

Offshore Oil and *Deepwater Horizon*: Social Effects on Gulf Coast Communities

Volume II: Key Economic Sectors, NGOs, and Ethnic Groups



Offshore Oil and *Deepwater Horizon*: Social Effects on Gulf Coast Communities Volume II: Key economic Sectors, NGOs, and Ethnic Groups

Authors

Diane Austin
Shannon Dosemagen
Brian Marks
Tom McGuire
Preetam Prakash
Bethany Rogers

Prepared under BOEM Contract
M10AC20003
by
Bureau of Applied Research in Anthropology,
School of Anthropology, University of Arizona
1009 E. South Campus Dr.
Tucson, AZ 85721-0030

Published by

**U.S. Department of the Interior
Bureau of Ocean Energy Management
Gulf of Mexico OCS Region**

**New Orleans, LA
June 2014**

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CITATION

Austin, Diane; Dosemagen, S., Marks, B.; McGuire, T., Prakash, P., Rogers, B. 2014. Offshore oil and *Deepwater Horizon*: Social Effects on Gulf Coast Communities, Volume II: Key Economic Sectors, NGOs, and Ethnic Groups. U.S. Dept. of the Interior, Bureau of Ocean Energy Management, Gulf of Mexico OCS Region, New Orleans, LA. OCS Study BOEM 2014-0618. 207 pp.

CONTENTS

List of Tables	vii
List of Figures	viii
Preface.....	ix
Chapter One: Oil and Gas	11
1.1. Introduction.....	11
1.2. Methodology	13
1.3. A Brief History of the Offshore Oil and Gas Industry in the Gulf of Mexico.....	13
1.4. The Explosion, Release of Oil into the Gulf, and Aftermath: Social Effects in 2010	18
1.5. Social and Economic Effects of the Disaster on the Offshore Petroleum Industry in 2011	23
1.6. Summary	26
1.7. References.....	27
Chapter Two: Commercial Fisheries	31
2.1. Introduction.....	31
2.2. Methodology: Multi-Sited Ethnography with Community Partners	32
2.3. Background on the Gulf Coast Commercial Fishing Industry.....	33
2.3.1. Shrimp	33
2.3.2. Oysters.....	34
2.3.3. Crabs.....	35
2.3.4. Finfish.....	36
2.4. State of the Commercial Fishing Industry Prior to the 2010 Oil Spill.....	38
2.5. Immediate Oil Spill Impacts: Summer through Fall of 2010	43
2.6. Ongoing Impacts: The 2011 Fishing Season	53
2.7 Commercial fisheries in the claims process.....	56
2.8 Oil spill and claims process effects on commercial seafood processors and docks	58
2.9. Summary	62
2.10. References.....	63
Chapter Three: Tourism.....	79
3.1. Introduction.....	79
3.2. Methodology	81
3.3. A Brief History of Tourism in the Study Region.....	81
3.3.1. Hurricanes of the 2000s.....	84
3.4. Major Oil Spill Issues, Impacts, and Responses in 2010	85
3.5. Major Oil Spill Impacts, Issues, and Responses in 2011	89
3.6. Summary	95
3.7. References.....	96

Chapter Four: Shipbuilding and Repair	104
4.1. Introduction.....	104
4.2. Methodology	105
4.3. Background on the Shipbuilding Industry in the Gulf of Mexico	105
4.4. Oil Spill and Aftermath in 2010.....	107
4.5. Oil Spill and Aftermath in 2011.....	109
4.6. Summary	111
4.7. References.....	112
Chapter Five: Retailing	115
5.1. Introduction.....	115
5.2. Methodology: The Drop-In Visit.....	117
5.3. A Brief History of Retailing Development along the Gulf Coast.....	118
5.4. Social and Economic Effects of the BP Oil Spill on Retailers in 2010	121
5.5. Social and Economic Effects of the BP Oil Spill on Retailers in 2011	127
5.6. Summary	130
5.7. References.....	130
Chapter Six: Non-Governmental Organizations and the Disaster	133
6.1 Introduction to the Social Service NGOs in the Gulf Coast Region.....	135
6.2 The Storms of 2005 and a New Regional NGO Network	139
6.3 Implications of 2005 Gulf Coast Storms on the Region's NGO Network	141
6.4 The 2010 Oil Spill and the NGO Response	143
6.5. Ongoing Issues for NGO Responders to the 2010 Spill and their Implications	148
6.5.1. Oil Spills and Issues of Mobilization and Funding	148
6.5.2. Special Challenges Serving Gulf Coast Fishing Communities	151
6.5.3. Post-Spill NGO Successes.....	152
6.6 Summary	153
6.7 References.....	154
Chapter Seven: The Claims Process	160
7.1. The initial BP claims process (to 8/23/10).....	161
7.2. The transition to the Gulf Coast Claims Facility and six-month Emergency Advance Payments (to 11/22/10)	163
7.3. The GCCF, November 2010 to March 2012	166
7.4. The contested moral economy of the claims process.....	173
7.5. References.....	175
Chapter Eight: Ethnic Groups and the Spill.....	182
8.1. Introduction.....	182
8.2. Previous Research on Ethnic Enclaves, Ethnic Organization, and Disaster.....	184
8.3. Oil Spill Impacts and Responses.....	186
8.3.1. Language and Post-Spill Exclusion.....	187
8.3.2. Occupation and Post-Spill Vulnerability.....	189
8.3.3. Disruption and Reorganization of Ethnicity-Based Social Networks	192

8.4. Summary	195
8.5. References	197
Chapter Nine: Summary	205
9.1. Summary of Major Findings to Date	205
9.2. The Ongoing Uncertainty	209

LIST OF TABLES

Table 2.1. Statistics on the Producer Economics of the Louisiana Shrimp Fishery, 1998-2011 ..	39
Table 2.2. Overall Gulf of Mexico Commercial Fishery Landings by State, 2009-2011. At left: Weight of Landings (thousands of pounds). Center: Value of Landings (Millions of \$). Right: Average Price (\$/lb.)	51
Table 2.3. Overall Gulf of Mexico Commercial Shellfish Landings by State, 2009-11. At left: Weight of Landings (thousands of pounds). Center: Value of Landings (Millions of \$). Right: Average Price (\$/lb.)	51
Table 2.4. Overall Gulf of Mexico Commercial Finfish Landings by State, 2009-11 . At left: Weight of Landings (thousands of pounds). Center: Value of Landings (Millions of \$). Right: Average Price (\$/lb.)	52
Table 5.1. Typology of Retail Business Sub-sectors as Presented in this Report	116
Table 6.1. Organizations Active in Research Study Communities by NGO Type.....	137
Table 6.2. Registered Tax-Exempt Organizations in Alabama, Louisiana, and Mississippi 2004-2011*	144
Table 7.1. General Data on GCCF Claims Over Time and By Type	167
Table 7.2. Paid GCCF Lost Earnings or Profits Claims by Sector	169
Table 7.3. GCCF Claims and Payments by Damage Category	170
Table 7.4. GCCF Claims and Payments by Gulf Coast States Where Losses Were Claimed....	171
Table 7.5. Data on GCCF Claims and Payments Parishes and Counties Detailed in This Report	172

