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A Look Into the Past for Children in Berlin

Reuters

As Germany prepares for Sunday's 25th anniversary of the fall of the Berlin Wall, children peek through a hole in the last remnant of the barrier, which serves as a memorial. **Articles 10-11,13 & 27**

Tax Leak Puts EU's Juncker In the Hot Seat

By Matthew Karnitschnig

European Commission President Jean-Claude Juncker was thrust to the center of a global debate on corporate tax havens following the release of thousands of secret documents detailing how Luxembourg, the country he led for nearly 20 years as prime minister, helped companies avoid paying taxes.

The documents, disclosed by the Washington-based International Consortium of Investigative Journalists on Thursday, provide fresh detail on how hundreds of the world's biggest companies, including PepsiCo Inc., FedEx Corp. and Amazon.com Inc., have funneled profit through subsidiaries in Luxembourg, avoiding billions in taxes in other jurisdictions.

The revelations come less than a week after Mr. Juncker took over Europe's top office and threaten to cast a shadow over his campaign to move the 28-member European Union beyond the political and economic travails that have hobbled it in recent years. All of the tax deals described in the documents, which run until 2010, were granted during Mr. Juncker's time as Luxembourg's leader.

"I expect Mr. Juncker, who served for 20 years as Luxembourg's prime minister and finance minister, to provide details of how Luxembourg's tax authorities operate," Carsten Schneider, a senior member of Germany's Social Democrats, said during a heated parliamentary debate on Thursday.

The main question Mr. Juncker faces in the short term is how he can demand continued belt tightening in countries such as Greece and Portugal, when his own country is helping companies avoid paying taxes across Europe. Even as much of Europe has been stuck in an economic funk, Luxembourg has prospered.

The corporate tax breaks, which are confidential under Luxembourg law, allowed the country, which has a population of just 550,000, to build a strong financial sector. Financial services account for more than 35% of Luxembourg's economic output. The corporate tax sector, which includes big accounting firms such as **PricewaterhouseCoopers** and dozens of law offices, provides thousands of jobs to the Luxembourg economy and has helped make the country one of the world's richest on a per capita basis.

As Luxembourg's prime minister, Mr. Juncker was a strong defender of his coun-

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OPEC Is Concerned, but Not Panicky on Oil Drop

VIENNA—As oil prices slid further Thursday, OPEC signaled that it isn't ready to hit the panic button—yet.

By Benoît Faucon, Summer Said and Mercedes Alvaro

Oil's more-than-25% decline since the summer has led to speculation that the Organization of the Petroleum Exporting Countries—whose crude accounts for about a third of global oil supply—would cut its output to try to support prices, especially as some of the group's members grow fearful of the likely hit to their government budgets.

At a news conference in Vienna on Thursday, OPEC Secretary-General Abdalla Salem el-Badri said the group is "concerned, but we are not panicking." Mr. el-Badri blamed market speculators for the sharp oil-price drop, saying "fundamentals don't deserve this price decline."

Both major crude benchmarks fell Thursday. But the OPEC statements were overshadowed by reports that Libyan officials said they expect production at its biggest field, El Sharara, to restart soon, recovering quickly from a rebel attack the day before.

The Brent crude futures contract, the international benchmark, fell 9 cents to $82.86 a barrel, while the U.S. benchmark fell 77 cents to $77.91 a barrel.

Analysts and brokers said the market appeared to be taking a wait-and-see approach to the OPEC comments, reserving judgment until the group's Nov. 27 meeting in Vienna to see if the organization takes any official action to reduce output and shore up prices.

"I certainly think they'll say something," said Kyle Cooper, managing partner of research consultancy IAF Advisors in Houston. "What kind of real action they'll take remains to be seen."

Despite Mr. el-Badri's comments, some within OPEC already are thinking about the oil-price level at which the group will be forced to re-

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ECB Pulls Together On Possible Stimulus

By Brian Blackstone

FRANKFURT—The European Central Bank sent a strong signal Thursday that it is prepared to act more aggressively to combat ultralow inflation by buying large amounts of private-sector debt and perhaps even government bonds.

The central bank's policy makers are unanimous in their readiness to back more stimulus if needed, ECB President Mario Draghi said at his monthly news conference. He added that officials all expect the central bank's balance sheet—the amount of assets it holds—to rise toward early 2012 levels, implying an increase of up to €1 trillion ($1.24 trillion).

Following Mr. Draghi's remarks, the euro fell to a two-year low and European stocks surged. Expansionary central bank measures, which typically lead to higher inflation, tend to weaken a currency while brightening the prospects for businesses and consumers.

Mr. Draghi has made similar comments of his own accord on the balance sheet, but its inclusion in the introductory statement to the news conference means the entire 24-member Governing Council approved it. In a sign of the bank's unity, Bundesbank President Jens Weidmann—a harsh critic at times of ECB policies—played

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