



The Round-Up: April 30th 2007

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[Suzuki says Baird's climate plan 'not enough'](#)

Respected environmentalist David Suzuki came out swinging Friday, calling the plan an embarrassment that was more of a sham than a strategy. Suzuki said the government must meet the terms of the Kyoto accord on time -- regardless of expense.

"Mr. Baird, you are the minister of the environment, not the minister of finance," Suzuki told reporters at a press conference. "Your job is to protect the environment."

He said Canada needs to set the example for other countries.

"If we can't do it, why should India or China or all of the other developing nations pay any attention to the issue of emissions reduction?" questioned Suzuki.

[Canada lagging many countries on climate fight](#)

Just as Environment Minister John Baird was bragging that Canada now has one of the "most aggressive" anti-climate change plans in the world, Denmark's energy minister was inadvertently helping to punch holes in the claim.

Flemming Hansen, on a two-day trip to Canada, was explaining to an audience at Carleton University on Thursday how renewable sources would account for 30 per cent of Danish energy consumption by 2025. (Canada's is currently 17 per cent).

The oil-exporting country has long made consumers and industry pay hefty carbon taxes on gasoline and cars. Its energy consumption has been reduced to 1975 levels even as its economy has continued to grow.

Because of drastic measures taken over the last decade, the country is struggling to find additional ways to cut emissions and meet its Kyoto commitment - but it still believes it'll come in somewhere around 3 per cent over the target.

That's considerably more aggressive than Baird's plan, under which Canada's greenhouse gas emissions are supposed to "stabilize" from last year's levels by 2010 - 38 per cent higher than the Kyoto commitment.

[Emission standards will give industry three-year free ride](#)

New industrial facilities and automobile manufacturers in Canada are getting a free ride over the next three years, while some sectors that produce pollution linked to climate change such as Alberta's oilsands are facing a \$15 per tonne carbon tax starting in 2010, under new federal environmental regulations unveiled Thursday.

The regulatory framework places absolute caps on air pollutants such as nitrogen and sulfur oxides in the short-term, but loopholes in the mandatory regulations targeting greenhouse gases could allow emissions to rise for another decade for companies that choose to offset a portion of their greenhouse gas emissions by paying the carbon tax into a new technology fund.

The framework would set an annual intensity target of 18% that would increase by 2% per year to reduce the growth in emissions before it could translate into absolute reductions. New facilities would also be exempt from any targets for three years, while those that proved they could not reduce emissions with existing technology would be exempt from any requirements to make reductions.

[Canada's eco-worriers](#)

John Baird, the environment minister, reckons the new Canadian policy is one of the most aggressive...in the world. That is hyperbole. Last year Canada produced an estimated 781 megatonnes of greenhouse gases, and it is certain to miss its Kyoto target of cutting them to 563 megatonnes by 2012. Even if the new plan manages to hit its own targets, Canada will be emitting 630 megatonnes a year by 2020. Even that may be too optimistic.

The new limits for industry are based on the intensity of emissions per unit of production, rather than a hard cap on total emissions. That leaves open the possibility, if production grows enough, that total emissions could yet go up. There are a lot of blanks in the policy, and more than a whiff of wishful thinking, for example on what other, local, programmes may achieve. Stéphane Dion, leader of the opposition Liberals, calls the government plan a scam.

Yet the Liberals themselves are in a shaky position on this issue. They ruled for nearly 13 years, signed the Kyoto protocol, but did almost nothing to meet its requirements. Mr Baird is venturing where the previous government dared not: setting mandatory, rather than voluntary, targets and warning voters they could pay as much as C\$8 billion (\$7.2 billion, or 0.5% of GDP) a year, for example for pricier electricity and home appliances. A technology fund, to which companies can contribute in lieu of cutting emissions, has the virtue of creating a pool of money to encourage greener processes. It and a plan to provide credits to early movers, who have already cleaned up their act, should help keep industry sweet. Initial corporate grumbles rather than outrage suggests this is the case.

[Al Gore says Tories' green plan a 'fraud'](#)

The Conservatives' new environmental platform is a complete and total fraud that is designed to mislead the Canadian people, former U.S. vice-president Al Gore said

Saturday....

....Mr. Gore acknowledged he is not a Canadian citizen and said he has no right to interfere in your decisions.

However, he said, the rest of the world looks to Canada for moral leadership, and that's why this week's announcement was so shocking.

