

Summer duties with the Alaska Fire Service are nearly over and it's time to return to the weekly Food Security Updates. It is a pleasure to be back. I was hoping to get this out yesterday, but there was one more article, about a food shortage for food banks that seemed worth including.

Synopsis:

When FSU (Food Security Updates) went offline for the summer, civilian populations in Northern Africa and the Middle East were in explosive turmoil. Violence in Libya was escalating and the 'Arab Spring' was moving through the region with a nearly unstoppable force. This civil instability in the world's oil patch increased the price of petroleum to near record levels. The price of West Texas Intermediate was \$107/bbl and the European, Brent Crude was at \$122.56/bbl. Gold was at \$1556/oz and the price of gasoline here in Fairbanks was over \$4/gal. At that time, most macroeconomists believed that double-digit prices for petroleum would be a distance memory.

The increased price of oil raised expenses throughout the food system. Skittish oil markets drove up the costs of agricultural production, harvest, storage and distribution, but wait, there's more. Droughts stretching from North Texas to Southwest Kansas took out approximately 18% percent of this year's US winter wheat harvest while early floods and later hot/dry weather in the Corn Belt removed over a half billion bushels from a market that was destined for human consumption, livestock and ethanol production. However, this was still a record year for corn production and prices are high for both grains. The 12 states of the Former Soviet Union (FSU-12) recovered from last year's drought and as a result, global wheat production for 2011/2012 is expected to reach 188-million MT.

Still, famine is spreading throughout the Horn of Africa, hitting Somalia hardest and moving south through Kenya and Tanzania; and east through Sudan and Uganda. The UN and donor nations are sending massive aid to this region.

The price of WTI today (8/31/2011) is \$89.04/bbl on this morning's markets, and the Brent Crude Index is at \$114.67/bbl, down significantly from earlier this summer. Gold is trading at \$1829, up \$5 from yesterday.

31 August 2011

** WSJ

Inflation Soars to 21.4% in Uganda As Food Shortage Worsens

<http://online.wsj.com/article/BT-CO-20110831-708078.html>

The WSJ reports that food prices have increased 2.4 % in the last month as the worst drought in 60 years continues its grip on the region. This natural and economic disaster is putting a strain on the 25-year administration of President Yoweri Museveni. The story also reminds readers that large tracts of oil were recently discovered in Uganda, with production scheduled to begin within three years.

30 August 2011

** Financial Times

Water is the new weapon in Beijing's armoury

<http://www.ft.com/intl/cms/s/0/4f19a01e-d2f1-11e0-9aae-00144feab49a.html#axzz1Wcj9aU3i>

This article discusses the emerging unilateral fresh water policy being developed and implemented by the Chinese government. China's large land mass and unique location puts it at the hub of many of Asia's largest transnational river systems. As a consequence, countries from Russia to India, Kazakhstan to Southeast Asia are affected by these emerging policies and actions. Beijing refuses to enter water sharing agreements with any of its neighbors and is damming many of the trans-boundary estuaries for both energy and irrigation. These rivers include the: Bramaputra; Nujiang; Heilongjiang; and the Mekong river system.

China has not only constructed the world's largest dam, but has more dams than all other nations combined. These dams are beginning to cause international disagreements with some pretty heavy players. The newly designed dam for the Bramaputra is planned to be twice as large as the Three Georges Dam (currently the world's largest) and situated within a few miles of the disputed boarder with India.

The FT goes on to report that China is also the world largest builder of dams outside of its own borders as well, building dams in areas of the world where water right might be disputed or in a state of conflict.

China is one of only three nations that did not sign the 1997 UN convention on shared water resources.

29 August 2011

** Financial Times

Global warming fears rise in developing world

<http://www.ft.com/intl/cms/s/0/4f19a01e-d2f1-11e0-9aae-00144feab49a.html#axzz1Wcj9aU3i>

This article from the Financial Times reports on the waning interest that developed countries have in the issue of global climate change (GCC). On the other hand, developing nations, who often feel the greater effects of drought, flood and extreme weather events, are all taking the subject of climate change far more seriously.

The FT reporter attributed the decline of interest as direct result in the economic down turn faced by Europe and North America. Figures given in the report suggest that less than 50% of Americans are concerned with GCC and less than 60 percent of the British. By contrast, more 90% of Latin Americans take GCC seriously and more Russian and Chinese take the threat to the planet more seriously than the Brits.

17 August 2011

** Fox News 8 (TV) Winston-Salem North Carolina

Second Harvest Food Shortage Affects Hundreds of Organizations

<http://www.myfox8.com/news/wghp-second-harvest-food-shortage-affects-hundreds-of-organizations-20110817,0,5099738.story>

This link will also take you to a short story and a video clip from the local evening new. The upshot of the story is that contained within the Winston-Salem area, there are over 300,000 families, spread across 18 counties who are food insecure; and these folks are affected by food shortages associated with the Second Harvest food distribution system. The local Second Harvest services over 350 pantries, shelters, outreach centers, in the area, with a daily distribution of over 27-ton/day. A notice at the local Second Harvest website, calls this their worst food shortage since 2009.

<http://www.hungernwnc.org/> Though Winston-Salem ranks as the highest need area in the country, neighboring Greensborough ranks 17th.

15 August 2011

** Biofuels Digest

Corn yields down with high heat, low rain: USDA

<http://biofuelsdigest.com/bdigest/2011/08/15/corn-yields-down-with-high-heat-low-rain-usda/>

The USDA released its latest report on World Agriculture Supply and Demand Estimates (the WASDE <http://www.usda.gov/occe/commodity/wasde/>) citing a lower than expected harvest in the US this year due to loss of acreage due to harsh weather and lower acreage yields. Corn production is expected to 556 million bushels less this year with a loss of approximately 5.7 bu/acre. The national average is expected to be 153.0 bu/acre.

Conferences:

September 7th, 2011 (12:45 EDT)

International Food Policy Council

The IFPC will host a live webcast: Leveraging Agriculture to Tackle Non-Communicable Diseases.

(www.ifpc.org)

October 13 & 14

Sustainable Livestock Production in Alaska, Anchorage, Alaska

www.uaf.edu/ces