

TIME TO CHECK IN ON OUR RELATIONS WITH THE ANGLO-IRANIAN OIL COMPANY

✘ Apparently, the Brits are calling Americans—including President Obama—xenophobic for referring to the company shitting up our Gulf as “British Petroleum.” So for this installment of my now-regular reflection on how, fifty-some years ago, we overthrew a democratically-elected government for that company shitting up our Gulf, I’m going to call it the Anglo-Iranian Oil Company.

You see, the “special relationship” between us and the AIOC is suffering a bit of a strain right now. (h/t this very good Yves post)

Tensions escalated sharply on Wednesday when the U.S. Interior Secretary, Ken Salazar, said he would demand that BP pay the lost wages of oil workers in the Gulf region idled because of the administration’s order to halt new deepwater drilling for six months. That demand could add hundreds of millions of dollars to BP’s obligations.

Mr. Hayward immediately canceled an employee town hall meeting and a trip to review clean-up on the Louisiana coast, and gathered his visibly shaken executives at the crisis center in Houston. At a top management call between Houston and London to review its “Sub-sea and Surface” agenda, the top item on “Surface” issues suddenly became “Washington politics.”

“This demand is chilling,” said one executive in the meeting. “The administration keeps pushing the boundaries on what we are responsible for.”

Tony Hayward is apparently aghast that the Obama Administration might consider nationalizing BP's AIOC's profits to actually pay for shitting up our Gulf.

Mr. Salazar's comments, and reports that the U.S. Justice Department was looking into BP's plan to pay a dividend, touched off a rout of BP's shares.

[snip]

As the oil giant's stock fell, Mr. Hayward holed up in a makeshift office at BP's crisis center here and worked his cell phone relentlessly. Among those he called: leaders of the U.K. government, which had until Thursday stayed largely on the sidelines as tensions mounted between BP and the Obama administration.

Which is leading the British MOTUs to grow impatient with David Cameron's government for not more aggressively defending BP AIOC against the American demand that BP AIOC actually pay for shitting up our Gulf.

The U.K. government has come under mounting pressure from business associations and some U.K. lawmakers, angry at the increasingly aggressive rhetoric coming out of Washington.

I'm actually really, really fascinated by this development. Ultimately, the biggest threat BP AIOC has over us is bankruptcy, thereby shielding its assets from US seizure (ironically, such a bankruptcy might look a lot like the GM restructuring). Short of that, though, the British MOTUs appear to want to escalate this into a foreign policy issue. And ultimately, they're demanding that the needs of BP AIOC take precedence over the well-being of Americans in the Gulf.

It's a familiar demand, since it's the same one

AIOC made those fifty-some years ago. Only back then, AIOC made the demand of brown people, not Americans (though I'm guessing brown Americans may well suffer disproportionately from this BP mess).

I guess maybe we believed a company with "Anglo" in its name—that, plus the "special relationship" that binds us Anglos—would ensure that Americans were never asked to pay the same price those Iranians were.

Abadan refinery picture from wikimedia.