



Drumbeat: March 3, 2012

Posted by [Leanan](#) on March 3, 2012 - 10:58am

[Global mining boom is leading to landgrab, says report](#)

The global mining, oil and gas industries have expanded so fast in the last decade they are now leading to large-scale "landgrabbing" and threatening farming and water supplies, according to a report by environment and development groups in Europe, Africa and India.

...The dramatic increase in large-scale mining, clearly seen in places such as the Amazon for gold and oil, India's tribal forest lands for bauxite, South Africa for coal and Ghana for gold, is being fuelled by the rising price of metals and oil. These have acted as an incentive to exploit new areas and less pure deposits, says the report.

"Technologies are becoming more sophisticated to extract materials from areas which were previously inaccessible, uneconomic or designated of 'lower' quality," it says. "That means more removal of soil, sand and rock and the gouging out of much larger areas of land, as seen with the Alberta tar sands in Canada."

[Crude Oil Drops Most Since December as Obama Comments Reduce Iran Tension](#)

Oil fell the most this year as President Barack Obama said a pre-emptive strike on Iran might generate "sympathy" for the Persian Gulf country, easing concern that an attack would take place.

Prices dropped for the first time in three days after Obama said in an interview with The Atlantic magazine that a strike without warning might allow Iran to portray itself as a victim. Futures also declined as the dollar rose before reports next week that may show U.S. economic growth.

[All the signs point to a falling oil price - except supply](#)

If you want a recipe for falling global oil prices, you would think this would do the trick.

The 17-country euro zone, which includes three Group of Seven countries, is back in recession. The shale deposits in the United States are gushing oil. Libyan supplies are coming back with a vengeance. Iran has not been bombed and, if the blathering Beltway pundits are right, will not be bombed before the U.S. election. The Strait of Hormuz is wide open. The latest generation of cars makes the fuel economy of your dad's old

banger look like the Exxon Valdez's. European austerity-related taxes on gasoline and diesel are pushing down demand.

Why, then, are oil prices so high, to the point they threaten the tentative economic recoveries in debt-bombed Europe and elsewhere?

[HSBC Says Oil Replaces Greece as Threat to Economic Growth, Asset Values](#)

Soaring oil prices have displaced Greece's sovereign debt as a threat to global economic growth and financial markets, HSBC Holdings Plc, Europe's largest bank by market value, said.

"With Greece disappearing, at least temporarily, from the headlines, investors have quickly found a new source of anxiety thanks to the recent surge in oil prices," HSBC Chief Economist Stephen King said in a note today. "If the trend persists, a fragile economic recovery in the developed world could quickly be derailed and inflation could return to emerging markets."

[Slipping up on oil and Greece?](#)

But the question of whether oil packs as much a threat for world markets as the systemic risks posed by the Greek debt collapse is an interesting one. Certainly the sort of random, nervy price movements late Thursday are reminiscent of the edgier days of the now two-year-old euro crisis. Familiar too is the often unfathomable second-guessing of political developments in the euro zone. Yet for many people oil is just the new, well... oil.

[Iran Oil Loss Would Worsen Global Fuel Shortage, U.S. Says](#)

Excluding Iran from the global oil market would increase the shortfall between worldwide supply and demand sixfold, based on February production and consumption estimates, the U.S. Energy Department said.

[Gas prices gain 1.6 cents, near \\$3.76 a gallon](#)

NEW YORK (CNNMoney) -- The nationwide average for gasoline prices surged Saturday, approaching the \$3.76-a-gallon mark, according to the motorist group AAA.

The average price of regular unleaded gasoline climbed 1.6 cents in the latest 24-hour period, marking the 25th straight increase, AAA said. A month ago, the nationwide average was \$3.46 a gallon.

[What can U.S. do to halt rising gas prices? Not much](#)

Rising gas prices are always a bad thing for an incumbent president, especially one heading into a tough re-election battle.

But President Obama admitted in a speech in Miami recently that there's not all that much he can do to blunt the impact of prices, which some analysts think could be heading toward \$5 per gallon nationwide this summer.

[Obama: Fuel-efficient cars an answer to gas prices](#)

WASHINGTON—President Barack Obama says vehicle fuel economy standards set under his administration and better cars built by a resurgent U.S. auto industry will save money at the gas pump over the long term, a counterpoint to Republican criticism of his energy policy.

[Rep. Hastings faults Obama on oil policies](#)

(UPI) -- U.S. Rep. Doc Hastings, R-Wash., criticized President Obama Saturday for blocking the Keystone XL pipeline and restricting offshore oil drilling.

Hastings, in the weekly GOP media address, also called on the president to loosen regulations on the oil industry.

The moves, he said, would help lower gasoline prices and create jobs.

[Do Food Commodity Prices Follow Oil Prices?](#)

People always seem to be interested in the comparison of food commodity prices with oil prices and many have proclaimed that food equals oil.

This next graph going back to the 1950's, taken from this OECD publication, demonstrates that food prices have *not* followed very closely with oil prices.

[Iran-Owned Tankers Storing Crude Falls to Two-Year Low, E.A. Gibson Says](#)

The number of Iranian tankers used to store oil at sea slid to a two-year low as more of the ships were deployed to carry crude to Asia before the U.S. and Europe tighten sanctions on exports, said E.A. Gibson Shipbrokers Ltd.