LIST OF FIGURES

Figure 1.1. Oil and gas platforms in the U.S. Gulf of Mexico; also depicted are the Louisiana Offshore Oil Port (LOOP) and Liquefied Natural Gas (LNG) terminals	11
Figure 1.2. Gulf of Mexico crude oil production.....	12
Figure 1.3. Gulf of Mexico natural gas production	12
Figure 1.4. U.S. and world crude oil prices, 1947 to August 2009.....	16
Figure 1.5. Unemployment rate in St. Mary Parish, Louisiana 1990 to mid 2011	18
Figure 1.6. Offshore drilling activity in the U.S. Gulf of Mexico as reflected in jack-up fleet utilization.	24
Figure 2.1. New York City wholesale Gulf shrimp prices, 1998-2011	40
Figure 2.2. Price ratios of 41/50 Gulf Brown and imported shrimp in the New York City wholesale market, 1998-2011	55
Figure 2.3. Price ratios of 21/25 Gulf Brown and imported shrimp in the New York City wholesale market, 1998-2011	56
Figure 5.1. Total gross taxable sales reported for coastal Mississippi counties, FY 2000-10....	120
Figure 5.2. Total gross taxable sales reported for selected coastal Louisiana parishes, FY 2006-09	120
Figure 5.3. Monthly total gross taxable sales for Hancock, Harrison, and Jackson counties, Mississippi, Dec 2008–Jan 2012.	122
Figure 5.4. Monthly total gross taxable sales for Terrebonne Parish, Louisiana, Dec, 2008 – Aug 2011.	122
Figure 5.5. Monthly total gross taxable lumber and building supplies and contractor sales for Hancock, Harrison, and Jackson Counties, Mississippi, Dec 2008 – Jan 2012.	123
Figure 5.6. Monthly total gross taxable lumber and building supplies and contractor sales for Terrebonne Parish, Louisiana, Dec 2008 – Aug 2011.....	123
Figure 5.7. Monthly total gross taxable automotive sales for Hancock, Harrison, and Jackson counties, Mississippi, Dec 2008 – Jan 2012.	125
Figure 5.8. Monthly total gross taxable automotive sales for Terrebonne Parish, Louisiana, Dec 2008 – Aug 2011.	126

PREFACE

“Through many decades, the United States has shown a persistent and remarkable ability to tolerate the costs of petroleum use, presumably because people feel the benefits are greater in the aggregate, or perhaps because of a disconnect between the benefits and costs” (Hultman 2010).

The *Deepwater Horizon* disaster officially began on April 20, 2010 with the blowout of the Macondo well in the U.S. Gulf of Mexico, though the circumstances that culminated in the explosion of the rig were based in earlier decisions and events. Likewise, when the disaster officially ended on August 3, 2010, with BP successfully sealing the well in concrete, many of its effects were only beginning to appear. The disaster caused the deaths of 11 people, physically injured 17 more, and released an estimated 4.9 million barrels of crude oil into the Gulf of Mexico more than 40 miles off the Louisiana coast. It occurred in a region accustomed to disasters, so some of its effects were mitigated by the expertise and mechanisms in place throughout the region to manage them. The spill’s impacts were heightened, however, by the fact that the region was still recovering from recent, severe hurricanes and flooding. In short, this disaster, laid upon those prior experiences, created a new set of actors, resources, and responses.

The research on which this report is based began almost immediately after the rig exploded and continued over a 2-year period. At the time of the explosion, researchers from the Bureau of Applied Research in Anthropology (BARA) at the University of Arizona were finalizing a study of fabrication and shipbuilding along the Gulf of Mexico, and were gathering data for a study of the history of the deepwater era. The researchers in the field turned their attention to the disaster and began documenting its effects. Those in the BARA office began responding to calls from people within the affected region, and began working with the staff of what was at that time the U.S. Minerals Management Service (MMS) to plan this study. Given the uncertain and rapidly-evolving situation, the study was designed to allow for flexibility and so that research questions and analyses would address the concerns of the diverse groups living in the region; be appropriate for those being studied; and provide information and new understanding to local, state, and federal entities. BARA researchers contacted colleagues at coastal universities and developed a research partnership with anthropologists at Louisiana State University (LSU) and with local institutions, community-based organizations, and independent community researchers in Mississippi and Louisiana. Key local partners included the Katrina Research Center at the University of Southern Mississippi, the United Houma Nation, Bayou Grace Community Services of Chauvin, Louisiana, and the Dulac Community Center of Dulac, Louisiana.

Though some of the effects of this disaster were immediately obvious and readily documented, others emerged more slowly as the nature and scope of the event and its aftermath continued to unfold. The research approach was designed to capture this evolution and was focused in three areas: (1) coastal counties of Mississippi and Alabama; (2) Lafourche, Terrebonne, and east St. Mary parishes in Louisiana; and (3) Jefferson, Orleans, Plaquemines, and St. Bernard parishes in Louisiana. It focuses on the short-term effects, those that occurred in the first 20 months after the disaster began, and provides the context within which those effects were experienced.

The report is organized in two volumes. The first begins with a Summary of the major findings of the research. The summary includes references to sections throughout the report that contain information to support the findings. Next is a discussion of the approach and methodology of the study and the selection of the study communities. This is followed by a summary and then detailed timeline of key events in the unfolding disaster which triggered local effects. Specific dates and events are referred to throughout the report, but readers are encouraged to read the timeline to better understand the complicated and rapidly changing conditions under which people in the coastal communities were living and working during the study period. The next chapters establish the context within which this disaster occurred, and describe the communities that were the focus of the study, highlighting in each some of the locally-specific and synergistic effects of the disaster.

The second volume describes five key economic sectors in the region—offshore oil and gas, fishing, tourism, shipbuilding and fabrication, and retail—and summarizes how the disaster has impacted the people, businesses, and communities involved in each of those sectors. For each sector, readers will find a general introduction, a brief summary of the methodology used to gather the information upon which the analysis is based, and a brief history of the sector. These are followed by an outline of events that shaped that sector in the region, leading up to the explosion of *Deepwater Horizon* in April 2010, a summary of the immediate impacts, and a discussion of the issues that faced businesses and workers in the sector throughout 2011. The second volume also includes chapters that take a closer look at the impacts of the disaster on non-governmental organizations (NGOs), the claims process, and the differential effects of the disaster according to ethnicity. The volume ends with a discussion of the ongoing uncertainty associated with this disaster more than two years after it began, and key research questions to be addressed in the coming years.

This work could not have been done without the help and support of hundreds of individuals who live and work along the U.S. Gulf of Mexico, and it is to them that the authors offer our sincerest thanks. Though research reports cannot bring back loved ones or restore coastal wetlands, it is our hope that the findings of this study can help us all better understand what happened and what it has meant to the people and communities most directly affected by it.

