

## Fuelling protest over black gold

Cooperative dialogue is needed to avert man-made shortages and panics over oil

The consumer revolt in Europe against fuel taxes should shake the industrial world out of its economic complacency and self-congratulatory mood. A decade of benign neglect of energy policies has been abruptly spotlighted in the blockaded streets of London, Brussels and Paris.

For centuries, lust for gold drove men mad in fable and fact. Today oil plays that role. It spreads unmerited prosperity on some and unbearable pain on others.

Seemingly moth-eaten and irrelevant a few months ago, OPEC has sent oil prices soaring to their highest level since the 1991 Gulf War. Europe's consumers, caught in a double whammy by the oil spike and currency weakness have responded by taking out the anger not on the sheiks and potentates of OPEC (as in the 1970s) but on their own center-left governments.

Refinery blockades caused food and medical care to be informally rationed in England last week. Truck and taxi drivers used similar tactics to force France's Socialist government to grant them rebates on diesel fuel taxes. Germany's highways came under siege as word of the French concessions spread.

This mood of protest could be a preview of things to come this winter, there and here. Energy Secretary Bill Richardson estimates that American consumers face 20 percent or higher increases oil bills. The modest production boosts he helped prod OPEC into making this month have failed to bring the average price of oil below \$30 for a 42-gallon barrel of crude.

The gap between low cost and high value makes petroleum a highly political resource. It grants the power to tax – to decide where to impose the burden of paying a society's bills – to those strong enough to claim it.

The power once lay with the multinational oil companies that provided consumers and governments in the industrial world with one of history's great subsidies by forcing oil producers to accept artificially low prices. It passed in the 1973 Arab oil embargo to the autocrats and dictators of OPEC, many of whom stole their nation's greatly increased revenues or spent them resisting the global trend to democracy. Collectively they squandered their pricing in short order.

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