Business as usual in the Gulf
A year after the BP disaster, a faith-based approach to regulation endures

By Rena Steinzor
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A year ago today, the nation gasped in collective horror at the catastrophic explosion of the Deepwater Horizon drilling rig, the loss of 11 workers’ lives, and the beginning of what would become a months-long gush of some 200 million gallons of crude oil into the Gulf of Mexico. Time was when such events spurred a cleansing tide of soul-searching and reform. Not this time. Subsequent reforms have been slight, most gulf drilling continued all along, and new permits are now being issued for more deepwater sites — even in the face of reports that the supposedly “failsafe” blowout preventers that are the industry’s last line of defense against spills are prone to failure. If I had to bet whether we’ll have another major spill, I’d put my money down in a heartbeat.

What gives such a depressing but good old’s? Our essentially faith-based approach to industry compliance with safety standards. Approximately 55 inspectors were available to inspect offshore rigs and platforms at the time of the BP spill. About the same number patrol this complicated universe of 3,500 facilities today. To his credit, President Barack Obama tried to double the resources of the agency responsible for such inspections, but Congress gave him only a modest increase. Even the larger amount would have been far short of what is necessary to get this crippled agency on track.

Deficit mania is the reason for this penny-wise and pound-foolish approach to safety. All that drilling in U.S. waters contributes to billions of dollars of industry profit, a tiny percentage of which could easily pay for more inspectors.

The Interior Department agency responsible for policing safety in the gulf got a new name after the BP disaster; it’s now the Bureau of Ocean Energy Management, Regulation, and Enforcement (or BOEMRE, pronounced “bummer” inside the Beltway). New name notwithstanding, its fundamental conflict of interest remains: The Interior Department is home both to the agency that regulates the safety of offshore drilling and to the agency that collects government royalties. Remember the stories about employees having drunken sex with oil company executives? Such revelations illustrate the cozy culture between regulators and industry that must be overcome.

Another reason to expect the worst is the attitude of Big Oil, which has sought to persuade Congress that the spill was the sole responsibility of an outlaw rogue: BP. This self-serving narrative bears little resemblance to reality: BP isn’t all that different from the other huge oil companies in the gulf.

Even if you buy the story that BP was a company blinded by its ambition to become the biggest oil producer in the world, its partners in the Deepwater Horizon project, Transocean and Halliburton, continue to serve the likes of Exxon, Chevron, and ConocoPhillips. Consultants’ contribution to the disaster was the major reason why the blue-ribbon commission selected by President Obama to investigate the disaster concluded that its “root causes” were “systemic” and that without reform the disaster “might well recur.” All the other companies have the same disaster plans as BP, use the same blowout preventers, hire the same consultants, and cash the same huge checks.

As for Congress, the House majority is working hard to be a “death panel” for any and all protective regulations that might inconvenience business, so the prospects for an appropriate legislative response to the spill are dim. Consider: In the wake of a scandalous incident where the only air traffic controller on duty at Reno-Tahoe International Airport was discovered to be asleep as a medical flight tried to land with a critically ill passenger — one of eight known fall-asleep incidents this year — the solution was hiring more air traffic controllers was dismissed by House Republicans as unlikely given the overpowering need for fiscal austerity. The FAA is working on solutions to the problem, but it is far from clear Congress will appropriate the money needed. If this kind of immediate, life-threatening problem is dismissed, the apparently calm waters of the Gulf of Mexico will be even easier to put out of sight and mind.

Anti-regulatory fervor and deficit fever are exposing us to a host of serious risks. As I say, I’d be willing to bet on the prospects of another oil spill, but in truth, it’s Congress and the oil industry that are doing the gambling — with our nation’s well-being at stake.

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