

Insider: Palin Failed to Lead on Oil and Gas Safety in Alaska

By Dahr Jamail

Global Research, January 07, 2010

Truthout 5 January 2010

Region: <u>USA</u>
Theme: <u>Environment</u>, <u>Oil and Energy</u>

There have been several recent oil spills and other environmental problems linked to the oil/gas production industry in Alaska. On December 23, a <u>tugboat hit the Bligh Reef</u>, the same reef struck by the Exxon Valdez 20 years ago. The recent grounding may have caused as much as 33,500 gallons of diesel fuel to spill into Prince William Sound.

The Prince William Sound tug spill followed several other recent environmental incidents on the oil production and delivery system that crosses the state to bring oil from the nation's largest oil complex to Alaska and the Lower 48. On November 28, there was a <u>spill at a refinery</u> in the town of North Pole. On November 29, there was a <u>large spill at an oil field</u> on Alaska's North Slope that further underscored <u>British Petroleum's failure</u> to conduct its work in an environmentally sound manner, among <u>other contamination problems</u>.

All elements of Alaska's North Slope oil system have been hit in recent weeks, this in the wake of the ongoing book tour by former Alaska Gov. Sarah Palin.

Palin, who continues to promote herself as a politician who mirrors the needs of her constituents, has touted the tour of her book, "Going Rogue: An American Life," as that of an old-fashioned bus tour, largely across Midwestern states. However, it has been revealed that while Palin has ordered her staff to take the bus, she has <u>flown from event to event in a private jet</u>.

Along with the hypocrisy that accompanies the use of a private jet on a book tour promoted as a "bus" tour, the recent Alaska spills underscore discrepancies in what Palin claimed to have accomplished while governor of that state, including making repeated statements during the 2008 presidential campaign that she had proven that it was "safe" to produce oil and gas in Alaska.

In November, as Palin's book tour began, <u>Truthout spoke with</u> Richard Fineberg, an oil and gas analyst who consulted to the Palin administration in 2007-2008.

Fineberg, who lives in Ester, a small town near Fairbanks, won state and national press awards as a reporter during the 1970s and has observed Alaska petroleum development for four decades, including a stint as a senior adviser to the governor of Alaska on oil and gas policy during the 1980s.

"When she announced the Alaska oil and gas infrastructure risk assessment project on May 1, 2007, it (the project) was supposed to take three years to complete," speaking of a project Palin was involved in, Fineberg told Truthout, "But it took the Palin administration nearly two years just to come up with its plan, only to have its proposal soundly rejected by

both the industry and the environmental community. The project Palin launched is now on hold and her successor looks for a new plan – and a new contractor to carry it out."

Fineberg notes today that if Palin's risk assessment project had been carried out effectively, recent spills and problems might have been identified and prevented.

Fineberg, who maintains a <u>web site</u> where he recently revealed what he calls "substantive errors on oil numbers" in her book, and asked, "Is Palin plagued by an astonishing inability to distinguish fact from fiction, an appalling disregard for truth and accuracy, or both?"

The Alaska-based consultant, who refers to Palin as a "maiden of misinformation," said he "joined Palin's production tax team in August 2007 with high hopes that were gradually but inexorably deflated. My assignment gave me an inside look at Palin World – a frenetic, topsy-turvy bureaucratic universe where slick phrases and inaccurate statements pinch-hit for reality all too often. When I worked for her team, Palin was hardly ever seen. In any event, at contract close early in 2008 I parted with the Palin team on good terms. Later, as fundamental policy differences began to emerge, I found it necessary to speak out."

"The production tax measure, which she dubbed 'ACES' (Alaska's Clear and Equitable Share) was one of Sarah Palin's three major pieces of legislation during her first year in office," Fineberg wrote, "Based on my first-hand experience, I can tell you that Sarah Palin is misinforming the public on ACES – as she does on so many other issues."

In a recent interview, Fineberg told Truthout:

"The first factual error, on pages 3 and 4, is that she got the date wrong on the start of TAPS construction. She said 1975; anybody who has been involved in Alaska civics at any level for more than a nano-second probably knows that pipeline construction began in 1974. She gushes that as soon as the oil began flowing, billions of dollars began flowing into state coffers 'almost overnight.' It was not until the third year of operations [1980] that the state went over the billion-dollar mark in annual petroleum receipts. This inaccurate oversimplification lends false support to the Arctic drilling frenzy."

