc's Nigerian unit said it shut its offshore Bonga oil field for maintenance.

"I can confirm there's a maintenance shutdown for Bonga this February," Precious Okolobo, a company spokesman, said by phone today from Abuja, the capital. "We can't say for now when it will end."

[Woodside Profit Rises 7% After Record Sales at Gas Project](#)

Woodside Petroleum Ltd., Australia's second-largest oil and gas producer, said 2010 profit rose 7 percent because of higher prices and record output and sales at its North West Shelf natural gas project.

[Maersk Orders Up to 30 of Biggest Container Ships on Oil, Trade](#)

A.P. Moller-Maersk A/S, the biggest container line, agreed to buy as many as 30 record-sized ships in an accord worth as much as \$5.4 billion to counter rising fuel prices and benefit from expanding global trade.

[Oman to raise oil output 4 pct in 2011-official](#)

(Reuters) - Oman expects to raise crude oil production by 4 percent in 2011, helped by new discoveries, its oil and gas ministry undersecretary said on Monday.

"We expect to reach an average of 900,000 barrels per day in 2011 from 864,000 bpd in 2010 from new discoveries with other producers," Nasser Al-Jashmi, told reporters on the sidelines of a conference.

[Russia may balance budget in 2014 - Kudrin](#)

Russia may have a balanced budget in 2014, if prices for oil, its key export, are at about \$100 per barrel, Finance Minister Alexei Kudrin said on Monday.

[Russia to pay Ukraine \\$2.75 bln for gas transit in '11](#)

(Reuters) - Russia's state-owned energy giant Gazprom will pay Ukraine \$2.75 billion in transit fees for shipping natural gas to Europe via its territory, up from \$2.6 billion in 2010, the company told journalists on Monday.

[Gazprom says Russia could sign road map for EU gas](#)

(Reuters) - Russia could sign a "road map" with the European Union over gas supplies through 2050, Gazprom chief executive Alexei Miller told journalists on Monday.

[Gazprom: Shale gas won't help Ukraine reduce reliance on Russia](#)

The shale gas deposits that Ukraine hopes to find and develop won't reduce its reliance on gas from Russia, the head of Gazprom Export LLC's contract structuring and pricing department, Sergei Komlev, said at a roundtable on current problems in the European energy sector.

"There is no point in hoping that shale gas will be the magic wand that ends Ukraine's dependence on gas from Russia," he said.

[Gazprom says no to revision of gas contract with Ukraine](#)

Russian gas giant Gazprom is not planning to revise its gas supply contract with Ukraine, CEO Alexei Miller said on Monday.

"Under the current contract, gas is supplied with a 30% discount compared to the price for European consumers. We do not plan any changes to the price formula or the contract," Miller said.

[India's \\$555 Million Coal Tax May Fund Electricity Lines](#)

India may use part of the 25 billion rupees (\$555 million) it raises this year with a coal tax to fund new electricity-transmission lines for helping distribute power from clean energy projects.

[Why Obama can't save infrastructure](#)

Washington talks a good game about transportation infrastructure, but refuses to agree on how to fund it. So let's stop waiting for Washington.

[Gas pipeline explodes in east-central Canada](#)

BEARDMORE, Ontario - Police say a natural gas pipeline ruptured and exploded into a huge fireball in northwestern Ontario, but no one was injured.

[Take Your Tech Off the Grid](#)

What do a tree-hugging hippie, a die-hard survivalist with a year's worth of Campbell's soup, and a sensible bill-paying adult have in common?

If you were expecting a dirty joke, sorry to disappoint (this is PCWorld, after all). The correct answer is: They don't like to waste electricity. Maybe you're worried about peak oil and wasting natural resources, maybe you want your tech to work on the power you get from your home generator, or maybe you just want to save a few bucks--either way, we have a few tips, tricks, and tech toys that can help you cut down your power usage.

[Hold tight, it is going to be a bumpy ride](#)

There is a running argument among oil experts as to whether the shortage has got to the stage called 'peak oil'. Some geologists believe the world has already passed that point, which is reached when new oil resources are not being created to match the depletion of oil reserves.

I have been following this argument for the last 40 years. Many of us thought the world was running out of oil in the Seventies, but new deposits were found. Not so in 2011.

