

Gulf oil spill: Why is BP in charge?

Tom Eley
27 May 2010

BP's criminal actions in causing the deadly explosion on the Deepwater Horizon oil rig, documented in recent congressional testimony, and its incompetence and greed in response to the resulting oil spill have provoked growing popular anger. Millions are wondering why they have yet to see television footage of executives handcuffed and hauled away in police cars, their passports revoked, their assets seized, and BP's vast resources devoted fully to stopping the spill and cleaning up the Gulf of Mexico.

Instead, the Obama administration has insisted from the beginning that BP remain in command of the spill site and cleanup. Only BP has the "expertise" to handle the spill, administration officials have repeatedly claimed.

This is absurd on its face. It is tantamount to putting the perpetrator in control of the crime scene—at the expense of tens of thousands of jobs and the compounding of an environmental and ecological catastrophe of unprecedented proportions.

In its efforts to stop the hemorrhaging on the ocean floor 50 miles off the coast of Louisiana, the oil giant has floundered from one debacle to the next, its efforts fatally compromised at every turn by the profit concerns that trump all other questions under capitalism. Just as the Deepwater Horizon disaster was created by the blind drive for profit, so BP's response has been predicated on the defense of its bottom line.

For nearly a month after the explosion, BP hid video evidence that contradicted its claim that the impact of the spill would be "very, very modest," as CEO Tony Hayward put it last week.

Thousands of Gulf Coast fishermen have been made jobless by the spill, many with no access to

unemployment insurance. They and their boats stand ready to join the cleanup, but BP has hired only a small percentage—at first on condition that the fishermen renounce their right to sue for damages.

BP has used nearly 800,000 gallons of a chemical dispersant, Corexit, that is more toxic and less effective than other dispersants readily available on the market. Corexit's only apparent advantage is that the company selling it, Nalco, is dominated by executives with close ties to BP and Exxon.

More effective methods could be used to contain and remove the oil—for example, deploying absorbent boom lines that soak up the oil rather than plastic booms that allow the oil to pass under and over, and creating barrier islands along the Gulf Coast. But these and other possibilities have been ruled out due to their cost.

BP claims to have spent \$760 million so far in spill-related costs. Even if true, this is a relatively small sum. Peter Hitchens of Panmure Gordon told the *Wall Street Journal* that BP could "easily absorb" \$20 billion in spill-related costs. "BP will tend to view this as a one-off," he said.

Nor will the spill likely affect BP's coming disbursement to its shareholders, just as Transocean, the owner and operator of Deepwater Horizon, recently handed out \$1 billion in dividends to its shareholders, even as it fought in court to limit its liability to injured workers and the families of the 11 workers killed in the blast to \$27 million.

As the disaster grows by the day, the Obama administration's insistence that BP remain in control is provoking nervousness in ruling circles. Senator Lamar Alexander of Tennessee told a weekend news program that "under the law the federal government can take it

over [the spill] if they choose," and longtime Democratic Party strategist James Carville of Louisiana pleaded with Obama. "Man, you got to get down here and take control of this, put somebody in charge of this thing and get this moving," he said. "We're about to die down here."

Politicians are alarmed over a shift in popular attitudes toward the spill. According to the most recent *USA Today*/Gallup Poll, 60 percent of surveyed Americans now rate the federal response to the disaster as "poor." Nearly three quarters say the same of BP's response.

The one constant feature in the Obama administration's response—which has ranged from a full-throated defense of deep-sea drilling in the first days after the disaster to impotent criticisms of the implicated corporate interests—has been its insistence that BP should be in charge. Why?

Over the past several decades, US capitalism has based itself on the removal of virtually all legal limitations on the pursuit of corporate profit. Deregulation—leaving the major industrial concerns to supervise their own safety and environmental performance—has taken hold across the economy. From finance, to the airlines, to the energy industry, deregulation has created a disaster for the American people.

The entire apparatus of the government, all of its branches, the two major political parties and their bought-and-paid-for politicians have so deeply integrated themselves into the structure of big business and Wall Street and so thoroughly subordinated themselves to corporate interests that any assertion of government control is almost unthinkable.

Under these conditions, the Obama administration is fearful that even a marginal degree of government control over the oil spill could spark popular demands for similar action regarding other sectors of the the economy. Why, after all, should the same financial concerns that led the world into economic collapse be left in control of the economic "cleanup"—at the cost of trillions in public wealth?

US Coast Guard Commander Thad Allen inadvertently posed the central question when, at a news conference this week, he declared that only BP could handle the spill because it "owns the means of production." But why should BP, or any corporation, be allowed to own the means of production, which are the product of the collective labor of working people, and utilize them entirely for the benefit of the private fortunes of CEOs, bankers and big investors?

In fact, the catastrophe in the Gulf cries out for the means of production to be wrested from the hands of the criminals who caused the oil spill.

The disaster can be addressed only on the basis of an objective, scientific assessment of what has taken place and what is required to deal with the environmental and economic damage. This requires a social response, putting many thousands to work guided by the best scientific knowledge available.

The resources for such a massive effort can be easily realized by seizing the assets of BP, Transocean, and Halliburton. The personal fortunes of their executives should be appropriated and criminal prosecutions launched.

The great energy corporations, like the finance houses, must be placed under the democratic control of the working class and operated to meet social needs rather than to generate private profit. Only on this basis can the population's need for energy be met cheaply and safely.

If these steps are not taken, it is a certain that more spills and environmental catastrophes will take place that will eventually place in question the survival of civilization. The Deepwater Horizon spill, in short, poses the urgent need for socialism.

Tom Eley



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact