

# London sounds Brexit alarm

'Half million' rally in London for new Brexit vote

● Organisers of the so-called People's Vote March had asked people to dress up their favourite pets in costumes for the march

AFP | London, United Kingdom

Tens of thousands of people opposed to Britain's looming breakup with the EU rallied in the heart of London yesterday, according to organisers, in the latest bid to try and stop Brexit.

The march on parliament began as a noisy and festive affair, uniting a giant crowd in the seemingly hopeless task of convincing Prime Minister Theresa May to hold a second referendum.

Even dogs came along.

Organisers of the so-called People's Vote March had asked people to dress up their favourite pets in costumes for the march along the scenic route from Hyde Park to Westminster Palace under clear blue skies.

But the message itself is serious: the type of Brexit its supporters promised ahead of the June 2016 referendum, which set the divorce in motion, looks nothing like the one being negotiated today.

Protesters say they would have voted differently had they known the true costs involved.

"I think people were misled in various ways," small business owner Peter Hancock said while tightening an EU flag around the neck of his huge bearded collie.



Demonstrators hold placards and European Union flags as they take part in a march calling for a People's Vote on the final Brexit deal, in central London

"We want to stay European," added his wheelchair-bound wife Julie.

"We can't really see any benefits of leaving, can we, at all?"

An online petition demanding a binding vote on any deal agreed before the March deadline has been signed almost 950,000 times by the time the march kicked off.

## Divided nation

May has made it abundantly clear that she has no intention of allowing a Brexit do-over.

"They now want a second referendum to go back to the British people and say 'Oh, we're

terribly sorry -- we think you've got it wrong,'" she told parliament on Wednesday.

"There'll be no second referendum. The people voted and this government will deliver on it."

But with negotiations between London and Brussels deadlocked, it remains unclear what deal, if any, her government can deliver.

As Britain's planned departure in March next year draws closer it faces the prospect of leaving without any agreement, or remaining in a transition phase for several years with few changes but notably losing its deci-

sion-making seat at the EU.

Neither choice is appealing. Recriminations over how Britain got here are leaving May looking increasingly isolated and weak.

And European leaders such as French President Emmanuel Macron are openly wondering if a second British vote might yet make the mess go away.

Polls show support for a second referendum evenly split -- the same as with Brexit itself.

The 2016 Brexit poll was backed by 52 per cent of voters on turnout of 72pc.

But some think MPs may rally around another poll at the last moment to avert complete chaos



Mayor of London Sadiq Khan (C) joins demonstrators as they take part in a march calling for a People's Vote on the final Brexit deal



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once they see what Britain might be forced to sign up to -- and they must approve.

The last big march on parliament demanding a second vote in June saw an estimated 100,000 gather on and around the picturesque Parliament Square facing Westminster Palace.

Organisers expect this one will

be bigger and involve supporters of all major parties from every corner of Britain -- and beyond.

Fiona Godfrey represents a group of British immigrants in Luxembourg. She came to London because Brexit would put up big hurdles to her ability to go back home with her new German husband.

"We would have to meet minimum income rules and I am self-employed," the 53-year-old said.

"I'm losing my voting rights, my right to a livelihood, my freedom of movement -- in Luxembourg, which you can cross in 15 minutes."

The speakers set to take the stage outside parliament where the march concludes include London Mayor Sadiq Khan.

A group of celebrities led by Gary Lineker -- a retired football star familiar to just about every Briton -- will also pipe in video messages of support.

## State-owned Petrobras: Brazil's crown jewel

The oil company founded 65 years ago plans to spend \$60 billion in next four years

● Brazil has proven reserves of 13 billion barrels

● It produces 2.5 million barrels of oil a day

Rio de Janeiro, Brazil

Petrobras is the jewel in Brazil's crown: Latin America's most valuable enterprise, a \$100-billion oil and gas group whose crude output puts the country in the top 10 league globally, rivalling that of many OPEC members.

Yet it is also the most indebted oil company in the world. And it is at the heart of the biggest corruption scandal to rock Brazil: a graft probe that has claimed numerous political scalps, not least that of former leftist president Luiz Inacio Lula da Silva.

Much attention in Brazil and abroad is now being focused on Petrobras because of what looks likely to be a Brazilian presidential election victory by Jair Bolsonaro. The ultraconservative has expressed a willingness to oversee further sales of Petrobras' non-core assets.

Petrobras was founded 65 years ago as a government monopoly to tap the tiny reserves

that existed at the time. It grew in the mid-1970s when shallow offshore fields was discovered, but they were not big enough to provide self-sufficiency for the vast South American nation.

Brazil's real oil bonanza happened in late 2006 when Petrobras discovered what turned out to be huge amounts of crude lying under the oceanic crust far offshore -- so-called pre-salt deposits.

That pre-salt oil is costly to get at, but its extraction soon made the country a net exporter, propelled into the same league as members of OPEC, of which it is not part.

Today, Brazil has proven reserves of 13 billion barrels and produces 2.5 million barrels of oil a day, according to the US Energy Information Administration. Half the production comes from the pre-salt fields, with that proportion forecast to grow.

Petrobras used to be the sole producer on all the pre-salt fields, though foreign oil companies were later allowed to participate. Under Brazil's outgoing center-right government tender conditions have eased up.

Currently one deepwater zone, the Libra field, is being tapped by Petrobras in partnership with France's Total, British-Dutch giant Shell, and Chinese groups CNPC and CNOOC.



Petrobras pumps 500,000 barrels of oil a day from pre-salt fields. Pictured, assembling a new oil platform (Courtesy of Reuters)

Analysts believe the Libra field could by itself hold up to 15 billion barrels.

## Over-leveraged

But Brazil's oil giant wagered way too much too early on the pre-salt crude wealth. It laid out an over-optimistic multi-year in-

vestment plan in 2007 that soon proved an over-leveraged mistake when the global financial crisis hit and oil prices tumbled.

The company's market value is around half of what it peaked to in those heady days, and its focus has since turned to chipping away at its massive debt

mountain, which in August stood at \$73 billion after billions of dollars in divestments and restructuring.

The other major blow was its involvement in a sprawling corruption probe called "Operation Car Wash."

It revealed that senior Petro-

bras executives orchestrated hundreds of millions of dollars in bribes, engaged in bid-rigging, funneled cash to political parties and politicians, and hid the malfeasance from investors.

That resulted in multiple business leaders and politicians of all stripes, including Lula, facing prosecution, a \$2.5 billion write-down of overstated assets, and a \$853-million fine levied last month.

Petrobras has sought to draw a line under the double disasters, slashing spending and trying to move past the corruption scandal.

There are some signs things are turning around for the company. Most notably, oil prices have firmed this year though uncertainty has returned to the sector because of major pressure on OPEC kingpin Saudi Arabia over the death of journalist Jamal Khashoggi, and the specter of a US-China trade war triggered by threats and tariffs from US President Donald Trump.

Petrobras has seen sharply higher profits this year: \$2.7 billion in the second quarter, stronger than forecast. Its share price is rebounding.

The company's plan for the next four years calls for it to spend \$60 billion over the next four years to boost production and infrastructure.