[Climate change heats up Arctic geopolitics](#)

Global warming has the United States and Canada scrambling to overhaul their strategies for controlling North America's vast Arctic, as sea passage grows easier and natural gas resources beckon.

Ice melt in Canada's Great North already allows boat traffic in the Northwest Passage, long the definition of a difficult route between the Atlantic and Pacific through the Arctic, which cuts the sea travel distance between Europe and Asia by a third.

This tortuous route however should be open almost half of the year by around 2035. That could foster cooperation, or turbocharge turf squabbles between Canada and the United States, whose claim on the Arctic is its state of Alaska.

[Thin ice: From Canada's north, ground-level view of warming](#)

Inuit hunters are falling through thinning ice and dying. Dolphins are being spotted for the first time. There's not enough snow to build igloos for shelter during hunts....

...."This is where a culture has lived for 5,000 years, relying on a very delicate, interconnected ecosystem and, one by one, small pegs of that ecosystem are being pulled out," Steger said by satellite phone from a small village outside Iqaluit, about 200 miles south of the Arctic Circle.

[Meanwhile, in Australia a global crisis arrives in the back yard](#)

The drought, which many scientists have linked with global warming, is regarded as the first climate change-driven disaster to strike a developed nation....

....That fear is well grounded. The three dams servicing the region are down to less than 20 per cent of capacity. If next summer is as dry as the last one, Brisbane will run out of water late next year.

By that time a \$7bn (2.91bn pounds) programme aimed at "drought-proofing" southeast Queensland is supposed to have been completed. It includes a desalination plant on the Gold Coast, south of Brisbane, and a pipeline that will pump recycled water to power stations. New dams are also planned.

But if construction work falls behind schedule, there will be a crisis. "Frankly, it's a close race," says a source at the Queensland Water Commission.

Smaller towns in the region have already run dry, and are having to truck in water supplies at great expense. The government is talking about evacuating residents.

[The big dry](#)

The drought knocked one percentage point off Australia's growth rate last year, by the government's reckoning. It is paying out A\$2m (\$1.7m) a day in drought-relief to farmers. If mature vines and fruit trees die in the coming months through the lack of water, the economic fallout will be more serious and lasting. Most alarming of all, the Murray-Darling's troubles are likely to worsen. As Australia's population continues to grow so does demand for water in the cities and for the crops that grow in the river basin. Meanwhile, global warming appears to be heating the basin up and drying it out. Although few scientists are confident that they can ascribe any individual event including today's drought to global warming, most agree that droughts like the present one will become more common.

Many of the world's rivers, including the Colorado in America, China's Yellow river and the Tagus, which flows through Spain and Portugal, are suffering a similar plight. As the world warms up, hundreds of millions of people will face the same ecological crisis as the residents of the Murray-Darling basin. As water levels dwindle, rows about how supplies should be used are turning farmers against city-dwellers and pitching environmentalists against politicians. Australia has a strong economy, a well-funded bureaucracy and robust political institutions. If it is struggling to respond to this crisis, imagine how drought will tear apart other, less prepared parts of the world

[High temperatures, and even higher anxiety, in Europe](#)

Since the start of April, the temperatures and dryness have set records in parts of France and Germany. Large swathes of northern of France have been so cloudless, there have been about 11 hours of sunshine per day for the last few weeks, nearly double the usual amount.

There also has been a lack of rain in Italy, the Netherlands and Britain, prompting tourists and locals alike to spend more of their time and money dining outdoors and buying supplies for barbecues and picnics.

While few object to putting on sunglasses and lighter clothing earlier than usual, there already are fears that droughts and electricity shortages are just around the corner. For some climate change experts, the unseasonably high temperatures are a reason for anxiety, not relaxation.

[Time running out to avoid climate disaster](#)

Only 13 years are left to avert a catastrophe, according to a draft of the next part of the UN climate report. Unless greenhouse gas emissions are curbed by 2020, there will be irreversible consequences such as a melting of the polar ice caps, rising sea levels and widespread flooding, experts agree.

Mankind's role in damaging the climate its consequences for the planet have already been outlined in the first two parts of the report by the UN's Intergovernmental Panel on Climate Change (IPCC).

In the third section due to be presented in the Thai capital of Bangkok on May 4, the IPCC is expected to outline what options are left for us to save the planet.

