

Global Risk

Wednesday, May 4, 2011; 12:30 – 2:00 PM

Moderator:

Brian Sullivan, Anchor, CNBC

Speakers:

Wesley Clark, Army General (ret.) and former Supreme Allied Commander, NATO;
Senior Fellow, UCLA Burkle Center for International Relations

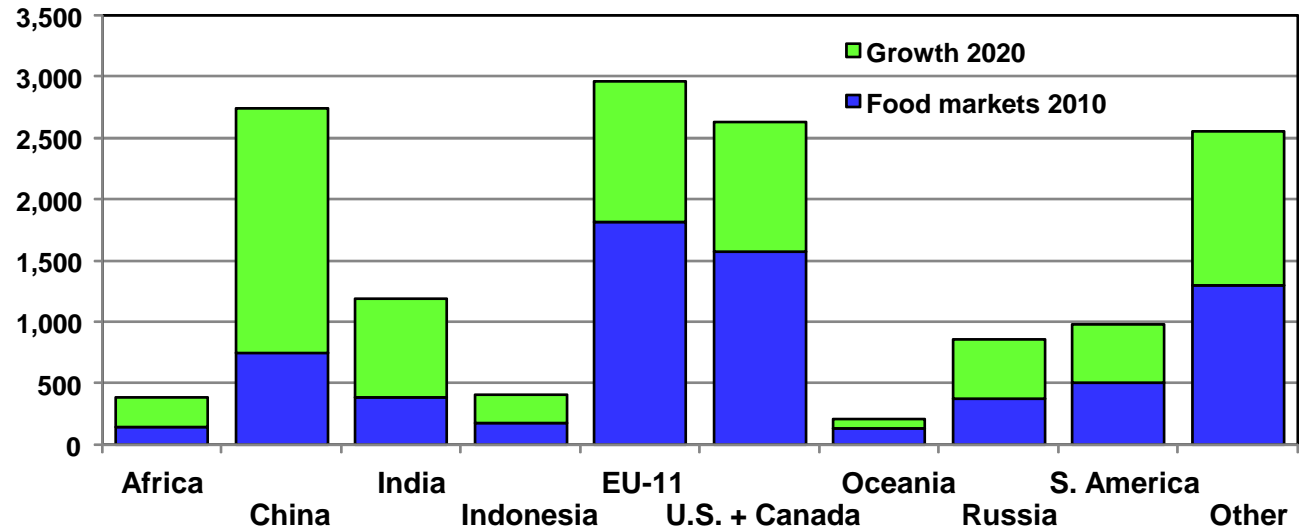
Sir Richard Dearlove, Master of Pembroke College, Cambridge; former Chief,
British Secret Intelligence Service (MI6)

Roger Kubarych, National Intelligence Officer for Economic Issues, National
Intelligence Council

Jami Miscik, President and Vice Chairman, Kissinger Associates Inc.; former
Deputy Director for Intelligence, CIA

The effect of economic growth and population growth: Food markets to grow by 109% in ten years

Size of food market, US\$ billions



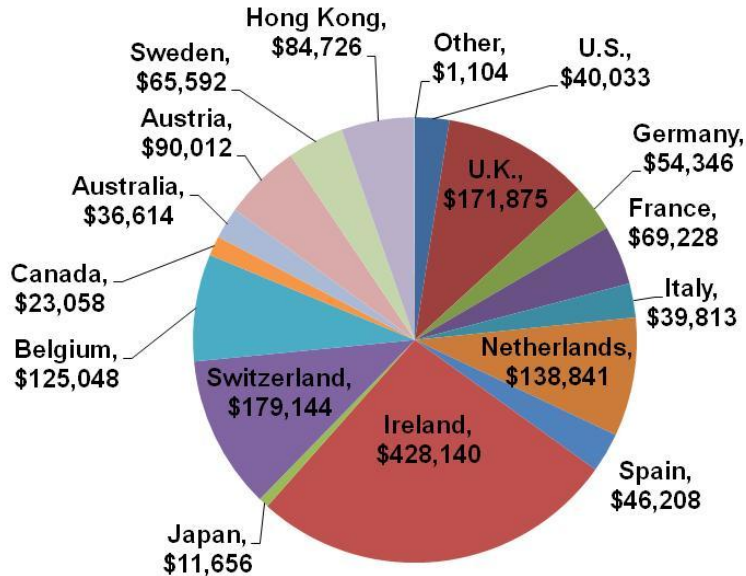
Sources: Rabobank, based on KEO, Economist Intelligence Unit and FAO.

