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US Senate Begins Oil Spill Cover-Up

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On Tuesday, the US senate began hearings into the Deepwater Horizon disaster, which took the lives of 11 workers in an April 20 explosion and has since poured millions of gallons of oil into the Gulf of Mexico, threatening the region with an environmental and economic catastrophe.

Appearing before the Energy and Natural Resources Committee in the morning and the Environmental and Public Health Committee in the afternoon were executives from the three corporations implicated in the disaster: Lamar McKay, president of the US operations of BP, which owned the oil and the drill site; Steven Newman, president of Transocean, the contractor that owned the rig and employed most of its workers; and Tim Probert, an executive with Halliburton, which contracted for the work of cementing the rig's wellhead one mile beneath ocean's surface.

The hearing resembled a falling out among thieves, with multi-millionaire executives—who, until April 20, had collaborated in thwarting basic safety and environmental considerations—each blaming the other for the explosion.

McKay of BP blamed Transocean. "Transocean owned the Deepwater Horizon drilling rig and its equipment, including the blowout preventer," he said. "Transocean's blowout preventer failed to operate." Newman flatly denied that the blowout preventer was responsible for the disaster, shifting blame to BP, which he said controlled the operation, and Halliburton, which was responsible for the cementing around the well cap. "The one thing we know with certainty is that on the evening of April 20 there was a sudden, catastrophic failure of the cement, the casing, or both," Newman said. Probert of Halliburton pushed back, indicating that BP and Transocean had moved forward operations before cementing was adequately set.

There was, in fact, some harmony between the accounts offered by the executives of Halliburton and Transocean, both of whom appeared to suggest that BP ordered the skipping of a usual step in offshore drilling—the placing of a cement plug inside the well to hold explosive gases in place. That this step was passed over was corroborated by two workers on the rig, who spoke to the Wall Street Journal on condition of anonymity. The workers also told the Journal that BP first cleared the decision with the US Department of the Interior's Minerals Management Service (MMS). Both BP and the MMS refused comment to the Journal.

Robert Bea, a University of California at Berkeley engineering professor, has gathered testimony from Deepwater Horizon survivors that indicates the rig was hit by major bursts of natural gas, promoting fears of an explosion just weeks before the April 20 blast, the New Orleans Times-Picayune reports. This raised concerns about whether mud at the well head should be replaced by much lighter seawater prior to installation of a concrete plug. The decision to proceed won out, according to information gathered by Bea.

Whatever the immediate cause of the disaster, the clear thrust of the hearings was to focus public outrage on a single, correctable "mistake," such as a mechanical failure or regulatory oversight, in order to obscure the more fundamental reasons for the disaster: the decades-long gutting of regulation carried out by both Republicans and Democrats at the behest of the oil industry that made such a catastrophe all but inevitable.

A similar calculation lay behind Department of the Interior Secretary Ken Salazar's Tuesday announcement that the MMS, which ostensibly regulates offshore oil drilling, will be split into two units—one that collects the estimated $13 billion in annual royalties from the nation's extractive industries, and one that enforces safety and environmental regulations. Salazar's claim that this would eliminate "conflicts of interest" in government regulation was nervy, to say the least, coming from a man with long-standing and intimate ties with oil and mining concerns, including BP.

Indeed, more farcical than the executives' recriminations against each other was the spectacle of senators attempting to pose as tough critics of the oil industry. The US Senate, like the House of Representatives, the Department of the Interior, and the White House, is for all intents and purposes on the payroll of BP and the energy industry as a whole. Among the senators sitting on the two committees who have received tens of thousands in campaign cash from BP and the oil industry are Richard Shelby (Republican, Alabama), Mary Landrieu (Democrat, Louisiana), John McCain (Republican, Arizona) and Lisa Murkowski (Republican, Alaska).

One of the few truthful moments in the hearings came when an exasperated Murkowski told the executives, "I would suggest to all three of you that we are all in this together." Murkowski and Landrieu also expressed concerns that the disaster could compromise offshore drilling.

None with even a passing familiarity of the workings of Washington or the Senate can have any doubt that Tuesday's hearings were but the opening of a government whitewash. The ultimate aim is to shield the major industry players and the financial interests that stand behind them from any serious consequences.

The assemblage of the guilty parties inside the Senate chambers took place as ruptured pipes on the ocean floor continued to gush forth oil at a rate conservatively estimated at 220,000 gallons per day some 40 miles off Louisiana's coast. The rate could be many times greater, but arriving at a more accurate estimate is impossible because BP has refused to release its underwater video footage for independent analysis.

BP, which is liable for cleanup costs, has all but admitted it has no idea of how to stop the leak. Its attempt last weekend to lower a four story box over the piping failed when ice crystals clogged a portal at the structure's roof, a result that was widely anticipated. BP is now considering lowering a much smaller box in order to avoid icing. US Coast Guard and BP representatives have also floated the idea of a "junk shot," firing golf balls, tire shreds, and other refuse at high pressure into the well.

The drilling of two relief wells continues, with the aim of disrupting the flow of oil from the current well. This option will take a minimum of 90 days, during which 18 million gallons more oil will pour out at the low-end estimate. Even this option provides no certainty. “The risks include unpredictable weather, since the wells will be operational at the start of hurricane season,” according to a report in the Christian Science Monitor. “The wells are also being drilled into the same mix of oil and gas that caused the original explosion, and operating two wells in the area creates the potential of igniting a second explosion that is more powerful.”

If the spill cannot be stopped—a distinct possibility—the ruptured well could release a large share of the deposit’s underground reserves into the Gulf of Mexico, which totals upwards of 100 million barrels of crude oil. And even if the spill is stopped at a lesser volume, with each day there is a growing probability that the oil will devastate the entire Gulf from Louisiana to Florida and possibly reach the Gulf Stream, impacting the Atlantic seaboard.

In the interim, the Environmental Protection Agency (EPA) has given BP clearance to resume pumping chemical dispersants into the oil column as it emerges from the broken piping. BP also continues to dump large quantities of dispersant onto the ocean’s surface. The environmental impact of such heavy use of dispersants is unknown, but a growing number of scientists and environmental groups are warning that the highly toxic substance could simply be transferring the brunt of the spill from the shore to marine ecosytems.

“The companies love the idea of using a chemical to spray on an oil slick to sink it,” Rick Steiner, a former professor of Marine Conservation at the University of Alaska, told the World Socialist Web Site. “It’s ‘out of sight out of mind’ as far as the public is concerned because TV cameras can’t see it. This is the big oil company playbook: public relations, litigation protection, and image.”

Oil has now washed ashore in three places: the Chandeleur Islands off Louisana’s coast, on the coast of a navigable channel from the Mississippi River known as the “South Pass,” and on Alabama’s Dauphin Island. Fishing has been blocked over a wide area, effectively imposing layoffs on thousands of fishermen, many of whom are self-employed and therefore not entitled to unemployment benefits. Sightings of birds covered in oil and dead sea turtles washed ashore have increased in recent days.

In his testimony, McKay boasted that BP would make available “grants of $25 million to Louisiana, Mississippi, Alabama, and Florida,” and that it has paid out approximately $3.5 million in damage claims to those affected by the spill. These figures, presented as an act of enormous magnanimity, are such a tiny share of BP’s revenues as to be almost inconsequential.

The company took home $93 million per day in profits—for a total of $6.1 billion—during the first quarter alone. The $3.5 million in damage claims paid out are significantly less than CEO Tony Hayward’s 2009 compensation, estimated at over $4,700,000 by Forbes.

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