

Beyond BP

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More than two months have passed since the explosion of the Deepwater Horizon oil rig in the Gulf of Mexico set off what has become the worst environmental disaster in the history of the United States. The amount of oil that has spewed into the Gulf, poisoning one of the most important ecological and economic regions of the country, is still unknown, but has to be figured in the tens of millions of gallons at least.

Eleven people died in the initial explosion. A key industry—gulf fishing and shrimping—has been all but wiped out indefinitely. Tens of thousands of jobs dependent on fishing and tourism will be lost. Entire species are at risk, and the long-term consequences are incalculable. And still, the oil continues to flow.

The vast dimensions of the ecological and economic nightmare stand in sharp and revealing contrast to the miserable actions of the federal government. The main aim of the Obama administration has been to evade the underlying causes of the disaster and prevent public outrage from intersecting with growing anti-corporate sentiment throughout the country.

This campaign has taken different forms, some more cynically “populist” than others.

This past weekend, Obama administration officials and the media waxed indignant about BP CEO Tony Hayward’s attendance at a yacht race (where his own boat competed), even as his firm’s oil continues to gush into the Gulf. Hayward’s indifference to the suffering in the region is of course contemptible and he deserves every ounce of the public outrage. At the same time, however, his actions are entirely typical of the global corporate and financial elite.

The real attitude of the Obama administration was summed up by Chief of Staff Rahm Emanuel, who complained that Hayward was guilty of a “bad PR” (public relations) move—that is, his action was not the problem, let alone the immense wealth of BP

executives made possible in part through the cost cutting that led to the disaster, but merely its timing.

The reaction to the yacht outing is part of a broader attempt to present BP as a renegade company, a bad apple. The hope is that if the administration can somehow claim that BP is being held responsible, then the incident can be turned into a manageable event and business as usual—including the continued expansion of deep-sea oil drilling—can go forward.

This was the aim of last week’s series of “PR” events organized by the administration itself—from Obama’s trip to the Gulf, to the White House speech on Tuesday, to the next day’s meeting with BP executives. Out of this came the establishment of a \$20 billion escrow account, to be paid in at intervals of \$5 billion a year for four years.

In his speech from the Oval Office last week, Obama declared that he was determined to “make BP pay” for the disaster.

The outcome of this process, however, has only exposed the subservience of the administration to the corporate and financial elite and its inability to respond seriously to an unprecedented disaster.

First, the \$20 billion fund is totally inadequate to deal with the consequences of the spill. Any objective measure of the economic impact would put the cost in the hundreds of billions of dollars, or more. “Making BP pay” and maintaining BP as a “strong and viable company,” which Obama also insisted on, are in fact mutually contradictory declarations.

With the agreement of BP chairman Carl-Henric Svanberg (now derided in the Gulf for his repeated reference to the population as “small people”), the fund has been placed under the control of Kenneth Feinberg, a trusted representative of the political establishment. Feinberg has helped administer liability funds for Agent Orange and asbestos, in addition to managing the September 11 Compensation Fund and functioning as

Obama's "pay czar" for bailed out banks.

Feinberg immediately praised BP over the weekend, repeatedly insisting that it was necessary to "give BP credit" for having distributed a (meager) \$100 million so far. Meanwhile, local businesses and individuals complain bitterly of the enormous difficulties they encounter extracting any funds from the company.

Far from expediting the process, the establishment of the fund will only serve to shield BP, while ensuring that large numbers of people fall through the cracks or are pushed into settlements that are grossly inadequate in comparison with the losses they have suffered.

Second, the claim that the government is "making BP pay" for the disaster is aimed at covering up the paralysis of the federal government itself in the wake of the explosion.

The extent of the disaster far exceeds the resources of one company. Any serious response to the oil eruption would have begun with the seizure of BP's assets and an immediate federal takeover of both the spill response and the cleanup efforts. From the beginning, however, the Obama administration has insisted that BP had to remain in charge. Only the oil giant had the technology and the capacity to respond, the government declared.

In a serious effort, the seizure of BP assets would only be the beginning, however. A massive emergency public works program and the mobilization of social resources is necessary. Hundreds of thousands of workers, including those laid off as a result of the disaster, have to be mobilized to contain the spill and carry out cleanup operations. Teams of scientists from throughout the country and internationally must be brought together to work out a response.

BP is not an aberration. Until the next disaster, the company is only the most public face of corporate criminality that has become pervasive. In particular, BP shares with all the major oil companies a relentless drive for profit at the expense of the most elementary safety precautions and considerations.

If this disaster can happen at BP, it can happen at any company. Indeed, in their pursuit of profit, energy companies have produced one atrocity after the next—from oil spills, to pollution and devastation in Africa, to global warming, to a series of mine explosions throughout the world, to utility shutoffs in homes throughout the US.

The nationalization of the energy industry is required

as an emergency measure. These resources, absolutely necessary to the functioning of the world economy, must be controlled democratically in the interests of social need.

The implementation of a rational plan for the development of global energy production is impossible so long as these corporations are subordinated to the relentless drive for profit and individual wealth accumulation.

These actions will not take place through the Democratic and Republican Parties, both equally committed to the defense of the profit system.

The Gulf oil crisis, like the financial crisis before it, poses the necessity for a mass socialist movement of the working class that has as its aim the establishment of a workers government. Only in this way can the necessary measures be taken to respond to the crisis and prevent the next disaster.

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