World debt per capita

2010



MILKEN INSTITUTE



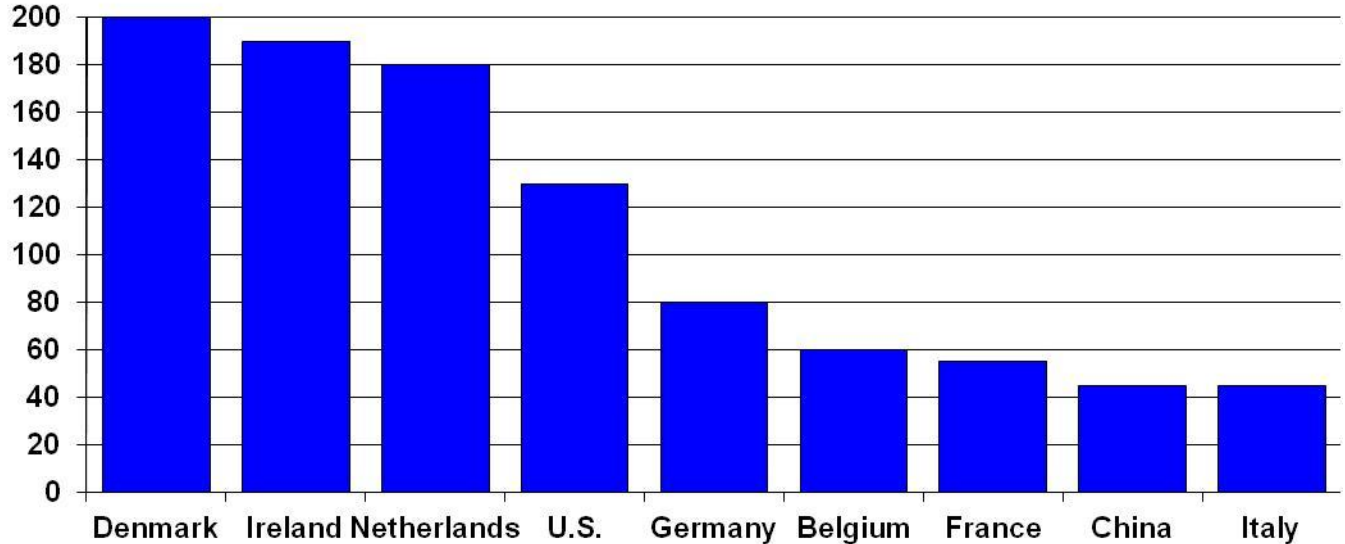
Household debt

As a percentage of disposable income



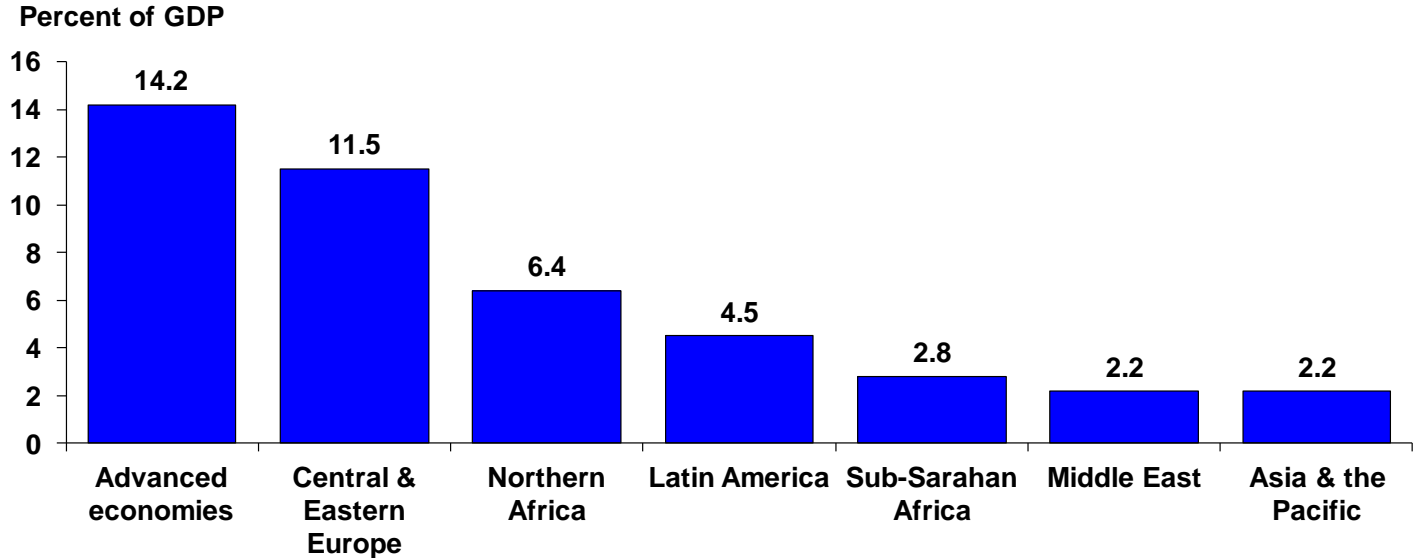
MILKEN INSTITUTE

% of disposable income

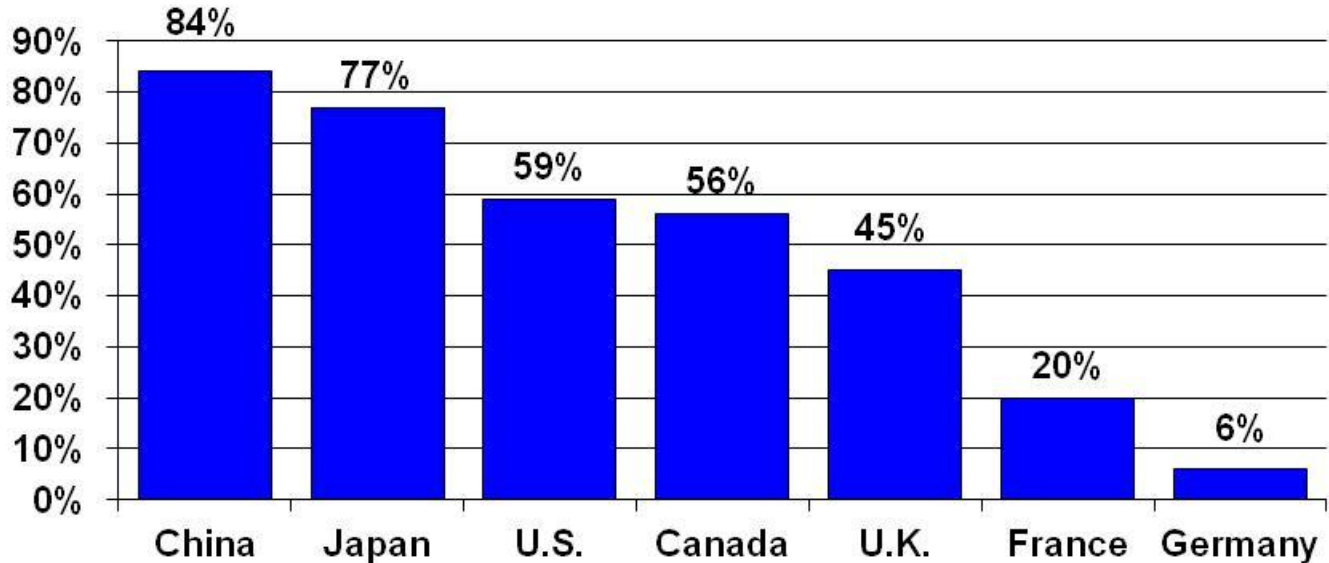




Social expenditures as a percent of GDP



Share of unemployed workers not receiving unemployed benefits



Financial needs of selected countries

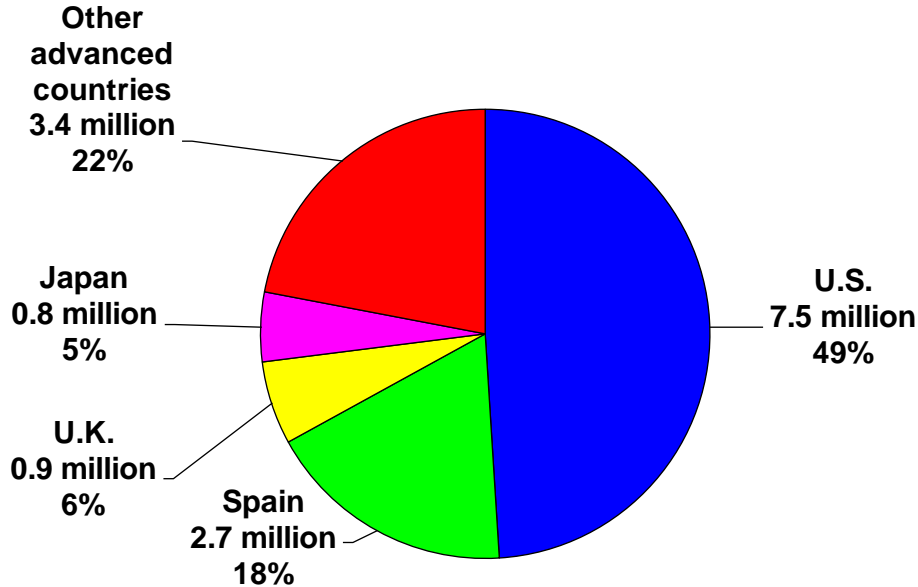
Percent GDP, 2011



MILKEN INSTITUTE

Country	Maturing debt	Budget deficit	Total financing needed
Japan	48.9	8.9	57.8
U.S.	18.1	9.7	27.8
Italy	18.2	4.3	22.5
Belgium	17.8	5.1	23.5
France	14.3	6	22
Spain	10.8	6.9	17.9
Portugal	11.6	5.2	20.7
Ireland	6.5	11.8	17.9
Greece	10.3	7.3	23.8
Canada	13.1	2.9	16.2
U.K.	5.3	8.1	15.6
Germany	8.5	0.7	9.8
Finland	9.1	1.8	11.1
Sweden	4.1	1.4	5.9

Change in the number of unemployed people in advanced countries, total 15.3 million in 2010



