

Obama administration helped BP quash environmental challenges to Gulf drilling

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The Obama administration intervened in court to ensure that BP's Gulf drilling operations would go forward, even in the absence of serious environmental and safety studies, a *World Socialist Web Site* analysis of 2009 legal documents reveals.

The administration's efforts applied not only to deep sea drilling operations in the Gulf of Mexico, but specifically to the site that would be used by BP's Deepwater Horizon drill rig, which on April 20 exploded, killing 11 workers and generating an oil slick that is inflicting an unprecedented environmental and economic disaster on the Gulf Coast.

A May 11, 2009 legal brief written on behalf of Obama's secretary of the interior, Ken Salazar, requested that the Washington, DC federal court of appeals overturn or amend an earlier decision blocking new drilling in the Gulf of Mexico's outer continental shelf. The petition referred specifically in several instances to site "206"—the same area where the Deepwater Horizon would explode in a blowout less than one year later.

In July of last year, the court of appeals partially approved Salazar's petition, under the condition that the administration would produce an environmental impact study for Gulf of Mexico drilling operations. The study has not yet been completed.

The court of appeals had earlier ruled that expanded deep sea drilling related to the Bush administration's "Outer Continental Shelf Oil and Gas Leasing Program, 2007-2012" violated the Outer Continental Shelf Lands Act (OCSLA) because it failed to adequately analyze the "relative environmental sensitivity" of impacted areas.

That decision came on April 17, 2009, only 11 days after the Obama administration granted BP a "categorical exemption" from producing a legally required environmental impact study and approving its exploration plan for site 206, the future location of Deepwater Horizon.

In appealing this ruling, the Department of the Interior argued that the Center for Biological Diversity, which had brought the suit, had "not identified any injury arising from the mere existence of these [drilling] leases, nor from further exploration and development activity on the Gulf of Mexico leases."

Referring to "leases 204-207," the Obama administration argued that exploration had already begun, and that "attempting to restore the status quo ante would therefore be extraordinarily difficult." It went on to note the substantial amounts of money that oil firms had already wagered on the exploitation of the deposits.

"Salazar approved BP's exploration plan without any environmental analysis on April 6, 2009, knowing that the lease could get struck down by an active lawsuit," said Kieran Suckling of the Center for Biological Diversity. "When it was struck down 11 days later, he went back to court to get the BP exploration drilling (and other areas) removed from the vacature. His success in this legal maneuver allowed BP's exploration drilling to take place, resulting in the April 20, 2010 catastrophic disaster."

The Department of the Interior did not return calls for comment on the story. The lawyer for the Department of Justice who litigated the case, Sambhav Sankar, said he could not discuss the matter. A call to his superior in the Justice Department, Andrew Ames, was not returned at the time of writing.

The Obama administration's legal intervention to continue deep sea Gulf drilling shows that it not merely shares with the Bush administration indirect responsibility for the disaster through its failure to adequately regulate the industry. It actively intervened to release BP from legally required environmental assessments for the very drill site that would produce the Deepwater Horizon disaster.

Even since the explosion on the rig, the Obama administration has continued to grant "categorical exemptions" for deep sea oil drilling—27 in all, according to the Center for Biological Diversity. On March 31, Obama issued his own "Five-Year Program" for offshore and deep sea drilling. The plan surpasses even that of the Bush administration, calling for opening up areas for drilling stretching from Delaware to Florida on the Atlantic Coast as well as along Florida's Gulf Coast.

The media has largely ignored the growing evidence that implicates the Obama administration in the disaster. Coverage of the oil spill, already one of the worst ecological catastrophes in history, has been eclipsed for more than a week by media focus on

the failed Times Square bombing attempt.

Where the media has addressed the Obama administration's role in the disaster, it has attempted to fashion a "new narrative" for the explosion, in which the administration's early indifference is replaced by supposedly quick action.

Over the weekend, an Associated Press news analysis attempted, with limited success, to portray an energetic response to the crisis. The story simply overlooked all the evidence to the contrary, including the multiple press briefings given by press secretary Robert Gibbs beginning the day after the explosion. Quotes from Gibbs, in which he at first expressed only dim awareness of the disaster and later used it as a chance to play up Obama's call for increased drilling, are freely available on the White House web site. (See "Obama seeks to contain anger over BP oil spill")

Obama's allies in the liberal and "left" media, meanwhile, have sought to pin blame for the spill entirely on the Bush administration, disregarding the fact that Obama has carried on the same policies unchanged.

This is the thrust of a Monday column in the *New York Times* by liberal columnist Paul Krugman, "Sex & Lies & the Spill," which attributes the disaster to "the collapse in government competence and effectiveness that took place during the Bush years." Krugman notes that under Bush federal regulators "minimized the environmental risks of drilling," "failed to require a backup shutdown system that is standard in much of the rest of the world," "exempted many offshore drillers from the requirement that they file plans to deal with major oil spills," and "specifically allowed BP to drill Deepwater Horizon without a detailed environmental analysis."

While the Bush administration is certainly culpable for the disaster, all of the regulatory inaction cited by Krugman in fact continued under Obama. This includes, as Krugman is forced to acknowledge, the exemption given for the Deepwater Horizon site. But Krugman exculpates Obama by lamely noting that "the administration hadn't yet had time to put its stamp on" the Minerals Management Service (MMS).

Krugman concludes by arguing that the spill shows the need for a new "attitude toward government," citing as good examples of this attitude a recent speech by Obama and "the Clinton years." Similarly, the *Nation* magazine declares the spill "an opportunity" that could be used "to put all politicians, including President Obama, on the spot and to demand that we move in a fundamentally new direction."

If the spill shows anything, it is that there is no means of challenging the stranglehold of the corporate oligarchy through supporting the Democratic Party. Since the Carter administration, Democratic presidents have advanced deregulation every bit as much as their Republican counterparts. Indeed, in explaining their lack of regulatory enforcement on oil rigs, MMS officials have

cited a law passed during the Clinton years that required all federal agencies to adopt industry standards.

BP employees handed over \$71,000 to Barack Obama in the 2008 elections—more than to any other candidate—and the corporation has spent tens of millions in lobbying over the past three years, in the process purchasing the support of such powerful politicians as former Democratic Party lobbyists John and Tony Podesta, former Democratic Senator Tom Daschle, former Republican Senator Alan Simpson, former Bush Environmental Protection Agency head Christine Todd Whitman, and Leon Panetta, until he was installed as Obama's CIA director.

A Monday report from the *Los Angeles Times* points out that two members of the Senate Committee on Energy and Natural Resources, which will investigate the explosion and spill, received the third and fourth most campaign funding from BP in 2008: Republican Senator John McCain (\$37,700) and Democrat Marry Landrieu of Louisiana (\$16,000). BP gave about 40 percent of all campaign contributions to Democrats in the last election cycle, and 60 percent to Republicans.

Behind the political decisions that created the conditions for the Deepwater Horizon disaster are enormous financial interests. BP, the world's fourth largest corporation, was part of a large-scale oil industry push out into the deeper waters of the Gulf of Mexico. Until the last decade, oil industry workers referred to the Gulf as "the dead sea," owing to the stagnation in its output. But the sharp increase in oil prices in recent years whetted the appetite of the industry for fields once considered unprofitable—including those one mile beneath the sea.

When the lease sale opened for site 206 in a New Orleans auction conducted by the MMS, "bidders went on the mother of all shopping sprees," industry journal *Upstream Review* wrote in March of 2008, "doling out a record \$3.67 billion in ... bids on oil and gas exploration tracts." The bidding, so high that it "left jaws hanging in The Big Easy," was driven by "insatiable appetites for the emerging Lower Tertiary oil play in deeper waters of the Gulf and 'ultra-deep' natural gas plays beneath shallower waters of the Gulf's Outer Continental Shelf."

"It's the price of oil and gas right now that's providing a lot of money and a lot of interest in the Gulf of Mexico," said Lars Herbst, regional director for the MMS, who continues to hold the same position under Obama.



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