The 2010 Bush-Cheney Gulf Coast Oil Spill

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In-depth Report: THE BP OIL SLICK

> "If ever a time should come, when vain and aspiring men shall possess the highest seats in Government, our country will be in need of its experienced patriots to prevent its ruin." Samuel Adams (1722-1803), statesman, political philosopher, and one of the Founding Fathers of the United States, 1776
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> "America is addicted to oil." President George W. Bush, State of the Union address, 2006
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> "Let me be clear: BP is responsible for this leak; BP will be paying the bill." President Barack Obama, May 2, 2010

More often than not, the consequences of public policies, good or bad, are felt many years after they have been taken. The 2010 BP oil spill in the Gulf of Mexico is a good example. This disaster is, to a large extent, a consequence of the Bush-Cheney energy policy of 2001 and later. [http://www.commondreams.org/headlines01/0826-02.htm]

After being ushered into power by a one-vote-majority Supreme Court decision, one of the first decisions made by the new Republican administration was to establish an Energy Task Force (the National Energy Policy Development Group) under the authority of oil-man Dick Cheney, former CEO of Halliburton (1995-2000). As some have asserted, chief deregulator Dick Cheney was not only a vice president but a genuine co-president in the split Bush-Cheney administration [http://www.amazon.com/Co-Presidency-Cheney-Stanford-Politics-Policy/dp/0804758182/ref=sr_1_1?ie=UTF8&s=books&qid=1276440586&sr=1-1] .

After some 106 days of mainly secret consultations and deliberations with the executives and interest groups representing the U.S. electricity, coal, natural gas and nuclear industries, with a pledge to keep secret the names of participating individuals, the Task Force's 163-page final report was sent to President George W. Bush on May 16, 2001.

The report focused on how to open up new domestic petroleum sources and on the need to expand and control the all-important Middle East oil production. A parallel report to the official Cheney report (Strategic Energy Policy Challenges for the 21st Century) even stated that "Iraq has become a key 'swing' producer, posing a difficult situation for the U.S. government", … a harbinger of things to come. This is all well documented in my book "The New American Empire".

Soon after the secretive Cheney's Task Force report came out, things began rolling for the U.S. petroleum industry. The regulatory rulebooks for energy development on public property were rewritten with the idea of making the world environment safe for oil business companies. It was going to be “Drill, baby, drill”, including for deep-ocean drilling with minimal precautions, and damn the consequences! Regulations and clean energy budgets began to fall.

On April 9 2002, President George W. Bush announced deep cuts in public clean energy research and development. [http://www.allbusiness.com/technology/3583319-1.html]

In 2001-02, the Bush-Cheney administration’s energy policy goals were incorporated into an energy bill (H.R. 4) titled the Securing America’s Future Energy Act (SAFE) that included $33.5 billion in tax breaks and other incentives for oil companies and that lifted the oil drilling ban on the Coastal Plain of the Arctic National Wildlife Refuge in Alaska. In May 2002 the Democrat-controlled Senate narrowly rejected the bill.

On August 8, 2005, however, President George W. Bush signed into law the new approach and enacted a new sweeping pro-oil bill, the “Energy Policy Act of 2005”. The bill followed closely in the footsteps of Vice President Cheney’s 2001 energy report and provided $27 billion to coal, oil and gas, and nuclear industries, and $6.4 billion for renewable energy.

Then, also in 2005, the Bush-Cheney administration allowed the U.S. oil and gas industry to regulate itself. The federal agency responsible for managing oil and gas resources and for collecting royalties from companies, the Interior Department’s Minerals Management Service (MMS), decided, on August 30, 2005, that oil companies, rather than the government, were in the best position for determining their operations’ environmental impacts. In effect, MMS decided on that date to de facto merge its services with those of the oil companies, even to the point of letting the oil industry fill out MMS’s inspection reports. MMS officials also had other cozy relations with the companies they were supposed to regulate.
[http://www.washingtonpost.com/wp-/content/article/2008/09/10/AR2008091001829.html]

Then again, on July 14, 2008, just months before leaving office, President George W. Bush signed an executive order to lift the moratorium on offshore drilling in the eastern Gulf of Mexico and off the Atlantic and Pacific coasts. Such a moratorium had been put in place in 1990 by President George H.W. Bush.

There is also some confusion concerning the scope of responsibility that oil companies have in the event of an environment catastrophe. Since 1986, there already was on federal books an Oil Spill Liability Trust Fund (OSLTF) [http://www.uscg.mil/npfc/About_NPFC/osltf.asp] that set a cap on losses that a business could suffer from an oil spill. That liability cap was set at $75 million by the George H. Bush administration, as part of the Oil Pollution Act of 1990, after the Alaska Exxon Valdez [http://en.wikipedia.org/wiki/Exxon_Valdez] spill of March 1989. Only proven negligence can render that liability cap inoperative. Since the puny $75 m. cap has not been increased in twenty years, that may explain why some analysts still recommend to their clients to buy the BP stock. [http://www.energyandcapital.com/articles/bp-stock-selloff-is-overdone/1141] BP is a worldwide oil company that makes in excess of $25 b. a year.

Covered from losses by the liability cap, oil companies persuaded the Bush-Cheney administration that expensive security measures were not required, even for drilling in deep oceanic waters. For example, Minerals Management Service (MMS), decided not to require oil companies to install a remote-control oil blowout preventer [See Wall Strret Journal] on their deep-sea oil drilling rigs, i.e. an acoustic blow off valve that immediately chokes off the flow of oil in an emergency. Even though they are expensive, (they cost $500,000 each), most offshore oil rigs in other countries—in Norway and in Brazil for example, but not in the U.S. or the U.K— have such a switch installed for cutting off the flow of oil in an emergency by closing a valve located on the ocean floor.

No such emergency switch was available on April 20, 2010, when BP's 18,000-foot-drilling-deep floating oil rig blew up, a catastrophe that killed eleven workers, injured many others, and which has spewed, so far, as much as 100 million gallons of oil into the Gulf of Mexico (some 2,400,000 barrels, or nearly ten oil tankers the size of the Exxon Valdez). The British-American BP company, seemingly, had cut corners [http://www.theglobeandmail.com/globe-investor/congress-accuses-bp-of-cutting-corners-to-create-nightmare-well/article1604215/] in order to take advantage of the lax regulatory environment.

However, contrary to the damage done by Hurricane Katrina [http://www.americanprogress.org/issues/2010/06/oil_timeline.html] in 2005, a natural event, the 2010 Gulf oil spill is a man-made disaster (just as, by the way, the 2003 Iraq war and the 2007-08 financial crisis were also man-made disasters). It could have been prevented if the Bush-Cheney administration had not removed the regulations mandating basic safety procedures in oil drilling, especially for offshore drilling.

Of course, BP and its subcontractors (Transocean, Halliburton, etc.) are the ones who are directly responsible for the disaster. But the Bush-Cheney administration must share a large part of the blame and responsibility in preparing the regulatory background for the disaster.

President Barack Obama [http://www.nytimes.com/2010/03/31/science/earth/31energy.html?ref=offshore_drilling_and_exploration] also doesn't escape all responsibility, because he was the one who insisted on keeping so many Bush-Cheney appointees in their high positions after he was elected. Moreover, on March 31, 2010, only weeks before the BP Gulf Oil Spill, his administration also proposed to open vast expanses of American coastlines to oil and natural gas drilling. [http://topics.nytimes.com/top/reference/timestopics/subjects/o/offshore_drilling_and_exploration/index.html?inline=nyt-classifier]

Americans have reasons to be confused and appalled.

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The book "The Code for Global Ethics, Ten Humanist Principles", by Dr. Rodrigue Tremblay, prefaced by Dr. Paul Kurtz, has just been released by Prometheus Books. Please visit the book site at: www.TheCodeForGlobalEthics.com/ The French version of the book is also now available. See: www.lecodepouruneethiqueglobale.com/ or on Amazon Canada

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