Biden approves huge oil extraction project in Alaska

Patrick Martin 15 March 2023

In an action that is a flat reversal of his election campaign pledge of "no more drilling on federal lands," President Joe Biden decided Monday to approve an \$8 billion oil drilling project on Alaska's North Slope, to be operated by ConocoPhillips.

Wells will be drilled in three areas of the National Petroleum Reserve-Alaska, federal land that is the largest area of undeveloped wilderness remaining in the United States. Known as the Willow Project, the reserve is on the western portion of the North Slope, about 60 miles west of the main oilfield development at Prudhoe Bay.

According to ConocoPhillips, the projected 219 wells in the project would have peak production of 180,000 barrels a day, about 60 percent of the current production at Prudhoe Bay, which is down considerably because the oilfield is depleting its reserves. The overall size of the Willow Project is only a small fraction of the bigger oilfield, however, about 600 million barrels compared to more than 25 billion barrels.

The drilling operation was approved over the vehement opposition of environmental groups as well as the local Alaska Native community. Rosemary Ahtuangaruak, mayor of Nuiqsut, the village closest to the drilling sites, in a letter to Interior Secretary Deb Haaland, pointed to the impact of the project on traditional hunting and fishing activities, and declared, "We are at ground zero for the industrialization of the Arctic."

The leaders of most major environmental groups met with Haaland last month, but this meeting was easily outweighed by the meeting at the White House in which the state's two Republican senators and one Democratic congresswoman lobbied strenuously for Biden to approve the project. Press reports emphasized the influence of the state's Republican Senator Lisa Murkowski, one of the few Senate Republicans who has worked closely with the White House in bipartisan deals on both policy issues and the confirmation of administration nominees, including federal judges.

Democratic Representative Mary Peltola, elected only last year, also played a major role. As the first Alaska Native elected to the statewide at-large seat, Peltola has made great play of a policy of combining economic development and traditional native rights, to promote the development of a native section of the capitalist ruling class.

"Getting Willow across the finish line is something I campaigned very hard on," she told the press Monday. "I knew this had to be a priority of anybody who was the position I'm in."

The White House announcement underscores the futility of seeking to pressure the Biden administration to adopt, let alone spearhead, a more "climate-friendly" policy. Despite Biden's claim last year that his Inflation Recovery Act included the biggest climate investments of any country, his administration, like any capitalist government, upholds the profit interests of big business, including the fossil fuel giants, at the expense of human survival.

There were published estimates that burning the oil pumped by Willow would release some 280 million metric tons of carbon emissions into the atmosphere over the 30-year period of operation, increasing annual US carbon dioxide emissions by nearly one percent a year, and thus contributing significantly to global warming and climate change.

The machinery and equipment employed by ConocoPhillips will also thaw the arctic tundra around the three drilling sites, to the point where the oil company will need to bring in special devices to support the permafrost and prevent it from collapsing underneath.

Construction can only be carried out during the winter months, when ice roads make the area accessible from Prudhoe Bay. This will include building hundreds of miles of road through the trackless wilderness just to gain access to the drill sites.

Since the current winter will end by April, environmental groups hope to delay operations for a full year through lawsuits filed against it that could block any road-building until after the ice melts. The company, of course, is pushing for the opposite outcome.

A study produced by the Center for American Progress, which opposes Willow, pointed out the arguments for its construction, based on current high gas prices and the impact of the US-NATO war with Russia in Ukraine, are moot, since Willow will not produce any oil for at least six years, because of the difficulty of building in the conditions that prevail on the North Slope. "Approval of this project," the group declared, "will not help people struggling with the price of gas today."

The study also found that ConocoPhillips made \$4.6 billion in profits in the third quarter of 2022, bringing its total for the year to \$14 billion, substantially more than profits for the entire year in 2021. Of this, \$10 billion was invested in stock buybacks and dividends, enriching the company's wealthy stockholders.

An analysis by the Bureau of Land Management (BLM), a unit of the Interior Department, found that the Willow Project would cause \$19.8 billion or more in damage due to climate change—more than \$33 for every barrel of oil extracted over the life of the project.

Last year alone, ConocoPhillips made \$1.4 billion in profits from its Alaska operations, more than the additional tax revenue for local and state governments over the entire life of the Willow Project. According to the BLM report, the village of Nuiqsut received \$600,000 in revenue, just over two hours' worth of ConocoPhillips' Alaska profits.

On the eve of the Willow decision, in an effort to stave off environmental objections, the Biden administration announced it would bar drilling in three million acres of the Arctic Ocean adjacent to the National Petroleum Reserve-Alaska, and limit drilling within the reserve itself. These "limitations" are purely for show, since petroleum operations are only "limited" where the oil company has no intention of carrying them out.

In return for administration approval, ConocoPhillips is relinquishing drilling rights on 68,000 acres of existing leases within the reserve. Again, the company is making the slightest of sacrifices in order to gain access to oil-rich lands that the administration could have blocked it from exploiting more or less indefinitely.



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