He goes on to add:

"Her closing gaffe is more troubling: She quotes an e-mail from an admirer claiming that the state took in billions of dollars because of the oil tax legislation she promoted. She claims her plan was an entirely new system, which she dubbed 'ACES' ... In fact, ACES was not a new system. Rather, it was a set of modifications to a new tax plan her predecessors put in place the year before she took office. Moreover, the major part of the ACES gains is rightly attributed to the Legislature's reversal of key elements of Palin's proposals."

On December 22, Fineberg wrote of her book, "The latest mistakes to surface also open the door to a new closet of energy skeletons from her tenure as governor that she failed to mention in recounting her political life."

For example, Fineberg believes that Palin's failure to deliver effective pipeline tariff management, essential to ensuring open competition and assuring that Alaska receives its fair share of oil revenue, is just another example of the energy problems she mismanaged

as governor, such as the risk assessment project. In previous web site posts he has also questioned Palin's approach to the North Slope natural gas pipeline project, which she bragged about in her speech accepting the Republican vice-presidential nomination in St. Paul in September 2008.

While Palin claimed in her book to be "a free-market capitalist ... (who) understood the bottom line for the oil producers," Fineberg wrote, "Palin's failure to recognize the time lag between investment in Alaska oil development and first pay-out is surprising. Moreover, her typically sloppy rendition of this piece of history distorts reality, providing a faulty basis for formulating public policy. For example, Palin's inaccurate claim that oil drilling produced billions of dollars for Alaska overnight lends erroneous support to her gung-ho advocacy of petroleum exploration and drilling in remote areas of northern Alaska."

In previous posts, Fineberg has criticized Palin for failing to recognize the effect of reduced forecasts of oil demand in recent years. The long-term demand decline far outweighs the potential remote Arctic oil drilling, at least through 2030, according to US Energy Information Administration data. (See: "Sarah Palin Makes Another Fraudulent Claim About Alaska'.)

Fineberg told Truthout that he thinks the record clearly supports concerns that Palin "deliberately perpetrates myths about her performance as governor," and added, "I think her errors go straight to the heart of some rather troubling questions. First [as he asked on his web site]: Why would anyone close an autobiography with information that is demonstrably inaccurate? And, secondly: Given her penchant for inaccurate statements and the numerous examples of her failure to follow through, why on earth would anyone believe that Sarah Palin is competent to govern?"

Asked to justify his skepticism about Palin's qualifications as a possible presidential candidate, Fineberg told Truthout:

"When it comes to the craft of governance, Palin exhibits a superficiality that I find frightening. She tends to prefer homilies to homework and all too often over-simplifies or distorts issues. Her excessive reliance on staff recommendations frees her from spending the necessary time to understand the intricacies of the issue we face. At the same time, she is a shrewd and dexterous politician who, when her rhetoric leads her in the wrong direction, is apt to reverse her position by using whatever convenient excuse she can find, such as deference to experts. Palin's lack of follow-through on specific issues as an administrator, which I observed as a consultant, matches the outline of her biography. In 2009 she abruptly resigned from the only statewide elected position she ever held, failing to complete her first term as governor. Five years earlier, she had resigned – equally abruptly – from an appointed state position, leaving the three-person Alaska Oil & Gas Conservation Commission."

Truthout also asked Fineberg for his thoughts about her ongoing book tour. He responded: "To me, the enthusiasm Palin seems to elicit from her conservative followers is downright scary. We must hope that some day soon Palin's strange ascendancy to the national stage will be understood as a clarion call to pursue political issues with diligent regard for fact and reasoned discourse. To me, this is the most important way to counter the politics of rhetoric and irrationality that she assiduously courts and represents."

Dahr Jamail, an independent journalist, is the author of "The Will to Resist: Soldiers Who

Refuse to Fight in Iraq and Afghanistan," (Haymarket Books, 2009), and "Beyond the Green Zone: Dispatches From an Unembedded Journalist in Occupied Iraq," (Haymarket Books, 2007). Jamail reported from occupied Iraq for nine months as well as from Lebanon, Syria, Jordan and Turkey over the last five years.

The original source of this article is <u>Truthout</u> Copyright © <u>Dahr Jamail</u>, <u>Truthout</u>, 2010

Comment on Global Research Articles on our Facebook page

Become a Member of Global Research

Articles by: **Dahr Jamail**

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca