

US-NATO Sanctions and the Coming Global Diesel Fuel Disaster

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Amid the ongoing global inflation crisis, NATO heads of state and mainstream media repeat a mantra that high energy prices are a direct result of Putin’s actions in Ukraine since end of February. The reality is that it is the western sanctions that are responsible. Those sanctions including cutting SWIFT interbank access for key Russian banks and some of the most severe sanctions ever imposed, are hardly having an impact on the military actions in Ukraine.

What many overlook is the fact that they are increasingly impacting the economies of the West, especially the EU and USA. A closer look at the state of the global supply of diesel fuel is alarming. But Western sanctions planners at the US Treasury and the EU know fully well what they are doing. And it bodes ill for the world economy.

While most of us rarely think about diesel fuel as anything other than a pollutant, in fact it is essential to the entire world economy in a way few energy sources are. The director general of Fuels Europe, part of the European Petroleum Refiners Association, stated recently, “... there is a clear link between diesel and GDP, because almost everything that goes into and out of a factory goes using [diesel](#).”

At the end of the first week of Russia’s military action in Ukraine, with no sanctions yet specific to Russia’s diesel fuel exports, the European diesel price was already at a thirty-year high. It had nothing to do with war. It had to do with the draconian global covid lockdowns since March 2020 and the simultaneous dis-investment by Wall Street and global financial firms in oil and gas companies, so-called Green Agenda or ESG. Almost on day one of Russian troop actions in Ukraine, two of the world’s largest oil companies, BP and Shell, both British, stopped deliveries of diesel fuel to Germany claiming fear of supply shortages. Russia supplied some 60 to 70% of all EU diesel [before the Ukraine war](#).

In 2020 Russia was the world’s second largest exporter of diesel fuel behind USA, shipping more than 1 million barrels daily. Most of it, some 70%, went to the EU and Turkey. France was the largest importer, followed by Germany and UK. In France some 76% of all road

vehicles—cars, trucks—use diesel. The EU diesel demand is far higher than in the US as most cars also use the more economical and efficient diesel fuel. In the first week of April the EU Commission President Ursula von der Leyen proudly announced new sanctions against Russian energy that would begin with a ban on coal. The EU is the largest importer of Russian coal. Oil and gas she said would follow at a later date. That foolish move will merely boost costs of energy, already at record high, for most of the EU, as it will force oil and gas prices far higher.

At the beginning of the Ukraine crisis global stocks of diesel fuel were already the lowest since 2008 as the covid lockdowns had done major damage to the demand-supply situation of oil and gas production. Now the stage is set for an unprecedented crisis in diesel. The consequences will be staggering for the world economy.

Diesel Moves World Trade

Diesel engines have the highest engine efficiency of conventional motors. They are based on the principle of compression developed in 1897 by Rudolf Diesel. Because of their greater efficiency and greater mileage per gallon, diesel fuels almost all freight truck motors. It fuels most all farm equipment from tractors to harvesting machines. It is widely used in the EU, almost 50% for auto fuel as it is far more fuel efficient than gasoline engines. It is used in most all heavy mining machines such as Caterpillar earth movers. It is used in construction equipment. Diesel engines have replaced steam engines on all non-electrified railroads in the world, especially freight trains. Diesel is used in some electric power generation and in most all heavy military vehicles.

A global shortage in diesel fuel, temporary or longer-term, is therefore a catastrophic event. Goods cannot be moved from container ports to inland destinations. Without diesel fuel trucks cannot deliver food to the supermarket, or anything else for that matter. The entire supply chain is frozen. And there is no possibility to substitute gasoline in a diesel engine without ruining the engine.

Until the ill-conceived global covid lockdowns of industry and transportation that began in March 2020, the demand and supply of diesel fuel was well balanced. The sudden lockdowns however collapsed diesel demand for truck transport, autos, construction, even farming. Unprofitable refineries were closed. Capacity declined. Now as world production returns to a semblance of pre-covid normal, diesel reserve stocks worldwide are dangerously low, especially in the EU which is the world's largest diesel consumer, but also the USA.

Rationing?

At the start of this year world diesel stocks were already dangerously low and that drove prices sky-high. As of February, 2022 before impact of the Ukraine war, diesel and related stocks in the US were 21% below the pre-covid seasonal average. In the EU stocks were 8% or 35 million barrels below the pre-covid average level. In Singapore, the Asian hub stocks were 32% below normal. Combined all three regions' diesel stocks were alarmingly low, some 110 million barrels below the same point [last year](#).

Between January 2021 and January 2022 EU diesel fuel prices had almost doubled, and that, before the Ukraine sanctions. There were several reasons, but primary was the soaring price of crude oil and supply disruptions owing to global covid lockdowns and the subsequent resumption of world trade flows. To add to the problem, in early March the Chinese central

government imposed a ban on its exports of diesel fuel, to “ensure energy security” amid Western sanctions on Russia. Add to that the recent Biden administration ban on imports of all Russian oil and gas, which in 2021 included an estimated 20% of all Russian heavy oil exports. At the same time the EU in its ever-ideological wisdom, is finalizing a ban on imports of Russian coal with bans on Russian crude oil, diesel fuel and gas reportedly to follow.

On April 4 average price per liter of diesel in Germany was €2.10. On December 27, 2021 it was €1.50, a rise of 40% in weeks. Following the unprecedented USA and EU sanctions against Russia following the Ukraine military campaign after February 24, more and more Western oil companies and oil traders are refusing to handle Russian crude oil or diesel fuel for fear of reprisals. This is certain to escalate so long as fighting in Ukraine continues.

The CEO of the Rotterdam-based Vitol, the world’s largest independent energy trading company, warned on March 27 that rationing of diesel fuel in the coming months globally was increasingly likely. He noted, “Europe imports about half of its diesel from Russia and about half of its diesel from the Middle East. That systemic shortfall of diesel [is there.](#)”

On April 7, David McWilliams, a leading Irish economist formerly with the Irish national bank, sounded an alarming note. “Not only is oil going up, diesel is going up and there’s a real threat diesel will run out in Western Europe over the course of the next two or three weeks, or maybe before that...We import a significant amount of our diesel, it comes from two refineries in the UK where it’s first processed. Those refineries do not have any crude at the moment. So we are basically running the economy on a day-to-day, hour-to-hour basis.” He added: ‘We have not just an oil crisis, we have an energy crisis the likes of which we haven’t seen in 50 years.’ According to him the reason diesel stocks are so low is that the EU countries found it far cheaper to outsource oil and diesel to Russia with its [huge supply](#).

The situation in the USA is not better. For political reasons the true state of the diesel fuel crisis is reportedly being downplayed by the Biden administration and the EU. Inflation is already at 40 year highs in the US. What the unfolding global diesel fuel crisis will mean, barring a major turnaround, is a dramatic impact on all forms of truck and auto transportation, farming, mining and the like. It will spell catastrophe for an already failing world economy. Yet governments like the German “Ampel” (traffic light) coalition, with their insane Zero Carbon agenda, and their plans to phase out oil, coal and gas, or the Biden cabal, privately see the exploding energy prices as further argument to abandon hydrocarbons like oil for unreliable, costly wind and solar. The real industrial interconnected global economy is not like a game of lego toys. It is highly complex and finely tuned. That fine tuning is being systematically destroyed, and all evidence is that it is deliberate. Welcome to the Davos Great Reset eugenics agenda.

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Seeds of Destruction: Hidden Agenda of Genetic Manipulation

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This skilfully researched book focuses on how a small socio-political American elite seeks to establish control over the very basis of human survival: the provision of our daily bread. "Control the food and you control the people."

This is no ordinary book about the perils of GMO. Engdahl takes the reader inside the corridors of power, into the backrooms of the science labs, behind closed doors in the corporate boardrooms.

The author cogently reveals a diabolical world of profit-driven political intrigue, government corruption and coercion, where genetic manipulation and the patenting of life forms are used to gain worldwide control over food production. If the book often reads as a crime story, that should come as no surprise. For that is what it is.

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