[Oceanic Twilight Zone Plays Important Role In Climate Change](#)

The results of two international research expeditions to the Pacific Ocean, published April 27 in the journal Science, show that carbon dioxide - taken up by photosynthesizing marine plants in the sunlit ocean surface layer - does not necessarily sink to the depths, where it is stored and prevented from re-entering the atmosphere as a greenhouse gas.

Instead, carbon transported to the depths on sinking marine particles is often consumed by animals and bacteria and recycled in the twilight zone-100 to 1,000 meters below the surface-and never reaches the deep ocean.

Using new technology, the researchers found that only 20 percent of the total carbon in the ocean surface made it through the twilight zone off Hawaii, while 50 percent did in the northwest Pacific near Japan.

The twilight zone acts as a "gate," allowing more sinking particles through in some regions and fewer in others, complicating scientists' ability to predict the ocean's role in offsetting the impacts of greenhouse gases.

[Rachel Carson remembered on the centennial of her birth](#)

Carson would have turned 100 on May 27. Instead she died at age 56 of breast cancer just two years after alerting the nation to a hidden environmental crisis. Her fourth book, Silent Spring, published in 1962, exposed the danger of toxic chemicals to wildlife and, by extension, to humans, who, she argued quite successfully, could not be separated from the chain of life that surrounds us.

"She recognized that our natural resources were not being wisely used," Youngblood said, "and that we the people were destroying them by our practices. And we had to do something immediately."

[Norway buys into oilsands for \\$2-billion](#)

Statoil ASA has landed its "beachhead" to the Canadian oilsands with its \$2.2-billion purchase yesterday of North American Oil Sands Corp., a transaction that reaffirms the sector remains an attractive bet for global energy companies....

....He said the deal could even be a precursor to Statoil seeking a larger stake in Alberta's oilsands, as the world's thirdlargest marketer of oil hunts for reserves that offer sound economics over the long term, even with break-even oil prices of around US\$40 a barrel.

[BMO warns on second-quarter results](#)

Bank of Montreal (TSX:BMO) said on Friday that it is taking a charge of up to \$450-million in the second quarter as a result of commodity trading losses in energy markets.

We are conducting a thorough review and actions have been taken to address the current situation, said chief executive Bill Downe, who took over the BMO hot seat last month.

The bank said the loss could range from between \$350-million and \$450-million, and would result in a hit of between 45 cents and 55 cents a share in the second quarter earnings due on May 23.

The losses relate to positions held primarily in natural gas markets, the bank said in a statement. Trading was negatively impacted as the market became increasingly illiquid and volatility dropped to historically low levels, the bank said.

[How did BMO's '\\$450M loss just materialize?'](#)

Leigh Parkinson, an energy risk consultant at RiskAdvisory in Calgary, said the sheer magnitude of BMO's losses suggests the bank lost track of what its own traders were up to. "How all of a sudden does a \$450-million loss just materialize like this?" he said. "Was it a lack of control from a risk perspective or was somebody hiding trades in a desk drawer?"

In recent years, natural-gas trading has taken off, attracting players ranging from traditional oil companies to hedge funds and financial institutions.

Some on Bay Street say trading natural-gas options is about as wild as it gets. "This is not for the faint of heart," said one oil-and-gas analyst yesterday.

[Energy fuels strong growth](#)

Canada's economy grew faster than expected in February as the energy sector expanded at its fastest rate in nearly four years, increasing the chances of an eventual Bank of Canada interest rate hike....

....Output in the energy sector jumped 2.9 per cent, the biggest climb since September 2002, thanks to a 3.4 per cent gain in electrical power generation and a 3.6 per cent increase in oil and natural gas extraction.

Statscan attributed the strength to a return of normal weather after two months of unseasonably mild temperatures.

However, crude oil production returned to levels of early 2006 while natural gas and electricity output returned to mid-2006 levels.

[What Record High?](#)

As the Dow burst through the 13,000 milestone this week, few understood the hollowness of the achievement. Measured against the rising dollar-denominated prices of just about everything else on the planet, the Dow has actually lost value over the past seven years. Measured against the truest benchmark, the price of gold, the record high for the Dow was set back in January of 2000 when its price equaled approximately 43 ounces of gold. Today it is only worth about 19 ounces.

To better appreciate just how much of stock gains can be attributed to inflation, consider that the record high for the Dow in 1929 of approximately 380 also equated to 19 ounces of gold. So despite all of the hoopla and a thirty-fold increase in stock prices, the Dow has actually gained no real value during the past eighty years. The entire rise from 360 to 13,000 has been an illusion made possible by the magic of inflation. So much for the concept of stocks being a "can't lose" long term investment -- unless you feel that eighty years is not quite a long enough time horizon!

Now that is not to imply that the Dow has not generated returns during those years: it has. However, those returns have been a function of dividends and not appreciation. But its not yields that Wall Street celebrates, its prices. By dazzling investors with higher prices, they distract their attention from the unpleasant reality that they are actually treading water. What difference does it make if you have more dollars if the dollars themselves have less purchasing power?

[Jeremy Grantham: All the World's a Bubble](#)

While euphoria sweeps stock markets here and worldwide, there are at least a few voices of dissent.

One, unsurprisingly, is legendary value investor Jeremy Grantham -- the man Dick Cheney, plus a lot of other rich people, trusts with his money. Grantham, chairman of Boston firm Grantham Mayo Van Otterloo, has been a voice of caution for years. But he has upped his concerns in his latest letter to shareholders. Grantham says we are now seeing the first worldwide bubble in history covering all asset classes.

Everything is in bubble territory, he says.

Everything. 'The bursting of this bubble will be across all countries and all assets.'

[Dead Market Walking](#)

As the credit cycle turns, companies that have wracked balance sheets in pursuit of short-term operational leverage will quickly discover that borrowing has become a costly financing alternative. With the debt spigot running dry, many will be forced to try and raise equity capital instead, on increasingly onerous terms.

For the swollen ranks of lowly-rated firms that are up to their necks in debt, selling shares -- as well as various other assets -- will be a matter of survival, often regardless of price.

Meanwhile, frenetically one-sided deal-making by private equity firms and Wall Street bankers will undergo a turnaround, as formerly sanguine players turn into nervous, cutthroat operators looking to cash out while they still can. Suddenly, everyone will understand the maxim that today's LBO is tomorrow's IPO and they will rush headlong, like a herd of elephants through revolving doors.

[Why This Slump Is Different](#)

As the housing downturn grinds on, that has become the mantra for everyone from homeowners and lenders to agents and investors. There have been previous busts, but this one is markedly different. Never before have home prices fallen so broadly: Median national home prices slipped 0.3% in March from a year earlier, and the National Association of Realtors predicts a fall of 0.7% for 2007, which would mark the first annual drop since the Great Depression era. And foreclosure filings are increasingly common, jumping 42% in 2006 to 1.2 million, calculates RealtyTrac. There's little relief in sight; in the first quarter, 2 million homeowners were at least 30 days late on their payments, an increase of 26% from last year, according to Moody's Economy.com Inc.

Foreclosure is never an attractive option, but now it's even less appealing. With prices falling nationwide, lenders are wary of holding on to properties whose values could sink further. And unlike in previous cycles, a big chunk of the loans made recently are held not by federally insured thrifts or banks but by hard-charging hedge funds and other big investors that are aggressively pushing lenders to stop the bleeding. What's more, the steep rise in second mortgages that accompanied the boom means lenders in foreclosure proceedings are increasingly fighting one another for the scraps. Such pressures are inspiring some to dream up creative alternatives to foreclosure, from tinkering with loan terms to subsidizing sellers.

[As 'subprime' rates shoot up, owners despair](#)

The subprime-foreclosure rate could approach 20 percent, even in Central Florida, according to a study by the Center for Responsible Lending, a research and advocacy group in Durham, N.C.

In part that's because so many subprime lenders have collapsed this year, making it harder for financially strapped subprime borrowers to find someone willing to refinance burdensome loans with adjustable rates.

"That part of the market has come to a screeching halt," Weaver said. "And when these mortgages adjust, they are going to adjust with a vengeance. That's going to put a lot of families in very perilous financial circumstances."

Many minorities are especially at risk, housing advocates say, because historically they have been saddled with a disproportionate share of the country's higher-cost, subprime mortgages.

[Credit Suisse Sued Over Losses on Subprime-Loan Bonds](#)

Credit Suisse Group was sued by a Florida insurer that says it lost money on investment-grade bonds backed by subprime mortgages sold by the bank.

