

Introduction: Oil and the Contradictions of Development

Charles Levenstein and John Wooding

Economists tell us about efficiency and the effective use of scarce resources. They don't tell us much about the common good. But there are minimal conditions that must be preserved in society: we do not ask the market to defend us against anthrax, we do not ask the market to make serious judgments about child labor, we do not even ask the market to make sure that food is safe to eat. As a moment's reflection will reveal, the priorities of society must come first, the efficiency of the market later.

But who has time for a moment of reflection in a market-driven society? We are paralyzed before the magic of the economists, and they are comfortable with their eternal truths. In the absence of a god, we are driven by the imperatives of Pareto optimality. The global flexible economy requires that we relinquish attachment to place and search for the new world, where interstate highways are paved with gold. But, as this volume illustrates, gold—black gold especially—comes at a huge price.

NORMAL ACCIDENTS, NORMAL INJURIES, NORMAL DISEASE

Charles Perrow's work on technological disasters suggests that industrial society developed increasingly complex and hazardous technologies but failed to develop the commensurate social arrangements [1]. Barry Commoner has observed that our social practices with respect to energy—not only technology,

but especially materials—are hopelessly inadequate [2]. This is nowhere more true than in that great driver of industrial production in the century that has passed, and in the century that is emerging in the midst of ever-new and ferocious carnage: oil.

Our exploitation of petroleum as a fuel and as a basis for entire petrochemical industries has enormous social, political, economic, and environmental implications: we have built an entire industry on the waste products from petroleum refining—petrochemicals have invaded every aspect of the lives of citizens of the industrial world—and have had perhaps even more dire consequences for citizens of the South. None of this was done with intention: we are simply living with the devastating unintended consequences of the pursuit of profit.

Some observers, such as Barry Castleman, have warned us particularly about the dangers of exporting hazardous materials and processes to developing countries where state regulation is less vigorous than in the North [3]. But we suspect that such warnings are linked to old ideas about imperialism. Capital moves about the world according to rules that are neither national nor patriotic. In the modern world, the normal injuries and diseases of economic development are presumed to be effectively contained in advanced industrial nations, while capital has sought “under-polluted” havens and cheap labor elsewhere. In the twenty-first century, there are no geographically defined safe zones: capital and development can make their particular brand of havoc at home and abroad.

Today, multinational corporations tell working people throughout the world to expect worse working conditions, less security, and lower wages because of the pressures of globalization. For most workers, the realities of this purported New World Order (or *disorder*) have already become everyday facts of life. The “export of hazard” is an integral part of this globalization process. Corporate hazard, however, occurs not only in benighted dictatorships in third-world environments, but also is prominent in the operations of multinationals in so-called democracies. Our story is about the “internalization of hazard” by multinationals operating in capitalist economies. It challenges the presupposition that corporate harm is exclusively the product of multinational companies operating in less developed nations.

We believe that the international oil industry is an exemplar of the rules of this new globalized empire. The work presented here illustrates only too graphically the depredations that the industry has visited on industrial countries. This book is not about ancient robber barons; it describes the current workings of an industry fundamental to the modern world. And it is not about Middle East politics or the bombing of Afghanistan (or of the World Trade Center)—or for that matter about the bombing of Iraq. This book is about the homely, everyday slaughter of workers in the oil industry. It documents—from Alaska to the fringes of the former Soviet empire (itself one of the world’s largest oil producers)—the activities of a technologically sophisticated, mature (and global) industry, operating in industrial societies and sanctioned by democratically elected and

“civilized” governments. That it also documents the death and injury of many workers and the devastating pollution of the environment should therefore come as a surprise. For this is not Somalia or Myanmar, but the United States and Canada and the former Soviet Union and the United Kingdom.

BLACK GOLD

Oil is a special case. In the United States and Europe we are utterly dependent on oil and gasoline. This dependency has created ridiculously vulnerable cities and production systems, while polluting air, water, and soil. The manufacture of corporate hazards by multinational oil companies, operating in advanced liberal democracies, is laid bare in this book. As the editors note, “The debate on corporate standards and behavior is being shaped by the interests of multinationals. . . . [N]o industry has been more prominent as a driving force of globalization or more vigorous in defending its own image and interests than the oil industry.” Woolfson and Beck trace the path of an industry that uses all the tools of public relations to create images of itself as a corporate “good citizen.” These corporations are the political agenda-setters and policy makers, “aiming for a public credibility sufficient to paralyze unwelcome monitoring through the media and sanctioning through the legal system.” The book discusses not only a conflicted and authoritarian industry that is ultimately driven by cost concerns, but the all-too-often inadequate governmental and regulatory responses to the industry. “The industry’s attempt to portray itself as leader in corporate responsibility,” say Woolfson and Beck, “ultimately creates only a thin veil that badly disguises the real price of an industry that aggressively pursues the bottom line, irrespective of the costs to society, its workers, and the environment” [4].

Oil is everywhere and in everything. It is the consummate global product. It is essential that we find ways to control this addiction—or if that is not possible, to develop feasible social and technological alternatives.

REFERENCES

1. C. Perrow, *Normal Accidents: Living with High-Risk Technologies*, Basic Books, New York, 1984.
2. B. Commoner, *Making Peace with the Planet*, Pantheon Books, New York, 1990.
3. B. I. Castleman and V. Navarro, Industrial mobility of Hazardous Products, Industries and Waste, *Annual Review of Public Health*, 8, 1987.
4. C. Woolfson and M. Beck, Editorial, Big Oil, *New Solutions: A Journal of Environmental and Occupational Health Policy*, 10, Nos. 1-2, (2000):9.