by the euro. When Social Democratic Prime Minister Poul Nyrup Rasmussen conceded defeat late in the evening of Sept. 28, he emphasized that the Danes might be divided on the issue of European integration, but they are not divided on the defense of the welfare state.

Despite the fact that 80% of the members of the Parliament, all the leading news media, all the industrial federations, most of the trade unions, and most of the banks conducted a massive campaign to get the Danes to vote "yes," 87.4% of the electorate showed up to vote, and 53.1% of them defied the establishment.

Fuel Protests Start Economic Debate

by Rainer Apel

Four weeks after protests began in France, rising fuel prices continue to haunt most of western Europe, but the oil price issue has already been overtaken by other economic issues. Protesters are beginning to address the general course of European Union policies—for example, the deregulation of road transport and shipping, the set-aside measures for the farming sector, and the privatization of the energy sector in general. The most recent, speculative increase in fuel prices has just been the spark that sent Europe politically up in flames. And, this is a warning to the governments of Europe (if they care to recognize the writing on the wall), not to count on that protest ferment being easily bought off by some little concessions here and there.

The example of France, where the government showed "flexibility," and granted concessions on the fuel tax, which ended the road and fuel depot blockades after one week in August, illustrates the underlying dynamic: During the last week of September, railway and urban transport workers paralyzed France, with strikes and protest actions throughout the country. The issue here, is more public sector investments, in personnel, equipment, rolling stock, in technical and safety upgrades, and, naturally, pay raises.

A similar protest wave is under way in Germany, where the labor unions, which have not backed the ongoing protests by long-haul truckers, have warned the government that it must review its plans for pension reform, or face labor outrage during October. Also, in Belgium, which was paralyzed by trucker protests during the first half of September, train and postal services were interrupted in late September, by strikes. Opposition to the privatization of the postal services is one of the motives for these strikes. Sweden, which has seen fuel protests during the first two weeks of September, may see much bigger protests, because postal workers are soon expected to take to the streets in response to government plans to privatize the postal services, in an attempt to save money and handle services through the many little tobacco stores on neighborhood corners.

EU, Government Policies Targetted

Lastly, the farmers: In numerous European countries, farmers are either exempted from paying fuel taxes (as in Britain) or pay less than other productive groups, so that the fuel price issue as such was not a trigger for protests. But, the broad public outrage at the speculative price increases for fuel has created an environment in which the farmers are bringing forward their genuine interests in improvements in their situation. In all European countries, farmers have been a crucial reinforcement to the "battalions" of protesting truckers. Representatives of one farmers' protest group, "Farmers for Action" in Britain, have repeatedly stated that their protest is not against high fuel prices as such, but rather, against the general direction of government and EU policies.

What farmers want to reverse, is the devastation that has hit the rural regions, because of the set-aside policies and the Brussels EU Commission quotas that curb production, and farmers say they want just prices for their products, for example, from the commercial dairies and supermarket chains. The price-cutting methods of the supermarket chains have also been attacked, by spokesmen for the long-haul truckers in Germany, as one among the many fronts where deregulation is ruining thousands of firms in the freight industry, eliminating tens of thousands of jobs. The combined effects of these deregulation measures, radicalized free market developments, and the increased fuel prices, will eliminate up to 100,000 jobs in the road transport sector over the next two years, German truckers have warned. What they want, is for Berlin to intervene with the EU Commission and re-regulate the sector.

Farmers also played a crucial role in fuel price protests in Spain throughout September; in mid-September, more than 100,000 of them took part in numerous tractorcades and road and fuel depot blockades throughout the country. Madrid, which still refuses to make more substantial concessions, has been warned that what happened in September, is only a prelude to what may happen. Also, Spanish fishermen have been very active in the running blockades of seaports and of several offshore oil platforms of British Petroleum and other oil companies. Fishermen have protested in France, Britain, Sweden, and Germany, as well.

'The Guardians of Maastricht'

In every case, the policies of the national governments, which follow EU Commission budgeting regulations, have come under attack on many more issues than just the fuel prices. The nature of these protests throughout the EU is certain to be further enhanced during the coming weeks, by statements such as the one by EU Commissioner for Transportation Loyola de Palacio. Governments should not make any concessions on the fuel taxes, she said on Sept. 23, because that would "distort competition" and violate EU "budgeting rules." "We are the guardians of the Maastricht Treaty," she declared. "The governments know the rules, which they voted to implement, and they know what the treaty says."