The suit, filed in Florida by Bankers Life Insurance Co., is "one of three to five in the pipeline" involving securitizations by Credit Suisse, Switzerland's second-largest bank, said Dale Ledbetter of Ledbetter & Associates P.A., one of two law firms representing the Bankers Financial Corp. unit.

"We suspect that once people understand what occurred here, there's going to be a lot more," Ledbetter said. A total of \$302.6 million of bonds were originally issued in the deal.

Bankers Life, based in St. Petersburg, is seeking to recover about \$1.3 million to make up for losses of principal, interest and market value on about \$1.4 million of the 2001 bonds it bought in 2004, Ledbetter said. Other investors considering suits will probably seek between \$500,000 and \$3 million each, he said.

Credit Suisse units caused Bankers Life to lose money by overstating how much of losses after foreclosures on the loans insurance would cover; accepting "shoddy, inferior" loans; failing to buy back fraudulent ones; and covering up delinquencies, according to a complaint filed April 23 in Tampa. Payments were being advanced on borrowers' behalf to "maintain the illusion" defaults weren't occurring, Bankers Life claims.

Wall Street and other mortgage-bond issuers have been misleading investors about how much protection from losses they have, helping fuel a record housing boom that's now ended, Ledbetter claimed.

[Vacant Homes Stacking Up Around the Nation](#)

The share of U.S. homes owned but empty rose for the 10th straight quarter at the end of March to a record 2.8 percent, the Census Bureau said Friday.

The number has been steadily climbing since the fourth quarter of 2004 when it was at 1.8 percent and indicates a housing market bloated with speculators, said William O'Donnell, head U.S. government bond strategist at UBS Securities LLC in Stamford, Connecticut.

[Subprime has further to fall](#)

The sharp decline of the subprime housing market offering high-cost mortgages hasn't yet hit bottom, the head of home mortgage buyer Freddie Mac said Friday.

The number of home buyers starting such loans peaked last year, and interest rates for those buyers are due to rise in the next few years, which could cause foreclosures to spike further, Richard F. Syron said in an interview with The Associated Press.

"I don't think it's troughed yet, because of the class of 2006," Syron, chairman and chief executive of Freddie Mac, said before speaking at a housing conference. "The mortgages written in 2006 in the subprime market are probably the most troublesome. They haven't hit the reset point yet on interest rates."

Subprime mortgages, which became increasingly popular in recent years, are considered

higher-risk loans because they typically draw borrowers in with an initial low "teaser" interest rate, which can spike upward after the first few years.

Until the housing market entered its current slump, many such borrowers could avoid falling behind on payments by refinancing to loans with increasingly lenient terms. Such refinancing spared banks from getting stuck with sour loans, as long as prices rose.

[Rising foreclosures have widespread fallout](#)

The number of foreclosure filings -- from default notices to repossessions -- continued to surge in March, increasing 47% from the same period a year earlier and 7% from February. The 149,150 filings represent a foreclosure rate of one in every 775 households, according to Irvine, Calif.-based RealtyTrac.

The March increase in foreclosures bucks the historical trend, lenders say. Typically, foreclosure activity declines in March, as more homeowners use tax refunds to bail themselves out of mortgage shortfalls caused by job loss, health problems or divorce.

But this year, industry insiders and economists expect it only to get worse, as more adjustable-rate mortgages reset and borrowers with risky loans continue to falter.

"I don't think we've hit the bottom of the market yet," says Rick Sharga, RealtyTrac vice president.

[U.S. economic machine gears down](#)

Few economists are predicting a recession, but the United States has apparently entered a new phase of significantly slower growth.

The U.S. economy grew at a rate of just 1.3 per cent in the first quarter -- the slowest pace in four years and more proof the world's largest economy is gearing down.

[Washington Mutual Tightens Mortgage Lending](#)

Washington Mutual Inc. said it is making fewer subprime mortgages and emphasizing higher-quality loans to boost earnings and cut risk after its home loans unit lost \$113 million from January to March.

The largest U.S. savings and loan said on Friday it is also significantly reducing loans that require little documentation of borrowers' income or assets and second mortgages that let borrowers buy homes with little or no money down.

Seattle-based WaMu, as the thrift calls itself, is making the changes amid an industrywide increase in defaults and foreclosures at a time that home prices are stalling and homeowners find it tougher to refinance as interest rates adjust higher.

"We've completely changed the culture from a volume-based culture to a quality-based culture," said David Beck, an executive vice president in capital markets, in a presentation to fixed-income investors.

[How Canada avoids U.S. problems](#)

The meltdown of the U.S. subprime mortgage market has many Canadians wondering if the carnage will make its way north.

While U.S. mortgage defaults continue to soar and subprime lenders succumb to years worth of dubious loans, Canada's mortgage market appears immune to the fallout. It appears Canadian conservatism has insulated us from the excesses of our American cousins.

"The (mortgage) market here is much healthier, the lenders are more prudent in terms of their approval process and Canadians are just more conservative in terms of their products," said Jim Murphy, president of the Canadian Association of Accredited Mortgage Professionals.

[Banks reaching out to attract those with no steady income](#)

Just a few years ago, business owners had to produce extensive documentation to get a mortgage. For example, banks required financial statements going back three years as well as an analysis of the business's income. The past year's tax returns also had to be confirmed.

New business owners, who often didn't have these documents available, were often unable to get a mortgage to buy a principal residence. Their choice to be self-employed doomed them to renting, or seeking a high-interest, private mortgage because they couldn't prove their financial stability.

Statistics Canada estimates more than 2.4 million Canadians were self-employed in 2006.

In order to attract these home buyers, banks have changed their criteria for assessing whether an entrepreneur is granted a mortgage.

[Reverse mortgages let your home pay you](#)

A reverse mortgage is a loan secured by the equity in a person's home.

Mortgages are provincially regulated. The province does not specifically regulate reverse mortgages, but instead treats these loans like traditional mortgages.

The market for this type of loan is growing. In 2006, CHIP's reverse mortgage volume increased by more than 18 per cent – \$104.5 million in new business.

[Loan can include the cost of the renovation](#)

House shoppers on a tight budget may be faced with the realization that the only properties that they can afford are, to put it gently, something only the Munsters could love – dirty, broken and dismally out-of-date.

With a little bit of sprucing up, however, that fixer-upper can become not only a comfortable place to live but a more valuable asset.

One option to consider is the "purchase-plus-improvement" type of mortgage, which allows the qualified purchaser to borrow additional money from the mortgage lender to pay for those renovations.

With this type of mortgage, a lender is willing to take into account the improvements made by the new owner and give credit based on the increased value of the property, up to 10 per cent of the purchase price.

For example, a house that costs \$200,000 to buy would be eligible for a mortgage based on a property valued at up to \$220,000 – provided the borrower meets the right criteria.

[Sacrificial Wolfie](#)

Russia is far from unique: From Chile's dictator Augusto Pinochet, who accumulated more than 125 bank accounts while building the first neoliberal state, to Argentine President Carlos Menem, who drove a bright red Ferrari Testarossa while he liquidated his country, to Iraq's "missing billions" today, there is, in every country, a class of ambitious, bloody-minded politicians who are willing to act as Western subcontractors. They will take a fee, and that fee is called corruption--the silent but ever-present partner in the crusade to privatize the developing world.

The three main institutions at the heart of that crusade are in crisis--not because of the small hypocrisies but because of the big ones. The WTO cannot get back on track, the IMF is going broke, displaced by Venezuela and China. And now the Bank is going down.

The Financial Times reports that when World Bank managers dispensed advice, "they were now laughed at." Perhaps we should all laugh at the Bank. What we should absolutely not do, however, is participate in the effort to cleanse the Bank's ruinous history by repeating the absurd narrative that the reputation of an otherwise laudable antipoverty organization has been sullied by one man. The Bank understandably wants to throw Wolfowitz overboard. I say, Let the ship go down with the captain.

[Canadians Fight North American Union](#)

The Security and Prosperity Partnership and the North American Union affects every citizen of Mexico, the U.S. and Canada.

In Canada, one small but vocal group is the Canadian Action Party (CAP), led by Connie Fogal, who is also its chief spokesperson.

[This land is anti-capitalist land](#)

For the MST, the demand for land reform is nearly bottomless and the conflict with industrial farming irresolvable. Mr de Oliveira reckons that 5m families—around an eighth of the population—are candidates for land redistribution. “Monocultures” like eucalyptus for paper, sugar cane for ethanol and soya degrade the environment, reduce the food supply in Brazil and drive labourers and small farmers off the land, he claims.



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