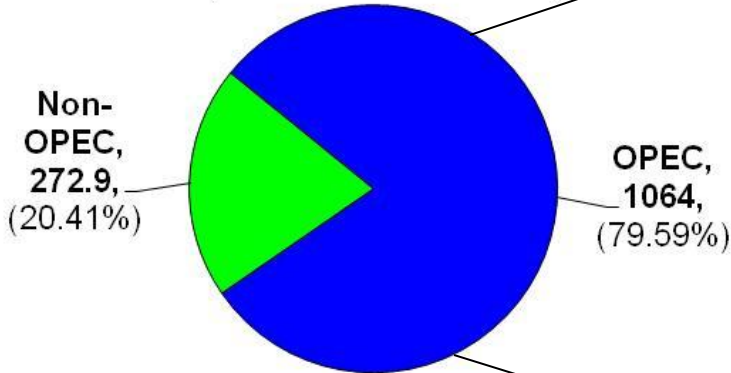
World's crude oil reserves

2009

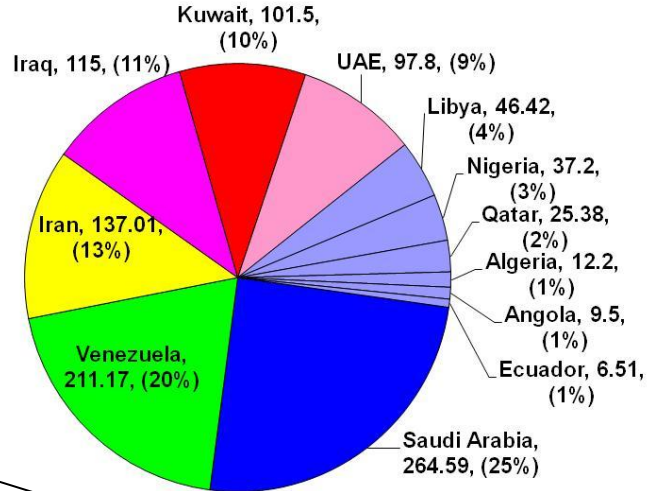


MILKEN INSTITUTE

Share of world crude oil reserves (billions of barrels)

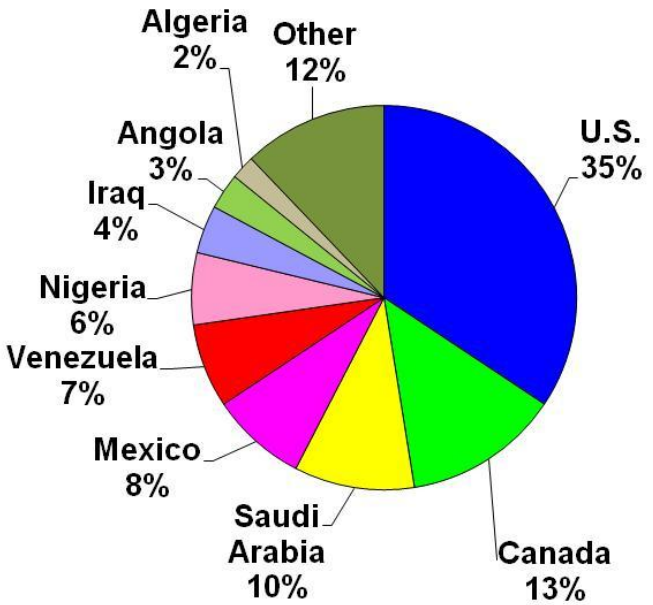


Share of OPEC (billions of barrels)





Sources of oil consumed in the U.S.



Source: EIA, 2010

Oil transit chokepoints

24.3 million barrels per day (bbl/d)



MILKEN INSTITUTE

The Suez Canal/
Sumed Pipeline

Oil flow:
4.5 million bbl/d



The Strait of Hormuz

Oil flow: 16.5 million bbl/d

Bab el-Mandab

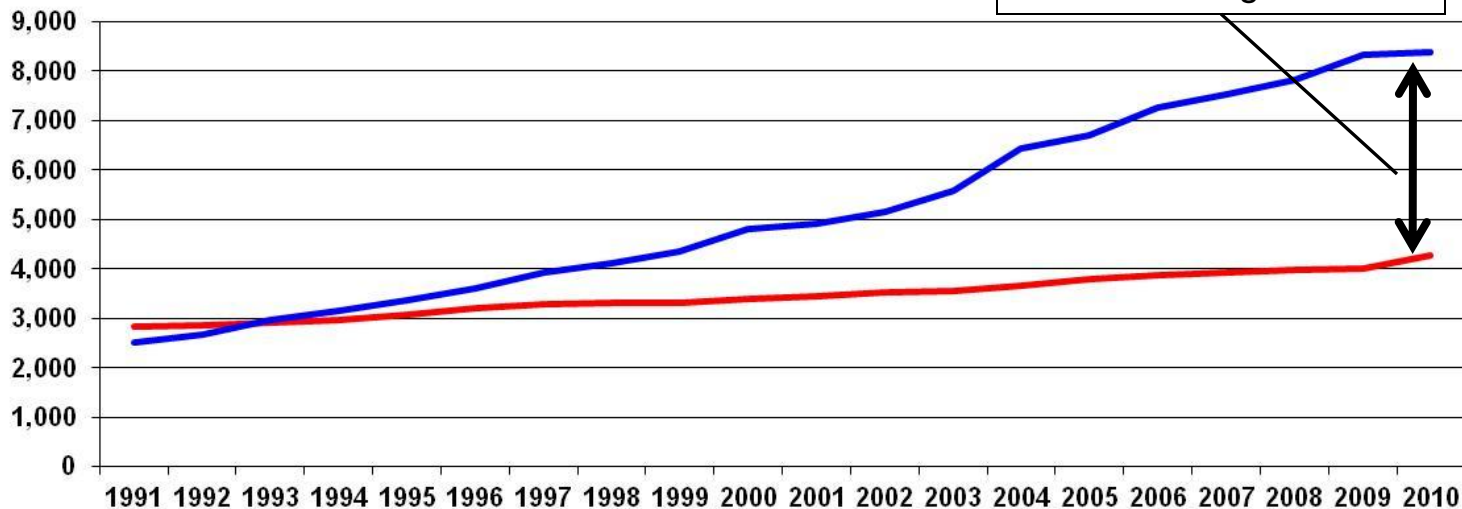
Oil flow: 3.3 million bbl/d

Chinese oil dependency

thousand barrels per day

— Production — Consumption

China is 49% dependent on foreign oil



Revolutions in the Middle East and North Africa



MILKEN INSTITUTE



U.S. assistance to the Middle East and N. Africa

FY 2006-2011, loans and grants



MILKEN INSTITUTE

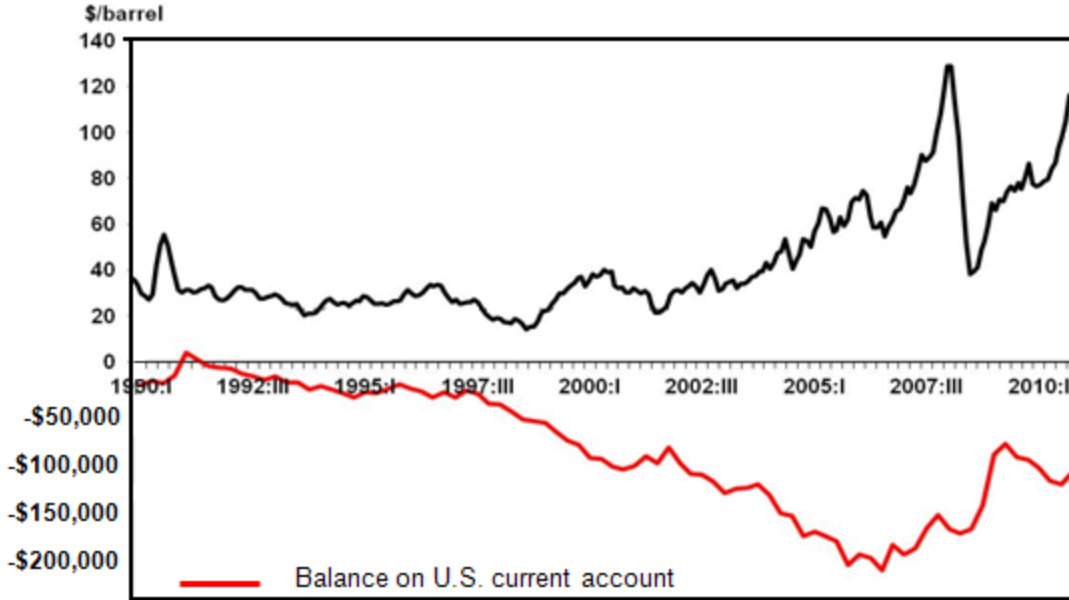
Country	FY 2006	FY 2007	FY 2008	FY 2009	Estimate FY 2010	Requested 2011
Israel	2,534.80	2,500.00	2,420.24	2,580.00	2,800.00	3,025.00
Egypt	1,779.29	1,757.75	1,705.89	1,603.32	1,555.70	1,558.00
Jordan	510.91	537.86	737.79	884.95	842.95	682.70
Lebanon	49.04	628.81	58.25	239.48	238.30	246.30
Palestinians	152.90	69.49	414.50	960.00	500.40	550.40
Algeria	0.89	1.92	2.11	1.80	2.61	2.77
Bahrain	19.01	17.63	5.84	9.16	20.80	21.70
Libya	—	—	0.63	3.25	0.78	?
Morocco	35.20	40.17	26.66	25.20	35.30	42.50
Qatar	0.91	1.49	0.28	—	0.01	0.01
Saudi Arabia	1.58	0.42	0.11	0.36	0.21	0.37
Tunisia	10.29	11.23	11.48	14.60	19.15	7.20
Yemen	18.70	25.34	18.68	39.93	67.25	106.60

Oil price and U.S. balance on current account

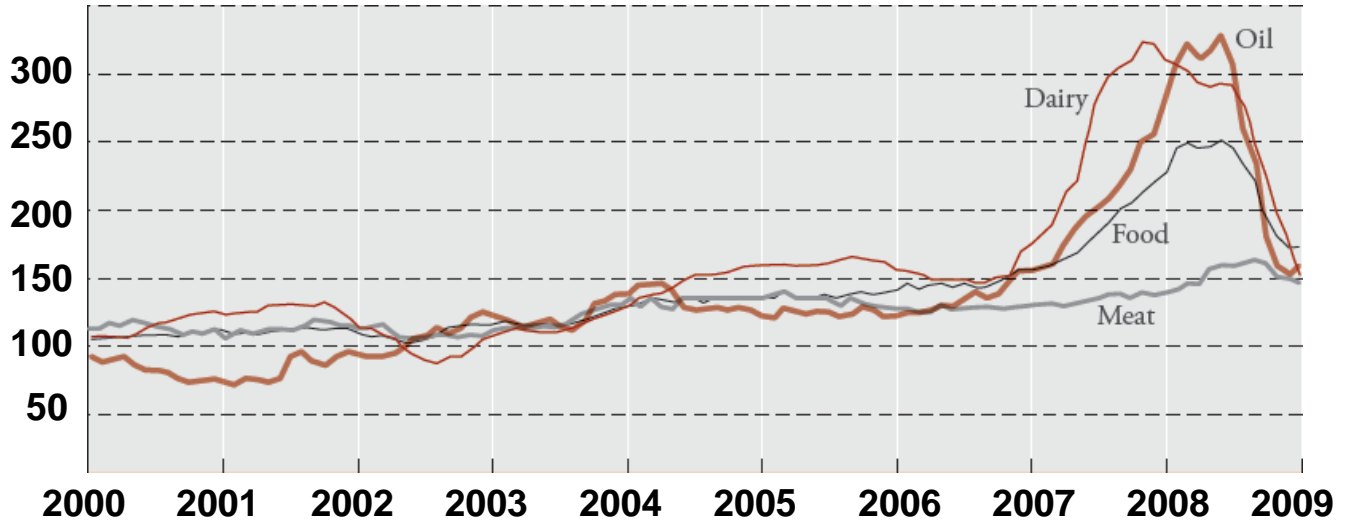


MILKEN INSTITUTE

Oil in US\$/barrel, current account in US\$ (millions)



