

## Calling for an end to oil speculation

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By [Andrew Beckett](#)

A Wisconsin congressman wants the U.S. to take a more active role in ending oil price speculation.

Congressman Tom Petri (R-WI) says oil speculators are at least partly to blame for rising prices. He says hedge funds, individuals, and financial entities that don't need to buy oil are simply betting on the possibility of prices going up even more. He compares it to the wild speculation that built up the U.S. housing market, which had a devastating impact on the nation's economy when the bubble burst.

Petri says the problem exists on the global market, so the U.S. can't just change the laws here. He's introducing a resolution calling on the government to work with other countries to help reign in excessive speculation. The measure urges the passage of better rules that would help cut back on one way speculation.

The Wisconsin Republican says the best solution is to require speculators to pay down a "margin," similar to what's required of those who speculate on stock prices. He says speculators currently face little if any losses if their bets on oil prices don't pay off, but requiring a margin would make them more hesitant to get into the market. Petri says it would require speculators to pay more attention to the laws of supply and demand.