

By Nikolas Kozloff

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Judging from the oily history of the last ten years, reining in BP could prove politically daunting. A company with incredible economic might, BP has enjoyed privileged access to the inner rungs of Washington power. Only by ridding the political system of insider money can we hope to avert future oil disasters like the devastating spill which hit the Gulf of Mexico last week.

The perversion of U.S. democracy to serve oil interests like BP went into high gear under former Vice President Dick Cheney. Dallas-based Halliburton, where Cheney worked prior to the 2000 election, made equipment and chemicals used in oil drilling, and sold to producers including BP.

Later during the 2000 election, BP exerted significant influence over politics through its campaign contributions. That is not too surprising when you consider that in the late 1990s BP had acquired Amoco and Atlantic Richfield, two companies which had been players on the U.S. electoral scene and which had made political contributions. According to the Center for Responsive Politics, BP ranked fourth amongst oil and gas company contributors in the 2000 elections, with donations totaling \$1.1 million. Two thirds of that amount went to the GOP.

Cheney was grateful and never forgot the favor: in early 2001 the Vice President set up an Energy Task Force seeking to design a national energy policy. In a slap in the face to democracy, the Task Force was never open to official public comment and kept all its deliberations secret from the public. At the time, the White House claimed that turning over its records from the Task Force would impede its ability to get candid advice.

For years, Bush and Cheney successfully stonewalled attempts to shed light on the inner workings of the Energy Task Force. Indeed, the administration won a Supreme Court ruling stipulating that the White House would not have to reveal the records of industry executives who had met with administration officials. Finally, however, after four long years the Washington Post obtained a list showing that oil company officials, including BP, had met with Cheney aides at the White House.

The revelations caused a public furor on Capitol Hill and made BP look derelict at best and deceitful at work. During testimony at a November, 2005 hearing of the Senate's Energy and Commerce Committee, BP CEO Ross Pillari told members that he didn't know if company representatives had met with Task Force officials.

With BP now in the hot seat as a result of the Washington Post's bombshell, New Jersey Democratic Senator Frank Lautenberg asked the Justice Department to investigate whether CEO's had misled Congress. Meanwhile, the Senate's Energy Committee Chairman, Republican Pete Domenici of New Mexico, and Senator Jeff Bingaman, Democrat of New Mexico, asked executives to clarify their responses.

Now feeling the heat, Pillari backtracked somewhat, remarking that he had "looked into the matter and can advise you that BP representatives did meet with staff members of the National Energy Policy Development Group (Task Force) and provided them with comments on a range of energy policy matters" including natural gas, liquefied natural gas, transportation fuels and renewable energy. Then, in a rhetorical flourish worthy of a truly slick oil man, Pillari added that his response at the November hearing "was and is a truthful answer as I was not personally involved in energy policy issues at the time."

BP's discussions with the White House had real life consequences. When the Bush/Cheney White House finally came out with its National Energy Policy, environmentalists were appalled. Specifics of the plan included expanded oil exploration in the Arctic Wildlife Refuge, an expansion of oil refinery sites and oil pipelines, and additional subsidies for the fossil fuel industry funded by U.S. taxpayer dollars.

Needless to say, there was no representation on the Task Force of renewable energy or energy efficiency experts. Brazenly, Bush defended the Energy Task Force as simply business as usual. "We listened to energy companies, which seems to make sense," he said. "If you're developing an energy plan, one place to start is to listen to people who know something about the business."

The culture of permissiveness in the White House fostered an incestuous relationship between Cheney officials and BP. Take, for example, the case of native Alaskan Andrew Lundquist, a man who worked for both his state's senators on Capitol Hill. The Executive Director no less of

Cheney's Energy Task Force, Lundquist later oversaw efforts to spearhead energy policy at the White House.

Then however Lundquist left government and opened a consulting business. Nine months later, he became a lobbyist for companies that served to benefit from the very same energy policy that he had helped to craft. Lundquist's clients, which paid him more than \$300,000 in 2003, included BP.

Hoping to capitalize on public dissatisfaction with Cheney's energy policy, Obama ran TV ads during campaign '08 claiming that Republican rival John McCain was "in the pocket" of Big Oil. At the time, Obama commanded some moral authority on the issue of oil development. As a Senator, he had urged the EPA to mount a "comprehensive" review of proposed air and construction permits for a BP refinery in Indiana. In a letter, Obama expressed concern that the Indiana Department of Environmental Management had "set an aggressive timeline to issue a final permit" for the refinery located about 20 miles southeast of Chicago.

As campaign '08 heated up, Obama made much political hay over the fact that the McCain camp benefited from a flood of contributions from oil executives after the Arizona Senator reversed his position on offshore drilling. Yet, peer beneath the rhetoric and Obama does not emerge as any less oily. Indeed, just prior to the election the Center for Responsive Politics reported that BP had donated more money to Obama than McCain.

Then, when gas prices rose above \$4 a gallon and calls for "drill, baby, drill," increased, Obama vacillated. Conservation and renewable energy would be emphasized in an Obama White House, the candidate declared, but he would also support some expansion of offshore oil drilling.

To be sure, once ensconced in office Obama crafted an energy policy which sought to move away from the Bush era's emphasis on fossil fuels. To his credit, early on in his presidency Obama overturned a draft plan to allow drilling off the Atlantic and Pacific coasts. At one point, Interior Secretary Ken Salazar even remarked that the Bush administration "had torpedoed" offshore renewable energy in favor of oil and natural gas.

There were ominous signs along the way, however. Obama tapped Steven Koonin, a former

Chief Scientist for BP, to be Undersecretary of Science at the U.S. Department of Energy. Then, on April 1st, a mere few weeks prior to the Gulf oil spill, Obama said he would open millions of acres off the Southeastern and Alaskan coastlines to offshore oil exploration. The announcement ended a decades-long moratorium on drilling off the East Coast. Included were 167 million acres from the northern tip of Delaware to central Florida, millions more in the eastern Gulf of Mexico and about 130 million acres north of Alaska. "Thousands of environmental activists who supported Barack Obama for president are waking up this morning to what must seem like a very big and not very funny April Fools' joke," remarked the St. Louis Post Dispatch.

During the Bush years, BP enjoyed an enormous degree of economic and political power in Washington. Though it appeared at first as if Obama might change this fundamental equation, the young president failed to act sufficiently. Now, in the wake of the Gulf disaster, we shall see whether Obama has the political courage to finally take on BP and the oil companies while significantly ramping up alternative energy.

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