Commodity price index



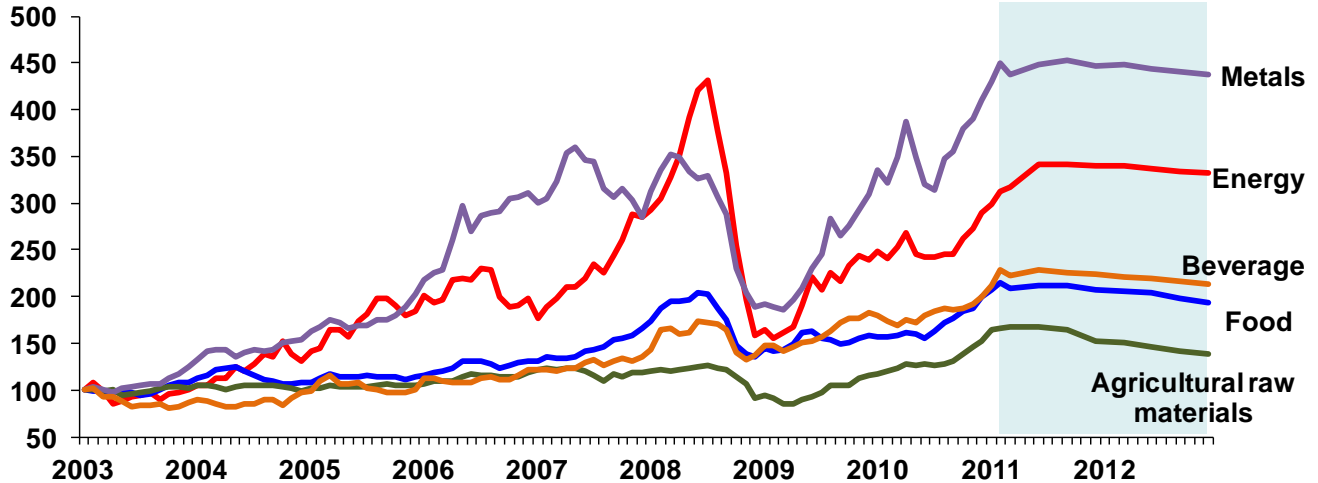
Outlook for commodity prices

Monthly, 2003–2012



MILKEN INSTITUTE

Commodity prices, Jan. 2003 = 100



Sources: International Monetary Fund, Milken Institute.

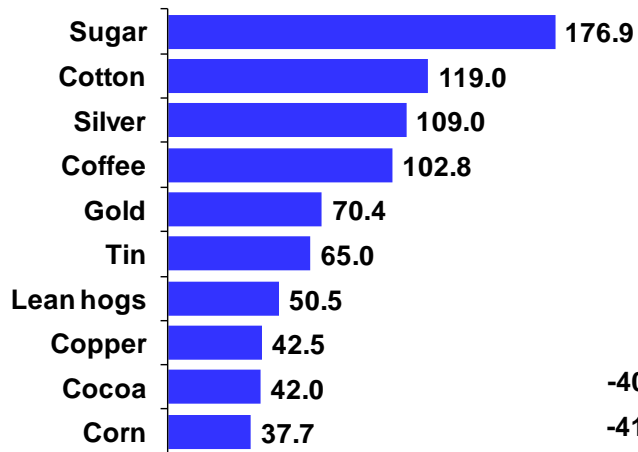
Returns on commodities

December 2007–December 2010

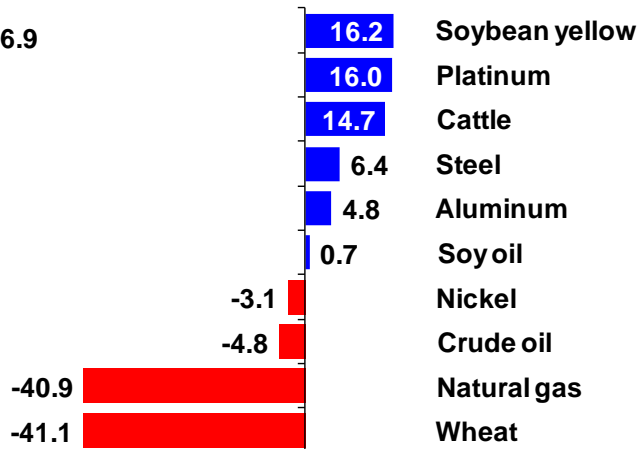


MILKEN INSTITUTE

Best-performing commodities



Worst-performing commodities





Real commodities prices

