



Obama Administration Imposes Seven-year Drilling Moratorium

As predicted, the Obama administration rescinded its promise to allow domestic offshore oil drilling yesterday. The Competitive Enterprise Institute reports that the Interior Department has placed an official moratorium on offshore drilling in the Pacific and Atlantic Oceans, as well as in the Gulf for the next seven years at minimum. What's the excuse? The BP oil spill, of course.



The [New York Times](#) reports, Ken Salazar said that a moratorium on drilling would be in force in those areas for at least seven years, until stronger safety and environmental standards were in place.

Salazar explains, As a result of the *Deepwater Horizon* oil spill, we learned a number of lessons, most importantly that we need to proceed with caution and focus on creating a more stringent regulatory regime.

Ironically, many critics assert that it was [federal regulations that led to the oil spill](#) in the first place.

Art Robinson, Oregon's GOP congressional candidate during the 2010 midterm elections, stated, Government regulations caused the BP oil spill. There are so many regulations on the energy industry, that that's why people have to go and drill three miles down on the ocean to find oil.

Similarly, former Alaska Governor Sarah Palin remarked that it was government kowtowing to environmentalists that brought about the Gulf oil disaster that forced oil drillers to drill in deep water as opposed to shallow water.

In response to the moratorium, the Director of the Competitive Enterprise Institute's Center of Energy and Development, Myron Bell, issued the following statement:

As a candidate, President Obama promised to work to reduce our dependence on foreign oil. But the Obama administration's announcement of a moratorium on offshore drilling in the Pacific, Atlantic, and eastern Gulf is only the latest in a string of policies designed to make us more dependent on foreign oil by reducing domestic production.

President Obama is dishonestly pursuing policies that are the opposite of what he promised and that are against America's economic interests and opposed by a strong majority of Americans.

The United States is the only country in the world with potential major offshore oil resources that is not actively exploiting them. The Obama administration has decided that it is better for Cuba to bring in China, Russia, and Venezuela to drill a few miles off the Florida Keys than to allow American companies to drill in American waters.



Written by [Raven Clabough](#) on December 2, 2010

While creating green energy jobs requires taxpayer subsidies and government mandates, producing more oil in federal offshore areas would create hundreds of thousands of high-paying jobs while producing hundreds of billions of dollars to the federal treasury in royalty and auction payments.

While Byrons assessment is correct, perhaps we must contend with the plaguing truth that job creation is not a top priority for the Obama administration. After all, this White House has been a leading proponent of green jobs even while the implementation of green jobs hurts rather than helps the economy, and the best example of this can be seen in Spain. According to [Gabriel Calzada](#), a Spanish professor, We found that the jobs that we are creating, since you are taking the resources from other parts of the economy, this is ... destroying jobs in other parts of the country. For every job that you are creating, 2.2 jobs are lost. Yet the Obama administration continues to push for the creation of green jobs.

Likewise, jobs appeared to be the least of President Obamas concerns when he issued a drilling moratorium following the BP oil spill, even after a panel of 15 experts explicitly stated that a moratorium would do more damage to the economy. Eight of the 15 experts addressed a letter to the Interior Department indicating, A blanket moratorium is not the answer. It will not measurably reduce the risk further and it will have a lasting impact on the nations economy which may be greater than the oil spill.

Furthermore, if the health of the environment was the inspiration behind the drilling moratoriums, why did the Obama administration transfer \$2 billion in American tax dollars to help fund the Brazilian oil company [Petrobras](#) so that the company can continue to drill in nearly 3,000 meters of water, nearly twice the depth of American oil companies?

It may be a mere coincidence that Petrobras is heavily supported by Obama's associate George Soros, who also invested millions into the Brazilian oil company.

Whats worse is that the \$2 billion American investment into Petrobras coincided with a deepwater drilling moratorium immediately following the BP oil spill, which virtually meant that the Obama administration was eliminating all of Petrobras competition. Meanwhile, the moratorium was costing rig workers \$330 million per month in lost wages.

Likewise, the cap-and-trade legislation so heavily endorsed by the Obama administration has been criticized as a jobs killer. According to the Energy Information Administration and the Congressional Budget Office, the overall effect of the cap-and-trade bill would likely slow future job growth. Under the most optimistic scenario, the EIA predicts that future job growth would be reduced by 388,000 to 2.3 million 20 years from now.

So lets drop the guise that the federal governments leading interest is to create jobs. Once again, the decisions made by this administration are about greater control and limiting American exceptionalism.

It appears the Obama administration may help George Soros realize his dream of the total collapse of the American dollar and the placement of China as the new global leader.



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