De Palacio's remarks made strikingly clear that there is indeed a deep gulf between the interests of the people, and those of the designers of the Maastricht Treaty. And protesters know that as well, since they have been attacking the governments and the Brussels EU bureaucracy, rather than the oil firms. If the Danes vote "no" against joining the Maastricht European Monetary Union, in their national referendum on Sept. 28, this anti-Maastricht ferment will be strengthened throughout Europe.

In Germany, the biggest fuel price protests yet were on Sept. 26, when more than 7,000 trucks, buses, and tractors rolled into Berlin, in a "national day of protest." The "17th of June Boulevard," the main road leading toward the world-renowned Brandenburg Gate from the western part of the city, was filled with parked heavy vehicles, and about 2,000 truckers and farmers concluded their day of action with a rally at the Gate. And, because the government had already stated that it would not be budged one inch by these kinds of protests, several hundred protesters walked the short distance from the Brandenburg Gate to the Reichstag building, where the national parliament meets, demanding that the politicians meet with them to discuss the crisis. Finally, Anke Fuchs, a deputy speaker of the parliament, managed to calm the situation down, when she offered to meet a delegation of five protesters in her parliamentary office.

Greens Hated More and More

Whether the intervention of Fuchs, a former assistant cabinet minister and a leading Social Democrat, achieved much in repairing the shattered reputation of the Social Democratic Party-led government of Chancellor Gerhard Schröder, is doubtful. As long as Schröder maintains his coalition with the Greens, he will continue to be the target of attacks like the ones launched against him by the truckers on Sept. 26. Environmental Affairs Minister Jürgen Trittin, a leading Green Party member, was singled out by the protesters, who called for his instant dismissal. The public mood in Germany has now definitely turned against the Greens, and the rising fuel prices, with their heavy "eco-taxes," have just made tempers boil over. What happened on Sept. 22 was revealing: The "Day Without Cars," which the Greens and their ecological co-thinkers had scheduled throughout Europe to demonstrate that a life without gasoline were allegedly possible, was simply ignored by Germans, and by other Europeans as well, who drove their cars as on any other Friday.

Natural Gas Price Shock Is Under Way

by Marcia Baker, William Engdahl, and John Hoefle

While headlines have been covering price jumps for gas at the pump, home heating oil, and barrels of crude, and pointing the finger at the Organization of Petroleum Exporting Countries, natural gas sticker shock in North America, where supplies are produced almost entirely at home, is every bit as bad, and set to get much worse. One-quarter of all the energy used in the United States is from natural gas. More than 55.6 million homes use natural gas, far more than use fuel oil.

Natural gas prices in the United States, Mexico, and Canada have risen over 100% in the last six months. In the Northwestern states, for example, waves of shutdowns have been announced in mining, pulp-and-paper processing, and other activities, because of both high electricity rates, and sky-high natural gas prices. Farm expenses are intolerable. Millions of households are receiving notices from their gas companies, like the one sent on Aug. 25 to a Nebraska home by UtiliCorp (EnergyOne, in Omaha), "Dear Valued Customer: Faced with historically high natural gas prices . . . EnergyOne will increase your monthly StreamLINE amount beginning with your October statement. . . . The estimated amount of your new monthly bill will be $32 up from your current amount of $18."

On Sept. 21, American Gas Association planning executive Roger Cooper told a Congressional hearing that they will try to keep the rise in natural gas prices to customers this winter to 27%! On Sept. 20, governors attending a natural gas summit in Columbus, Ohio, were told to expect home heating bills to rise 40% this winter, and industrial bills to rise 100%. In Mexico, gas prices are up for the steel and mining sectors by 150% already.

In effect, the United States, Mexico, and Canada are being told: "Dear Esteemed Nations, you now must pay us anything we ask for energy, and still, you may not get any." Who is sending these letters?

The Major Speculators

Table 1 shows the major speculators in the futures markets for energy derivatives—gas, oil, and electricity. These 13 corporate (non-bank and non-hedge-fund) speculators in the energy futures markets, have close to $1 trillion worth of energy futures, according to estimates by the *Swaps Monitor,* a New York-based business speculation magazine. The spot-market price for natural gas has risen over 300% in recent