[Indonesia Orders Utility Listrik Negara to Buy Geothermal Power](#)

Indonesia has ordered state-owned utility PT Perusahaan Listrik Negara to buy power from the country's geothermal plants to support investment in the alternative energy source.

The Australian Capital Territory parliament approved legislation to extend a feed-in tariff to support the installation of medium-sized solar power plants.

The law increases the size of projects eligible for feed-in tariff support to as much as 200 kilowatts from 30 kilowatts, with plans to extend the assistance to larger projects by the end of the year, according to a statement from the territory's government.

[Australian Capital Territory Increases Support for Solar Power](#)

[Australia: Looking beyond electric vehicles](#)

Current transport paradigms are no longer affordable or sustainable. Electrification of our urban transport system is urgently required, but we need to think beyond electric cars.

[Renewable energy conference disallows dialogue on effective alternatives for conservation at UM](#)

Last Thursday I attended the Renewable Energy Meeting held at the University of Maine and finally witnessed the politics that rule our lives firsthand.

I observed as 20 representatives from the University of Maine System laughed and hugged in complete agreement on the direction and material future in which students will learn.

From here on out, the UMaine System will be indoctrinating our children into believing the myth of "free energy."

[Got Food? Consider yourself lucky](#)

With every purchase of industrially farmed food, Americans are voting to undermine food safety and security at the expense of the local farmer. Cozy "free trade" deals that favor food importation over local production have lulled Americans into complacency and a false sense of security. The battered U.S. dollar is still accepted as the global reserve currency today, but what will happen when the dollar crashes and there is no longer a surplus of food available at a price your family can afford?

[How Much Longer Can the West Look to OPEC for Oil?](#)

Even though OPEC's share of global oil production has been declining as a result of the west's desire to slip, or at least loosen, the supply noose held by OPEC, the cartel, as a whole, is still the largest single source global oil and Saudi Arabia is the largest, also known as the "swing producer".

[Climate change? Yes, now is a good time to freak out](#)

With all the exciting developments from Egypt, one news item may have slipped your notice: Reporters combing through the Wikileaks cables revealed last Tuesday that the Saudis are very likely overestimating their oil reserves by 40 percent.

If these reports are right, the price of oil is not being driven up by speculation - it is being driven up by scarcity.

[Cotton carrier bags need to be used 131 times to be 'environmentally friendly'](#)

They found that cotton bags may cause more global warming, as a greater amount of energy goes into making a cloth carrier than a polythene one.

And that a cotton bag has to be used 131 times before it has the same environmental impact like its plastic counterpart.

And if a plastic bag is re-used as a bin liner, a cotton bag has to be used 173 times - nearly every day of the year - before its ecological impact is as low as a plastic bag on a host of factors including greenhouse gas emissions over its lifetime.

But researchers found that most of us only use the bags around 51 times before they are thrown away.

[US has modest goals for S. Africa climate talks](#)

JOHANNESBURG – The U.S. does not expect this year's climate change conference in South Africa to yield a binding international agreement to stop global warming, the top U.S. negotiator said Monday.

But Todd Stern, on the first of what he said would be several visits to South Africa

before the Durban talks open in late November, said he does expect progress on several fronts, including some of particular concern to Africa, the continent expected to be hardest hit by climate change.

[European Union faces legal action over fraudulent carbon emissions trading](#)

The European Union faces legal and political challenges over its handling of the carbon markets which remain in chaos after a cyber attack forced partial closure of the Emissions Trading Scheme.

[UK opts out of EU's common carbon auction platform](#)

(Reuters) - Britain will opt out of the EU's common carbon permit auctioning platform from 2013 and set up its own national platform, the department of energy and climate change said.

[Climate change will force 40% shift in asset allocation](#)

Institutional investors need to shift 40% of their portfolios into climate-sensitive sectors, including infrastructure and agriculture, to safeguard returns against the impact of global warming, according to consultant Mercer.

[US scientists predict prolonged drought as Indian Ocean warms up](#)

East Africa will receive less rainfall in years to come due to effects of climate change, a new study has found.

Scientists from the US Geological Survey (USGS) and the Geography Department of the University of California, predict continued drought spells in future during the long rains, usually between March and June, when farmers plant their crops, thus impacting negatively on the region's food security outlook.



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