



Obama Commits American Support to Brazilian Oil

Following the infamous British Petroleum oil spill in the Gulf of Mexico, the Obama administration took the opportunity to target oil companies and American workers by issuing a moratorium on offshore drilling, hurting American workers and costing American oil companies millions of dollars. Why then is the Obama administration helping Brazil to expand offshore drilling?



During President Obama's trip to Latin America, he stopped in Brazil and told the Brazilian government that his administration would provide Brazil with the "technology and support" it needs to develop its oil reserves.

The administration opened a "strategic energy dialogue" with Brazil, which entails meetings between Brazilian officials and the U.S. Department of Interior representatives, trade missions, and workshops on deepwater production and environmental management.

"And when you're ready to start selling, we want to be one of your best customers," said Obama to Brazil.

Gulf Oil CEO Joe Petrowski has called the President's indications "puzzling" and "humorous."

"More oil that is not concentrated in the Mideast is good for the world and good for America. It would be a lot better if we had the drilling here," said Petrowski. "And it seems a double standard and it seems somewhat hypocritical to a country that desperately needs jobs...that we're encouraging other countries to create the jobs that we need."

This is not the first we have heard of Obama's support of Brazilian oil. In June, [The New American covered](#) a story on President Obama's relationship with Petrobras, a Brazilian oil company to which Obama transferred \$2 billion in American tax dollars. It was no coincidence that Obama's associate George Soros had also invested \$637 million in Petrobras, according to SEC filings at the time, particularly since the oil company already boasted \$15 billion a year in profits and did not require the assistance of the Obama administration.

What was worse than Obama's commitment of American taxpayer dollars to the Brazilian company was the coinciding of Obama's ban of deepwater drilling at 1,500 meters when Petrobras was drilling at 2,777 meters.

When Obama made the investment in Petrobras, the drilling moratorium in the United States was estimated to cost rig workers \$330 million per month in loss of wages, as thirty-five rigs sat idly while Petrobras was permitted to drill as deep as 14,000 feet.

As the Obama administration is blatantly exhibiting a preference for Brazilian economic growth over American growth, Republican lawmakers have grown angry, particularly as the administration has claimed a desire to wean the U.S. off foreign oil.



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Senator David Vitter of Louisiana remarks, “We have abundant energy resources off Louisiana’s coast, but this administration has virtually shut down our offshore industry and instead is using Americans’ tax dollars to support drilling off the coast of Brazil. It’s ridiculous to ignore our own resources and continue going hat-in-hand to countries like Saudi Arabia and Brazil to beg them to produce more oil.”

Republicans and Democrats have recognized the need to improve energy efficiency, as gas prices near \$4. While Democrats contend that the United States should pursue alternative sources of energy, Republicans assert that the U.S. should develop all sources available, including domestic drilling and exploration.

House Natural Resources Committee Chairman Doc Hastings (R-Wash.) points to Obama’s statements in Brazil as a clear indicator that the President has no desire to wean American independence on foreign oil.

“He appears to believe the answer is to shift our foreign energy dependence from one part of the world to another,” said Hastings.

Even Democrats have articulated opposition to Obama’s policy. Senator Mark Begich of Alaska said, “President Obama didn’t have to go all the way to Brazil to find a ‘new, safe, and stable’ source of oil. Energy opportunities are right here in Alaska.”

Investors Business Daily wrote of Obama’s announcement:

Now, with a seven-year offshore drilling ban in effect off of both coasts, on Alaska’s continental shelf and in much of the Gulf of Mexico — and a de facto moratorium covering the rest-Obama tells the Brazilians:

“...We want to be one of your best customers.”

Obama wants to develop Brazilian offshore oil to help the Brazilian economy create jobs for Brazilian workers while Americans are left unemployed in the fact of skyrocketing energy prices by an administration that despises fossil fuels as a threat to the environment and wants to increase our dependency on foreign oil.

The Obama administration has defended its support of Brazilian oil. Fox News writes:

But the Obama administration stressed that Brazil’s emerging energy industry makes the country a vital partner. These are boom times for Brazilian energy exploration — recently discovered deepwater deposits of oil buried below thick salt layers are estimated to contain tens of billions of barrels.

Obama adviser Mike Froman told BBC Brasil that the discoveries make the country a “key actor in global energy markets.”

Meanwhile, the Obama administration continues to drag its feet on approving oil projects in the Gulf. According to Fox News, the first deepwater drilling permit since the BP oil spill was issued by the Bureau of Ocean Energy Management, Regulation, and Enforcement only last month. The Obama administration also finally approved a deepwater exploration plan for Shell Offshore, Inc. on Monday.

As [noted](#) by Ed Morrissey of HotAir.com:

If Obama was really interested in job creation, he would end his peremptoriums on off-shore drilling. His administration would dismantle the obstacles blocking extraction of oil in the interior West, where an estimated 800 billion barrels of oil await extraction from shale formations. Obama would



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call off the EPA and allow Americans to have the same latitude to get at and use our natural resources as he insists that Brazil do.

If only.

Photo: President Barack Obama delivers a speech at the Municipal Theater in Rio de Janeiro, Brazil, Sunday, March 20, 2011.



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