[Filipino, Russian sailors seized off Nigeria coast in 'good health'—MEND](#)

LAGOS—Three sailors abducted when their cargo ship was attacked by pirates off the

Nigerian coast this week are “in good health”, an armed militant group said Friday.

[Texas Farmer Takes On TransCanada](#)

The debate over the Keystone XL pipeline has moved from the White House to a farm in Texas. Third-generation farmer Julia Trigg Crawford is engaged in a court battle over whether TransCanada, the company that wants to build the massive pipeline from Canada to Texas, has a right to declare eminent domain on a portion of her family's farm.

[BP Reaches \\$7.8 Billion Deal With Gulf Spill Victims](#)

BP Plc (BP/) said it reached a \$7.8 billion settlement with businesses and individuals over the 2010 Deepwater Horizon oil rig disaster, removing one of three major litigation fronts facing the company over the biggest offshore spill in U.S. history.

[Oil Spill: Why the BP Settlement Is Just the Beginning of the End](#)

Under the terms of the settlement, plaintiffs who haven't received compensation yet can take money from the settlement or opt out and apply to a BP-run entity. And if neither option appeals, they can still sue—which means we may not have seen the end of litigation over the oil spill.

[BP settles while Macondo 'seeps'](#)

As BP pays billions in settlements, scientists are concerned about a persistent oil seep near the Macondo 252 well.

[The Fukushima Question](#)

How close did Japan really get to a widespread nuclear disaster?

[GM stops Volt production for 5 weeks](#)

NEW YORK (CNNMoney) -- President Barack Obama said recently he'd buy a Chevrolet Volt after he left office "in five more years."

It seems like General Motors could use that business much sooner. The automaker said Friday it is halting the Detroit production line for the Chevrolet Volt for five weeks as it works to sell down its existing inventory of the plug-in car.

[Minister Ed Davey says vested interests will hate his 'Green Deal'](#)

The UK's energy minister said his "Green Deal" plan for business would be so radical it would be hated by some.

Ed Davey told the Scottish Lib Dem conference in Inverness he would announce details of the project soon.

He said he was "giving notice" to businesses and local authorities to get serious about saving energy and saving people money.

[Soaring sustainability: Eagles sign with solar-power giant at Phila. stadium](#)

A year and a half after first announcing plans for solar power at the Eagles' stadium, the franchise announced Thursday that it had teamed up with a new partner - solar giant NRG of Princeton.

NRG will design, build, and operate an array of more than 11,000 solar panels and 14 micro wind turbines that, over the course of a year, will provide six times the power used during all Eagles home games at Lincoln Financial Field, the team said.

[1958 zoning code authors saw the future, often wrongly](#)

Lewis clearly failed to predict suburban flight, and also didn't anticipate the decline in family size, which means that DC has a far lower population even with more housing units than existed in 1956.

[Spherical Oil Silo Home is where we'll live when the oil runs out](#)

It may be an impossible question to even fathom for you and me, but the folks over at Berlin's Pinkcloud.dk design studio are asking what our world will look like when we're not so fixated on oil. The estimated 49,000 oil silos worldwide, the group argues, could be transformed into some pretty futuristic-looking homes.

[The Best Part About Global Warming](#)

Scientists are still studying the complex relationship between flu and climate, and other factors, like an absence of new strains or immunity from past vaccinations, may have contributed to this season's low numbers. But there is reason to believe that the weather is an important factor.

[Why climate change is not on India's radar](#)

One day into my trip I realize it is unrealistic to expect India to meaningfully address climate change. The country is blanketed in polluted air, and flooded in polluted water. Even in the face of severe health impacts the government presents ineffectual action on local pollutants. Expecting India's government to incur costs for reducing greenhouse gases is to fool ourselves. We must wait for a will to tackle local pollutants, before action on climate change will occur.

[Venezuela's Opec stand is a win for climate change campaigners](#)

Environmentalists who support developing countries' fight against polluters should also back their struggle for control of oil.

[Why the Global Warming Skeptics Are Wrong](#)

The first problem is an elementary mistake in economic analysis. The authors cite the "benefit-to-cost ratio" to support their argument. Elementary cost-benefit and business economics teach that this is an incorrect criterion for selecting investments or policies. The appropriate criterion for decisions in this context is net benefits (that is, the difference between, and not the ratio of, benefits and costs).

[A Carbon Tax With a Twist to Please GOP -- Maybe](#)

Arthur Laffer sees all taxes as essentially bad but some are worse than others. With that in mind, he would like to swap a tax on carbon for our current tax on income.

[Climate Change: Insurers Confirm Growing Risks, Costs](#)

The politics of global warming have typically involved much debate as to the role climate change plays in growing weather-related risk. Yesterday, however, at a Capital Hill a press conference on the cost of climate change, debate was not on the agenda. Pointing to a year of history-making, \$1 billion-plus natural disasters, representatives of Tier 1 insurance companies took a definitive stance with members of the U.S. Senate to confirm that costs to taxpayers and businesses from extreme weather will continue to soar because of climate change.



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