At least four killed in PEMEX explosion in Gulf of Mexico

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An explosion early Wednesday morning at a production platform run by the Mexican state-run oil company PEMEX in the Gulf of Mexico left at least four dead and 45 injured. Dozens of workers dived into the water to escape the fire and, according to some reports, some are still missing. Nearly 300 were working at the Abkatun-Permanente platform at the time of the explosion.

Eight fireboats were dispatched to keep the fires under control late Wednesday night. Footage posted on Twitter shows the offshore platform engulfed in flames.

The fire broke out in the dehydration and pumping area of the Abkatun A-Permanent platform, according to PEMEX. The company issued a statement stressing that no major oil spill occurred at the plant.

"The fire that broke today at the Abkatun processing platform in Campeche did not cause an oil spill in the sea," the company stated. "Authorities only registered a runoff, which is being contained by specialized vessels." PEMEX has yet to release information on how much oil was spilled, however.

While a major ecological catastrophe was probably averted, PEMEX has said next to nothing about the dangerous working conditions that have led to workers' deaths and grievous injuries.

PEMEX CEO Emilio Lozoya affirmed that the impact on production would be minimal and that nearby facilities could pick up the slack. The platform processes nearly 40,000 barrels per day (bpd). It is part of the Abkatun Pol Chuc offshore complex, which, according to the US Energy Information Administration, produces some 300,000 bpd.

Located 53 miles off the coast, the Campeche Sound contains the two biggest shallow-water oil deposits in Mexico, with some 200 platforms extracting 78 percent of the country's crude oil. Mexico is currently ranked number 10 among the world's crude oil producers.

Mexico's President Enrique Peña Nieto promised an investigation to "find whoever is responsible" for the explosion. Given the source of this promise, a head of state who has shielded federal and state police involved in the abduction and massacre of 43 teaching college students last September, it will provide cold comfort to oil workers and the families of those killed and injured.

The explosion took place as the Peña Nieto administration is moving ahead with the privatization of PEMEX, inviting foreign capitalists to invest in Mexico's oil production and effectively ending the country's 75-year-old nationalization of this vital resource. There is every reason to believe that this opening up of the sector to direct exploitation by transnational capital will only lead to an intensification of the exploitation of oil workers and a corresponding deterioration in safety conditions.

Just days before the explosion, the national oil company landed its first major investment with US-based multinational investment firm BlackRock Inc. and the First Reserve Corp. putting up about $900 million for a 45 percent stake in a pipeline project that will transport US natural gas to central Mexico.

José Manuel Carrera, head of PMI, PEMEX's international unit, stated: "This is certainly a landmark. It's the first material implementation of the energy reform in Mexico. This is the start of what we believe is going to be a long series of investments by these and other investors who might follow."

Cheaper natural gas from the US will allow Mexico to become more "competitive" on the global market by lowering manufacturing and electricity costs. Completion of the pipeline is expected by the end of 2016.

In July, the Mexican government will begin a series

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of auctions selling the rights to the first 23 of 169 oil blocks at an estimated price of $21 billion. Foreign investors are salivating at the prospect of exploiting the oil reserves of the Campeche Bay.

The first phase of Round One auctions includes 14 shallow-water exploration blocks off the coasts of the southeastern states of Veracruz, Tabasco and Campeche. The nine remaining fields lay off the coasts of Tabasco and Campeche, containing estimated reserves of 671 million barrels of oil. The government is estimating that $16.7 billion in investment will flow into these fields over the next five years.

President Lázaro Cárdenas nationalized Mexico’s oil industry in 1938 in the aftermath of a major strike by oil workers against foreign oil companies. Today, the Mexican bourgeoisie is working in tandem with their US and European counterparts to carry out a historic reversal in these gains as part of a social counterrevolution.

The portrayal of the Pemex privatization as a “reform” is aimed at masking the real impact of the Mexican government’s actions, which are aimed at slashing the living standards and safety conditions of workers and enriching both foreign capitalist investors and a narrow layer of the Mexican oligarchy.

Historically, oil exports have provided a third of the Mexican federal budget. With falling global prices, PEMEX posted a US$17.7 billion loss last year. As a result, the government announced in January that it would cut public spending by $8.02 billion, with the brunt of the cutbacks falling on PEMEX itself.

PEMEX has a long history of horrific explosions and accidents:

• In 2007, two PEMEX platforms collided, killing 21 and causing a major oil spill.

• In September 2012, a natural gas plant explosion left 30 dead.

• In January 2013, at least 37 were killed by a gas build-up at PEMEX’s Mexico City headquarters.

Mexico’s worst accident was in June 1979, when offshore drilling rig Ixtoc I blew up, releasing 140 million gallons of oil in the Gulf of Mexico. It took nearly a month for PEMEX and US contractors to cap the well.

This latest explosion comes five years after the BP spill off Louisiana’s coast, taking the lives of 11 workers and resulting in massive oil slick that spread out for thousands of square miles. Not a single executive spent a day in jail for the worst environmental disaster in US history.

The fatal explosion on the PEMEX platform in the Gulf of Mexico underscores the dangerous conditions that oil workers are compelled to work under in every country. These issues were at the heart of the strike by oil workers in the United States against the lack of workplace safety, dangerously high levels of mandatory overtime and the use of highly exploited contractors, a struggle that was sabotaged and betrayed by the United Steelworkers union.

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