

# White House clears way for more offshore drilling

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The Obama administration on Monday said that it would quickly issue new safety guidelines in order to expedite exploration for oil in shallow waters—even with the BP oil eruption still gushing millions of gallons of oil into the Gulf of Mexico. The new rules, to be issued by the Department of the Interior’s Minerals Management Service (MMS), could be put in effect today, clearing the way for dozens of new drilling operations.

The pronouncement makes clear the total subservience of the US political system to the oil industry. Since the April 20 explosion on the Deepwater Horizon, which killed 11 workers, little has changed in the Gulf’s oil industry. Deep-sea oil rigs continue to operate, some in waters deeper than the Deepwater Horizon site—and under the same worker safety and environmental regulatory conditions that created the disaster. A moratorium on new permits for deep-sea drilling had not been applied to shallow-water rigs, although some applications had evidently been held up.

The administration’s decision Monday to speed up new drilling permits came only hours after the oil industry demanded it. The National Ocean Industries Association (NOIA), a lobbying group of 23 offshore drilling concerns, issued a letter earlier in the day asking Obama to “provide immediate interim guidance that would allow exploration and production during the rulemaking process.” NOIA is headed up by Randall Luthi, formerly director of the MMS late in the administration of George W. Bush.

The moratorium on new permits for deep-sea drill sites will also likely be lifted once a new White House

panel concludes a six-month investigation. The commission’s central task, Obama made clear last week, is to give deep-sea oil drilling a clean bill of health. Heading the committee is former Democratic senator Bob Graham, a long-time advocate of deregulation, and former Environmental Protection agency head—and current ConocoPhillips director—William K. Reilly.

The regulatory changes for shallow-water drilling are likely to be cosmetic. One measure, already announced, would separate the part of the MMS that collects oil company royalties from that which monitors safety and environmental regulation.

It is not clear how other new guidelines will affect the many facets of exploration, well capping, and equipment maintenance exposed as dangerous by the BP disaster. A *Wall Street Journal* report, based on White House sources, indicates that oil rigs’ blowout preventers and drilling plans will have to be approved by “independent operators.” The *Journal* did not explain this term, but the formulation suggests that health and environmental regulation will be left to private interests.

Biologist Rick Steiner, a scientist and expert on oil spills, told the *World Socialist Web Site* that he has seen no evidence of a change in regulatory conditions affecting the oil industry. “Little has changed,” Steiner said. “As far as I know there have been no changes to the procedural failures that led to the disaster, or the mechanical and technical failures. To take one example, the blowout preventer that failed for the Deepwater Horizon is the same as the blowout preventers used in the shallow water rigs.”

None of the regulatory changes under consideration address the central issues revealed by the disaster—the subordination of energy production to the profit drive of big business, and the role of the federal government in enforcing this set-up at the expense of oil industry workers, the environment, and society as a whole.

The media has presented the administration’s move to speed up shallow water drilling as an effort to preserve oil industry jobs in the face of overly-cautious regulation. In fact the Deepwater Horizon disaster demonstrates that workers and the ecology face a common threat in the big oil firms, whose blind drive for profit imperils both the safety of oil workers and the region’s environment—upon which tens of thousands of fishermen and tourism industry workers depend.

Indeed, the major loss of jobs has not come from the estimated 33 drilling applications delayed as a result of the explosion and spill. Thousands of fishing boats have been idled, while coastal cities from Louisiana to Florida that depend upon beach-goers and sport fishermen have reported major losses. These industries may never recover.

A massive jobs and cleanup program for the Gulf Coast could easily provide good paying jobs for all. Tens of thousands of oil industry workers, fishermen, and others could be given training and hired at high wages to participate in the cleanup of the Gulf Coast. But this would require the seizure of assets and resources from BP, Transocean, and other corporate criminals.

The entire political establishment is bitterly opposed to such an outcome. Though there is a mass of evidence demonstrating criminal negligence in BP’s drilling operations, there has been no formal declaration of a criminal investigation. On the contrary, the debate in Washington is over how BP should best protect its revenue from cleanup costs and lawsuits, with a recent column by the *New York Times*’ Andrew Ross Sorkin pondering, in a worst-case-scenario, whether a “bad BP” might be created to absorb lawsuits, or if the company should be absorbed by rivals Exxon or Shell in such a way that spill liabilities can be offloaded.

BP is now profiting from the share of oil it is able to syphon from the spill, and debating how many billions to distribute to its shareholders over the summer.



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