REFERENCE

Hultman, Nathan. 2010. Beyond petroleum: The broader effects of the Deepwater Horizon. The Brookings Institution. Available at:
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CHAPTER ONE: OIL AND GAS

Diane Austin

1.1. INTRODUCTION

The Gulf basin has produced substantial petroleum discoveries for more than nine decades. At the time of the explosion of the *Deepwater Horizon* drilling rig, more than 3,600 fixed petroleum structures were in place and producing oil and gas in the U.S. Gulf of Mexico in water depths ranging from a few to more than 8,000 feet and as far as 200 miles off of the coastlines of Texas, Louisiana, Mississippi, and Alabama (Figure 1.1). Offshore production in the Gulf of Mexico accounted for close to one-third of total U.S. crude oil production and 12% of total U.S. natural gas production (Energy Information Administration 2011a), a drop from recent years. Of note, total crude oil production on the outer continental shelf has fluctuated considerably since the late 1970s (Figure 1.2). After a period of growth in the 1990s, production began declining early in the 21st century, but then discoveries of giant fields in the deep waters off the outer continental shelf and in the submarine canyons closer to shore boosted that production.

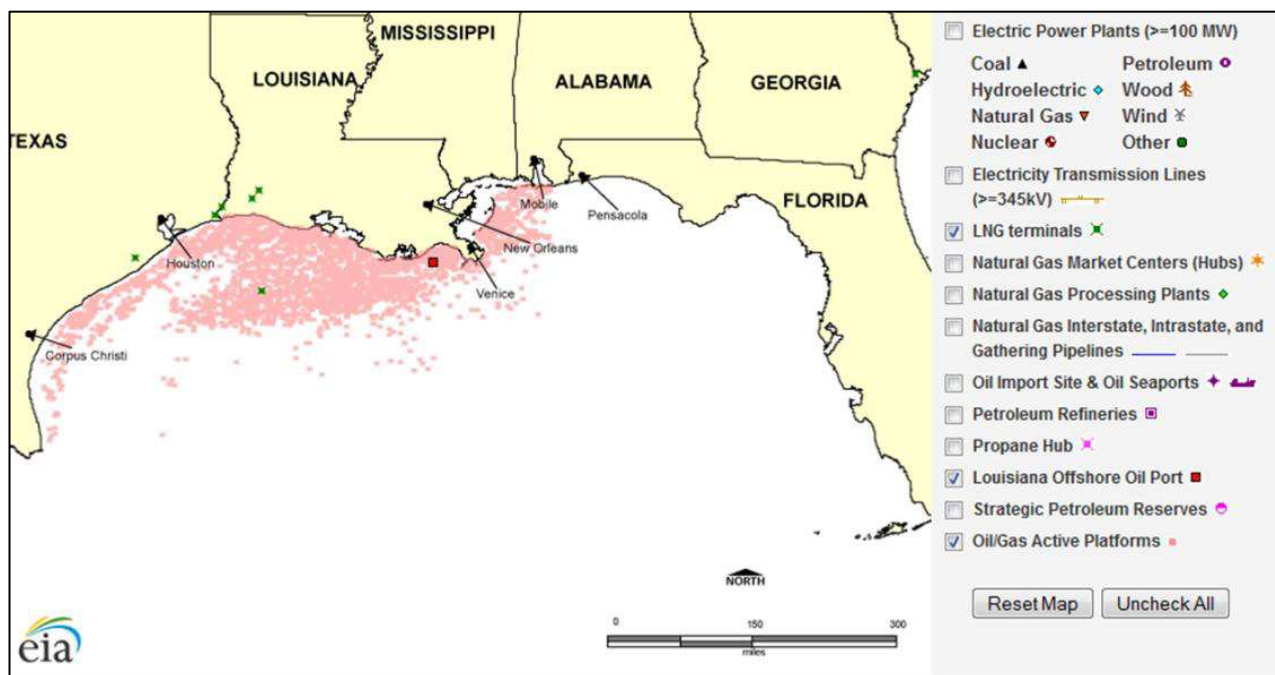


Figure 1.1. Oil and gas platforms in the U.S. Gulf of Mexico; also depicted are the Louisiana Offshore Oil Port (LOOP) and Liquefied Natural Gas (LNG) terminals
Source: Energy Information Administration n.d.

In contrast to other major petroleum provinces of the world where hydrocarbons are clustered in a small number of world-class giant fields (with a known recovery of more than 500 million barrels of oil equivalent [boe]), the Gulf basin is characterized by thousands of smaller fields of less than 50 million boe and many fields of 50 to 500 million boe (Priest 2013). By the end of the 20th century, though, economic conditions and technological advancements had made it feasible for the major energy companies to find, drill, and produce oil and gas from the deepwater finds. In 2010, oil production in the Gulf of Mexico reached a record 1.64 million barrels a day. The 2011 production is expected to be lower, in part in response to price declines that began before the *Deepwater Horizon* explosion and in part in response to the drilling moratorium and regulatory changes resulting from the disaster. Total gas production has been in decline since the late 1990s (Figure 1.3). This section describes the offshore petroleum industry in the Gulf of Mexico region and the initial effects of the *Deepwater Horizon* explosion on that industry and the companies and people who constitute it.

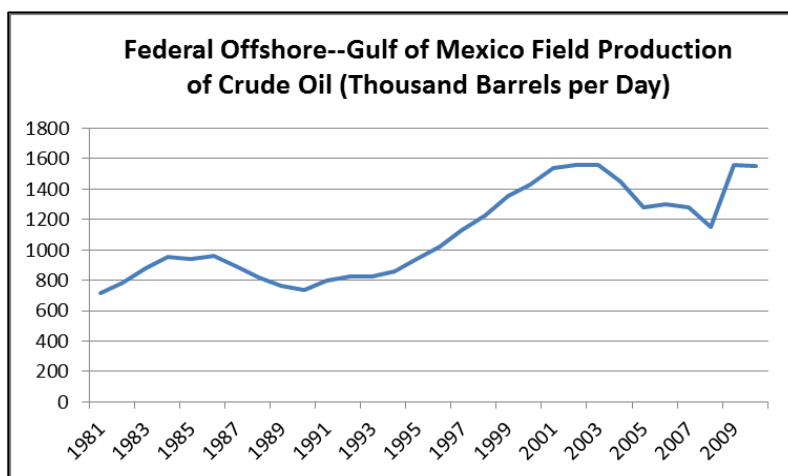


Figure 1.2. Gulf of Mexico crude oil production
Source: Energy Information Administration 2004

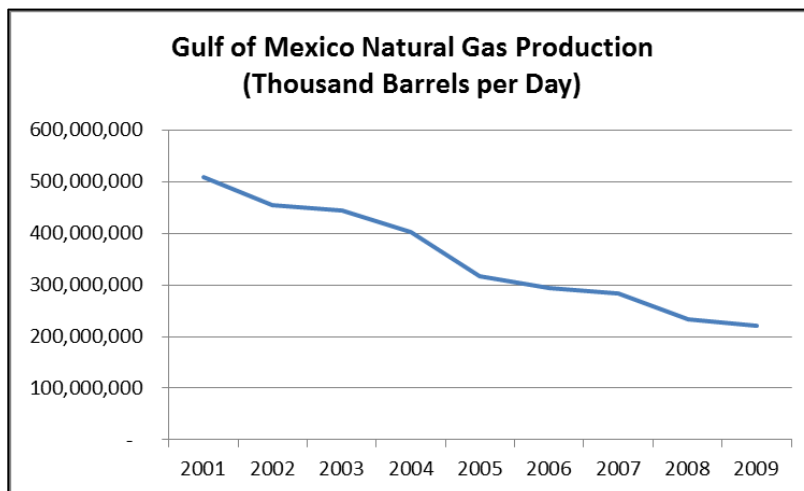


Figure 1.3. Gulf of Mexico natural gas production
Source: BOEMRE 2011a

1.2. METHODOLOGY

Information on the oil and gas sector in the study areas was gathered by the research team through drop-in conversations at local companies involved in the industry; longer discussions with industrial and economic development specialists, company owners, workers, and their families; and reviews of industry publications. Due to the scope and short time frame for this study and the need for most local representatives of large corporations to gain permission from corporate offices outside the study areas to talk with researchers, no discussions were held with offshore operators or their major contractors.

1.3. A BRIEF HISTORY OF THE OFFSHORE OIL AND GAS INDUSTRY IN THE GULF OF MEXICO

The oil and gas industry on the Gulf Coast began with the Spindletop, Texas gusher in January, 1901. Within a few decades, oil and gas production had spread across the salt domes of coastal Texas and Louisiana. By the 1930s, this region was dotted with tank batteries and refineries and had already begun to be crisscrossed with pipelines. Because exploration and production moved from solid land across marshes and swamps and into bayous and lakes during this period, local shipyards began constructing the barges, tugboats, and oil tankers needed for transporting petroleum and petroleum products through the region's waterways. By the late 1930s, oil companies had begun moving offshore into the Gulf of Mexico, but that movement was slowed by World War II. Though exploration continued throughout the war, it was not until after the war, during the late 1940s and 1950s, that offshore petroleum emerged as an *industry* in the region (Priest 2013). Since that time, thousands of wells have been drilled and some 5,500 platforms have been installed in the U.S. Gulf of Mexico.

The growth and development of the industry began slowly. Oil and gas firms built upon the existing petroleum infrastructure and tapped into the region's human and technological expertise and the social and political environments there, stimulating the growth of unique kinds of businesses, contracting relationships, and technologies. By the 1960s, the industry began to grow more rapidly and evolved into a vast complex of companies, facilities, people, and infrastructure located predominantly in the Gulf Coast states, but which also increasingly extended into other parts of the United States and elsewhere around the world. Within the Gulf region, as the industry moved offshore, existing companies modified their crews and equipment to work there and new companies formed. For example, major shipbuilding and offshore fabrication operations grew and spread along the coast, providing mobility for exploratory drilling and fixed structures for oil and gas production in open water. The dispersed growth of the industry encouraged the formation of numerous local companies, some of which expanded to dominate particular industry sectors, at the same time it attracted corporate giants to the region. A major downturn in oil prices in the 1980s significantly affected the offshore industry in the Gulf, leading to consolidation, the introduction of low cost technologies, elimination of jobs, and deepening of outsourcing (Austin, McGuire, and Higgins 2006; Dutra and Cecchi 1998).

The evolution of the industry and its movement offshore was fundamental in shaping the geography, economy, and social structure of the Gulf region, and particular Louisiana and Texas during the 20th century. Impacts of the industry are not uniform as the location and extent of onshore impacts of offshore activity depend on a host of factors, from historical land use patterns to economic incentives offered to companies that establish facilities there. In the early years, cities like New Orleans and Lafayette hosted the headquarters and supply centers for major petroleum companies. Morgan City and Houma became recognized as fabrication centers and staging bases for the offshore rigs and platforms, and outposts such as Grand Isle and Venice became regional hubs for offshore activities. “In the often indeterminate edge between land and water, ports were built to access the Gulf. The envy of these now is Port Fourchon at the end of Highway 1 along Bayou Lafourche, supplying and servicing the newest expanse of deepwater exploration and production” (Priest 2013:7).

At the same time, the influence of the offshore oil and gas industry extends well beyond the shores of the Gulf Coast. The specialized human and technological needs of offshore exploration and production have linked oil and gas provinces and companies from places as distant as Brazil, Angola, and the North Sea. Even prior to the 1980s downturn, many corporations and businesses that got their start in the Gulf of Mexico region grew and expanded across the globe and began importing people and technologies developed in distant locations.

The downturn affected the management and oversight of the offshore petroleum industry as well. “By the mid-1980s, the traumatic reverberations of a severe economic downturn convinced many in MMS and particularly in the Gulf that, whatever the agency’s reading of NEPA, the onshore socioeconomic effects of offshore oil were significant and should be more thoroughly addressed” (Luton and Austin n.d.:9). In May 1986, at the request of the MMS and solicited by President George H.W. Bush in response to coastal states’ concerns, most notably of Florida and California, that the agency was proceeding with leases in the absence of quality science on potential impacts on the “human, marine, and coastal environments,” as required under the 1978 OCSLA amendments, the National Research Council established a committee to review its outer continental shelf environmental studies program (ESP). The committee published its findings in a series of four reports between 1990 and 1992 (National Academies Press 1992–1994) and recommended that the ESP be supported, strengthened, and its scope expanded to meet its mandate of providing information to predict, assess, and manage the environmental, including socioeconomic, effects of OCS petroleum development. It also recommended that the ESP’s modeling and field programs be better integrated to improve the longer-term assessment of the effects of exploration, development, production, and termination of OCS activities and that the program incorporate appropriate monitoring of postleasing impacts into its environmental studies.

In 1989, in the wake of the *Piper Alpha* disaster in the North Sea and the *Exxon Valdez* oil spill, the MMS requested that the National Research Council’s Marine Board investigate alternative strategies for the inspection of OCS operations and that it recommend improvements in operational safety and environmental protection inspection practices (Transportation Review Board 2011). The Marine Board concluded in 1990 that the agency’s prescriptive approach to regulating offshore operations had forced industry into a compliance mentality which did not foster the effective identification of all potential operational risks or the development of comprehensive accident mitigation and recommended that the agency develop a more systematic approach to managing offshore operations (BOEMRE n.d.a). In response, the MMS first published Recommended Practice 75: Development of a Safety and Environmental

Management Program for Outer Continental Shelf Operations and Facilities in 1993. Over the next decade and a half, MMS then used a variety of strategies to promote voluntary compliance with the recommended practice.

Encouraged by the U.S. Outer Continental Shelf Deep Water Royalty Relief Act of 1995, which relieved eligible offshore leases from paying royalties on certain deepwater production, the industry expanded into deepwater, generally defined as deeper than 1,000 feet,¹ and even those companies without the resources to exploit the fields there benefitted. As the majors turned attention to deeper locations, many smaller independent producers acquired their shallow fields.

With expanding global markets, the demand for drilling rigs rose, and day rates soared accordingly. Charter rates for support vessels rose as well, and the myriad companies and workers associated with drilling, from manufacturing drill bits to supplying drilling muds, went to work. By mid-decade and shortly thereafter, a new boom was occurring across the Gulf region. That boom was short lived, however, and by 1998, world inventories outstripped world consumption and prices plummeted. To correct the oversupply, the Organization of Petroleum Exporting Countries (OPEC) began cutting production in March of 1998, and continued to do so until March 2000. Oil prices began to increase by the end of 1999, but the Gulf of Mexico was slow to rebound, with investments tempered by caution and the industry experiencing corporate mergers and megamergers (Austin and McGuire 2002).

Following the attacks of September 11, 2001, world oil prices climbed, peaking in 2008 (Figure 1.4). The U.S. Department of the Interior's Minerals Management Service (MMS), the federal bureau responsible for regulating and collecting revenue from offshore oil and gas operations, continued royalty relief for deepwater drilling into the 21st century. Even as interest in the Gulf of Mexico resumed, the number of rigs operating in the Gulf began declining, due primarily to demand for jack-up rigs for gas exploration and deepwater rigs in other provinces, especially off the coasts of Africa, the Middle East and China. Analysts feared this "rig exodus" would lead to a decline in production, putting upward pressure on U.S. energy prices (Spector 2006).

The oil and gas industry directly impacts state and local coffers through taxes, royalties, fees, salaries, and other money spent locally, and indirectly through the money spent by employees and by service companies which do business with oil and gas companies, and Gulf communities enjoyed the benefits of both onshore and offshore petroleum activity during this period. Still, local and state government officials, especially in Louisiana, have long argued that the economic benefits of offshore development do not sufficiently compensate for the environmental and infrastructure costs of that development, including increased need for production and support facilities, negative impacts to air and water quality, and greater demand for infrastructure and social systems due to an influx of workers. Their efforts to increase revenue sharing to the states affected by OCS development were rewarded in the Energy Policy Act of 2005, which established the Coastal Impact Assistance Program (CIAP) and authorized the Secretary of the Interior to distribute \$250 million for each of the fiscal years 2007 through 2010 to Alabama, Alaska, California, Louisiana, Mississippi, and Texas and the coastal political subdivisions (The timeline for grant applications for the next round of CIAP funding was announced May 17, 2010).

¹ Though Shell drilled the first successful well in water deeper than 1,000 ft. in 1979, and five more projects were drilled in deepwater in the 1980s, deepwater drilling really took off during the 1990s when 32 more deepwater projects were completed. The pace increased during the first decade of the 21st century, with 134 deepwater projects entering production (Brewton et al. 2009).

The hurricanes of 2005 caused significant damage to rigs and platforms and a drop in production, but the damage they caused provided a great deal of work for the region's fabrication and shipyards (Austin and Woodson 2013). MMS held its 2008 lease sale in the Central Gulf and netted a record \$3.67 billion for the nation's treasury. The effects of the Great Recession, which began in late 2007, began to be reflected in oil prices by the end of 2008. Due to the region's heavy dependence on petroleum, Gulf Coast economies and businesses did not see the effects of the recession until 2009, when falling oil prices began to affect levels of oil and gas activity.

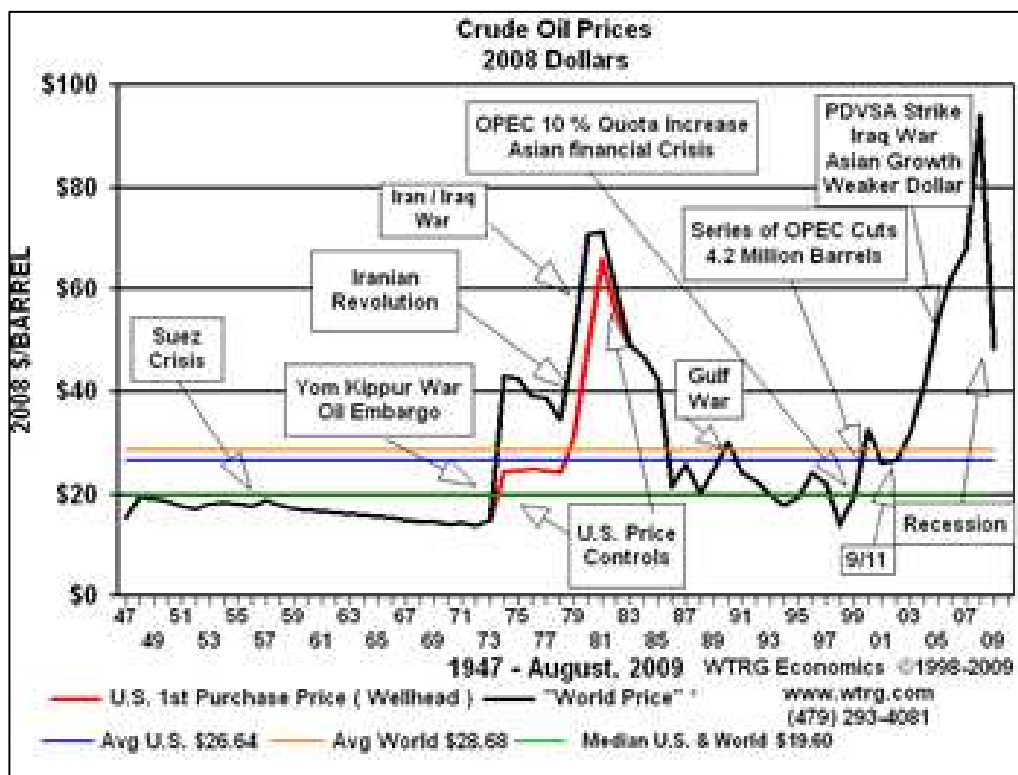


Figure 1.4. U.S. and world crude oil prices, 1947 to August 2009
Source: WTRG Economics 2009

The oil and gas industry permeates the communities along the Gulf of Mexico through a vast network of individuals and organizations working in numerous sectors responsible for exploration, fabrication, transportation, and production. It comprises small, specialized companies and large, integrated corporations and employs people at all skill levels. Drilling operations employ large numbers of people, from entry level workers who clean and paint and serve as general roustabouts, to riggers, floorhands, crane operators, dynamic positioning operators, welders, electricians, mechanics, motormen, oilers, engineers, derrickmen, warehousemen, medics, ballast controlmen, barge operators, barge engineers, rig managers, rig superintendents, drillers, and toolpushers. Drilling operations are supported by thousands of service companies, providing specialized personnel and equipment to help set up and maintain wells, move rigs from place to place, and solve problems when they arise. Fabrication shops and shipyards, not all of which are tied to oil and gas, range in size from a few people to thousands, with approximately two-thirds of the workforce working as fitters and welders. Transportation companies directly employ pilots and drivers or lease trucks and operators in a specialized

system designed to meet the needs of the offshore industry. Production platforms employ from a few to several hundred people, depending on the size of the field and its configuration, and can include the offshore operations engineer, offshore coordinator, dynamic positioning operator, mates, ballast control operator, crane operators, scaffolders, control room operators, catering crew, and maintenance and production technicians.

Just as the early industry learned to operate over open water, the long-time residents of the Gulf Coast and those who relocated to take jobs there integrated the industry into their livelihood strategies. Even as residents became reliant on the wages earned in the offshore oil and gas industry, informal economic activities buffered the fluctuating economy. And, those who fashioned their livelihoods from fishing relied on seasonal employment in the oil and gas industry to stabilize their incomes. Supply companies learned to modify their inventory in response to the needs of whatever industry was most lucrative. A manager of a national supply company observed:

Our company has 12 bases, some in Florida, one in Mobile, several in Louisiana, same in Texas, one in California. Our clients are 99% oil and gas. We work supplying rigs, vessels that support rigs. We do very little with fishermen. They're a dying breed. How can I say this lightly? They're not dependable. It's tough on these guys, with the prices, etcetera. I've been in business 25 years, in this location since May 1996. My grandfather worked for MMS for 30 years. He did quite a bit of business with fishermen when they first came. [We] slowly got away from that. The last five to seven years has been mostly oil and gas (DA502 2011).

High labor demands within the industry caused companies to search for workers at ever more distant locations, and as exploration and production moved farther offshore, companies employed workers in shifts ranging from seven days at work and seven days off to 14 and 14 and even 28 and 28. As the time between work shifts increased, so too did the distance from which workers could travel, resulting in an offshore workforce that is spread far beyond the coastal communities of the Gulf.

Following the 2005 hurricanes, the lack of housing, the increase in demand for platform and rig repair, and competition with the rebuilding activities along the Gulf Coast led fabricators and ship builders to look even farther afield for workers. Companies increased their recruitment of guestworkers from overseas, and coastal communities became the temporary home of workers from India, the Philippines, and China, as well as Mexico and Central America. In 2008, hurricanes Gustav and Ike caused major damage to coastal communities, but their effects on the Gulf's offshore infrastructure were relatively minor. By late 2008, most of the post-hurricane work had been completed, and, as noted above, the sluggish economy was having measurable effects on industry activity in the Gulf. The demand for guestworkers plummeted (though other forces were also at work, see Austin n.d.) and, though the region's unemployment rates had not climbed to the levels common elsewhere in the country, negative impacts on the region's workforce were evident. Unemployment rates in St. Mary Parish, for example, which had stayed low during the start of the recession, began to rise rapidly by 2009 (Figure 1.5).

Despite the downturn, increasing demand for petroleum from Asia and a desire to meet U.S. demand and reduce the nation's reliance on oil imports generated sufficient political pressure to cause President Obama to announce at the end of March 2010 that he would lift congressional bans on offshore drilling off the Virginia coast and expand lease sales for oil and

gas exploration along the Atlantic coast to “sustain economic growth, produce jobs and keep our businesses competitive” (quoted in Tapper and Kahn 2010). At the same time, the discovery and successful exploitation of onshore oil fields was leading to an increase in domestic oil production. An increase in onshore gas production was predicted to more than offset the steep projected production declines in the Gulf of Mexico (Energy Information Administration 2011b).

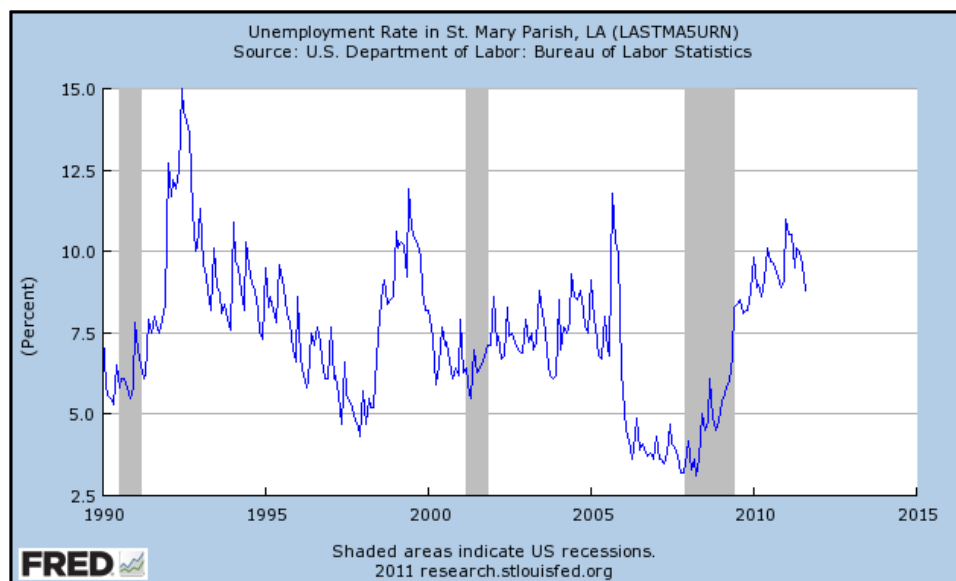


Figure 1.5. Unemployment rate in St. Mary Parish, Louisiana 1990 to mid 2011
Source: Federal Reserve Bank of St. Louis 2012

1.4. THE EXPLOSION, RELEASE OF OIL INTO THE GULF, AND AFTERMATH: SOCIAL EFFECTS IN 2010

The explosion of the *Deepwater Horizon* and the loss of life that occurred on April 20, 2010 had immediate and ongoing effects on the people of the Gulf Coast, as well as the families and communities that have become tied to that region through the offshore petroleum industry. The 11 victims who died in the explosion came from communities across Louisiana, Mississippi, and Texas. Their deaths directly affected their immediate families and the communities in which they live, and also their co-workers, the motel clerks and waitresses who regularly served them when the rigs to which they were assigned were working off the Gulf Coast, and the myriad others who knew them or their families.

The explosion also led to the largest release of oil into U.S. waters in history, estimated by the U.S. Department of Energy at around 4.9 million barrels by the time the Macondo well was capped on July 15. In responding to the release, BP used over 1.8 million gallons of dispersants. Due to concern about the effects and toxicity of the oil and dispersants, on May 26 the EPA and Coast Guard issued a directive to BP limiting the amount of dispersant use to 15,000 gallons per day. As this report was being prepared, questions about the safety and persistence of dispersants in the Gulf environment continued to be raised by advocacy organizations and Gulf residents.

Because of their familiarity with oilfield contracting, many companies that operated vessels, sold protective gear and equipment, or provided other services needed during the cleanup were able to capitalize on the disaster. The following notes record a conversation with the owner of a tug company about his involvement in September:

DA406a noted that lots of people are still working in cleanup, but BP is starting to weed them out. At first they had to pay everybody just to keep people quiet, but now that the well is capped, they can weed out those who don't do anything, who just ride around burning up gas all day. I asked about DA406a's business. He has tugs leased to a transportation company. That company has floating hotels which house over 600 people. They had to bring in somewhere for people to live while they were working on the cleanup. The rules at these floating hotels are very strict; the people living there are the contractors hired to help with the spill. They have routine drug tests. As part of the process of weeding out those who aren't working, when they come in they have to be checked in, they [someone from BP?] inspect what they have on their boats, and count how many oiled booms they have brought in. He said he expects they will keep working like this until May of 2011. I ask if he expects the work will continue at this level and he says not at this level for everyone. He then refers to his company, "we're top of the line, will still be working."... He said that he'd been out for 11 weeks on a tug, coming in for a few days at a time (Austin Field notes, September 9, 2010).

In the immediate aftermath of the explosion, access to platforms near the accident site was restricted, so some production was affected, and individuals who worked on those platforms were put out of work temporarily. Those platforms were back in operation within several months, but production had peaked in May 2010, reflecting both the drop in production anticipated in 2009 and policy changes. Indeed, two policy actions with immediate effects were (1) the moratorium on drilling in more than 500 feet of water in the Gulf that was ordered May 27, revoked by a federal judge, and then followed by a suspension of all deepwater drilling that was issued in July and kept in effect until October 12; and (2) the implementation of new safety and environmental standards beginning June 8, which significantly slowed the issuance of permits even for drilling in shallow water. Though distinct actions with different aims, these two policies have become linked in the minds of both national observers and Gulf residents, leading some to dub the new permitting policy a "permitorium."

The moratorium was aimed at rigs in the Gulf of Mexico that were exploring new reservoirs of oil and gas in water deeper than 500 feet. The Department of Interior released a list of 17 operators, responsible for 33 rigs operating at 1,000 feet or greater, that would receive notice to halt drilling (Brenner 2010). The moratorium, and the subsequent suspension of drilling, did not affect wells already in production, but with new drilling halted, production from new wells was not available to offset the natural decline in production that occurs in aging wells. Energy companies operating in the Gulf used various mechanisms, such as the notification of *force majeure*,² to terminate rig contracts, and the utilization of rigs to continue completion, workover, and other non-drilling activities on existing wells during the moratorium and suspension. Many had begun shifting operations to other offshore provinces and to onshore fields prior to 2010 and continued that trend. Drilling companies tried to renegotiate leases at lower

² *Force majeure* clauses excuse a party from liability if some unforeseen event beyond the control of that party prevents it from performing its obligations under the contract.

rates to keep rigs under contract, sought work elsewhere, and reduced their employees' hours. Though fewer than a quarter of the affected rigs left the Gulf, the withdrawal of some rigs, along with the threat that others would leave, led to continued speculation and concern through the end of the year. Service and vessel companies picked up inland work, or shifted overseas to keep their employees working. An electric supply company representative noted:

We haven't really seen a whole big drop in our work. We have been very lucky compared to other boat companies. They say they're not sure what's going to happen....Our work deals with a lot of repair to inland stuff. We do new constructions. A lot of people are building new supply boats. It's not good, the moratorium. I don't think it's fair to the drillers (DA410 2010).

In early June, Louisiana Governor Bobby Jindal asked the state's lieutenant governor, Scott Angelle, to create the Gulf Economic Survival Team, a coalition of operators, service companies, economic development offices, and city governments, to oppose the May 28 moratorium. The organization compiled letters on the economic effects of the moratorium and delivered them to Interior Secretary Salazar in June (Staff Report 2010). The group began operating out of the offices of the South Louisiana Economic Council on the Nicholls State University campus and expanded to include banks, cities, and even a local grocery chain (Gulf Economic Survival Team n.d.a). With the lifting of the suspension of drilling in October 2010, GEST took on the role of "facilitator between operators, state government, and the federal government to clarify new exploration and drilling plan and permit requirements, and as an advocate for the full return of economic activity and energy production in the Gulf region" (Gulf Economic Survival Team n.d.b).

Several other groups formed to analyze the disaster and its effects. Some, such as the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling established on May 21 by President Obama, were created by federal and state governments. Others, such as the Deepwater Horizon Study Group, were brought together by academic and industry organizations. They began publishing findings soon after the disaster occurred and continued to do so through 2011 (Deepwater Horizon Study Group 2010a, 2010b, 2010c, 2011; National Commission 2011).

The changes in the permitting process, which reduced the issuance of permits to a trickle for several months, affected many more rigs, companies, and workers. Although the moratorium and suspension were aimed at deepwater rigs, the federal government issued only 12 permits for drilling in shallow waters from April to October 2010, compared to the average of 12 per month before the Macondo well blowout. New standards for deepwater permits required applicants to demonstrate the capability for subsea containment of oil, and no permits were issued in 2010 (BOEMRE 2011b). Many rigs remained in the Gulf but were idled, leading to the removal of crews and equipment. The costs and challenges of operating in deepwater have favored majors, and consortia of majors, over small companies, and small operators expressed concern that the new permitting requirements, coupled with increased insurance costs, would further disadvantage them, making it "near impossible" for small companies to play a role in deepwater development (Jervis 2011).

The Macondo blowout also led to a restriction on the offshore areas within which drilling would be permitted. In late November, Interior Secretary Ken Salazar declared the eastern Gulf of Mexico and the entire Atlantic and Pacific coasts off-limits to drilling, reversing the

administration's earlier decision to attempt to open those areas. As of September 5, 2011, there were 617 manned platforms and 70 rigs operating in the Gulf (BOEMRE 2011c), but production had not reached pre-disaster levels. Consequently, some argued that the "perditorium" would be the most significant event in the Gulf of Mexico offshore industry since the 1980s bust in terms of its potential for causing major restructuring of the offshore petroleum industry.

The disaster also focused attention on the management and regulation of the offshore petroleum industry. Shortly after the explosion, the MMS was reorganized into the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE). On October 1, 2011, BOEMRE was replaced by the Bureau of Ocean Energy Management (BOEM) and the Bureau of Safety and Environmental Enforcement (BSEE). BOEM is responsible for managing the exploration and development of U.S. offshore resources and BSEE is responsible for enforcing federal safety and environmental regulations pertaining to offshore energy development. Given insufficient response to its efforts to encourage and promote voluntary compliance following its 1993 recommended practice for safety and environmental management systems (SEMS), in 2009 the agency had proposed rulemaking to require operators to develop and implement SEMS to address integrated management of OCS oil and gas operations. This was the first attempt by a federal agency to directly regulate the structure and core functions of the safety management system of an offshore operator (Bea 2010) and led to a public meeting in September 2009 and a new Transportation Review Board project to examine, among other things, changes in the inspection program and process since the Marine Board's 1990 study. A committee was established and met in December 2009 and March 2010, prior to the explosion, and continued its work in the aftermath (National Academies 2011). BOEMRE published the Final Rule on Safety and Environmental Management Systems in the *Federal Register* on October 15, 2010 (75 FR 63610), giving companies working in offshore federal waters one year to demonstrate that their plans met the new standards. The committee published its interim report in June 2011 (Transportation Review Board 2011).

The moratorium, drilling suspension, and slowdown in the issuance of permits had differential effects on workers, companies, and communities. As noted above, those working in production were affected little, if at all, as their platforms remained at, or quickly returned to, normal levels of operation. Those working directly for drilling companies, or for the service companies involved in drilling operations, saw an immediate drop in work. Companies that had already opened offices outside of the region were better able to shift equipment and employees than those who had not. In response to concerns for the rig workers who would be unable to work due to the stoppage and at the request of President Barack Obama, BP established, through the Baton Rouge Area Foundation, a \$100 million grant program, the Rig Worker Assistance Fund, limited to people who worked on one of the 33 deepwater rigs operating in the Gulf of Mexico on May 6, 2010. BP determined that grants of \$3,000 to \$30,000 would be available to rig workers with amounts based on financial hardship determined by factors such as lost wages and expenses. The program accepted applications during the month of September 2010. Despite dire warnings from industry leaders and estimates that up to 9,000 people worked on deepwater rigs at that time, the fund was little used; fewer than 800 individuals applied and less than 350 received compensation during the initial time period.

One problem for the assistance fund was that few workers had been laid off right away. Instead, companies generally kept workers by cutting back hours or by transferring them to rigs working outside the Gulf region. Hourly employees who were used to making most of their

income through overtime pay were seriously affected, but they were ineligible for assistance.³ On-call workers such as commercial divers were not laid off but, in contrast to many service vessel operators, were called out rarely, if at all. Louisiana officials expressed concern that companies that had held onto workers in the first months after the disaster would have to let them go after the monies were no longer available from the fund. They also noted that the funds were too narrowly targeted to those individuals who worked on the rigs, overlooking an estimated 25,000 to 35,000 workers who directly supported the rigs in providing transportation to and from shore and deliveries of food, equipment, and materials. Consequently, the Baton Rouge Area Foundation extended the deadline for applications and expanded eligibility for compensation from the fund to those whose work involved supplying the rigs.

During and after the oil disaster, small- and medium-sized service companies connected to the petroleum industry were generally hit hard, with the effects linked to the size and function of the equipment they provided or serviced, but they were largely ignored in the early discussions of compensation. These businesses had little access to external resources; those still paying back loans used for post-hurricane recovery were unable to put up collateral for more loans, or were reluctant to go into more debt. Larger companies operating in national and international markets had more resources upon which to draw and were able to shift their workforce to other locations, raising concern in some sectors that those workers will not return to the Gulf when activity does return to pre-disaster levels, exacerbating labor shortages in those sectors. As a result of the variability among companies and the number of strategies they employed, neither unemployment statistics nor requests for compensation reflected the early impacts of the slowdown. Many of the workers who were struggling the most were known only to proprietors of loan companies and pawn shops.

Other policy changes caused mixed effects. Initially, for example, citing shortage of vessels, concerns about lost income, and the shift of regulators' attention during the summer of 2010, offshore operators suspended or reduced their efforts to decommission wells and platforms in the Gulf, causing a loss of work for companies specializing in explosives, fabrication yards, barge companies, commercial divers, and others that rely on the fairly predictable flow of work associated with decommissioning. Then, in September 2010, BOEMRE issued a new decommissioning regulation giving operators three years to permanently or temporarily abandon any well that had not been used for five years, or to isolate the reservoir zones into which the well was drilled to control fluid flow from the reservoir. The regulation also requires that platforms and supporting infrastructure that had been idle for five years or more be removed within five years. When it was issued, the new regulation was expected to increase the demand for contractors with derrick barges and those who specialize in project management, cutting, civil engineering, and diving services, driving up operators' costs.

And, of course, companies and workers in some sectors, particularly those with their own vessels, made huge profits through the Vessels of Opportunity program or by supplying those working in that program. However, because of the short-term nature of the cleanup work, and the concern that their vessels nevertheless would be obligated to that program for long periods of time and unable to respond to demands elsewhere, many companies and vessel owners opted to forego participation in the program.

³ Note this is standard practice in many sectors, maximizing company flexibility and reducing the impact of low hourly wages.

Beyond its direct impacts, the explosion of the *Deepwater Horizon* created special problems for the communities with significant involvement in the offshore petroleum industry. As noted above and is typical during a recession, with rising oil and gas prices, prior to 2010 Gulf Coast communities had experienced lower unemployment rates than their counterparts elsewhere in the United States. They had therefore become attractive to unemployed workers from other parts of the country. Though their unemployment rates had begun to climb prior to the explosion, making them less attractive to potential job seekers, an almost immediate effect of the spill was an increase in the flow of people looking for cleanup work, many of them with few or no resources to support them until they found a job. Soon, though, as local fishermen and others in need of money took the jobs in the cleanup, many of the people from outside the area were unable to find jobs. Throughout the fall, and continuing through the spring of 2011, social service providers, pastors, and others noted that among the people they were serving at homeless shelters and in meal programs were those who had come looking for work after the spill and did not have sufficient resources to return to the communities from which they had come.

1.5. SOCIAL AND ECONOMIC EFFECTS OF THE DISASTER ON THE OFFSHORE PETROLEUM INDUSTRY IN 2011

Most companies and workers in the offshore petroleum industry expressed uncertainty and frustration as 2011 got underway. In February 2011, there were 125 drilling rigs in the Gulf, more than had been there when the *Deepwater Horizon* exploded in April of the previous year, but all but 34 of them were idle (Hammer 2011, citing ODS-Petrodata). The first deepwater permit was issued February 28, 2011, with 127 permits issued for 40 wells by early September (BOEMRE 2011b). Though day rates for rigs remained the same, new offshore drilling activity was slow throughout the winter and into the spring as companies waited on permits, and also because of bad weather in the Gulf (Figure 1.6). Almost every company involved in offshore drilling commented on the effects of the moratorium and suspension. The manager of a supply company described the combined effects of the hurricanes, the initial efforts to contain the spill, and moratorium in April 2011:

DA502: The spill slowed things down but the moratorium is the killer. Supposedly it's lifted, but there's not any new work. We had no decline before, it's all declining since Katrina. Katrina was a huge impact on our business. All businesses below the Intracoastal. Katrina made a lot of people rich, so did the spill. After the spill there was a short upturn and then the moratorium killed it. We helped with the cleanup after the spill. But then BP cut out the middlemen and started dealing directly with the factory. We sell absorbent pads and boom. We sold two to three trucks and called to order more. The supplier said hold off. They started buying directly from suppliers. After the spill, for two to three months, everybody was going crazy at first. It depleted the entire country of any type of environmental supplies. You couldn't find a single anchor anywhere in the country. With the oil booms depleted so far down, Chet Morrison came up with an idea to make booms out of pipe. They made six miles of steel booms. Can you imagine what that cost? Steel and then paint and blast? At Southwest Pass, they lined up pipe and barges to hold pipe in and drove beams to hold the pipe.

Researcher: What were you selling for the spill?

DA502: Odds and ends, for example we sold 500 hats for guys working on the beach (DA502 2011).

The manager of a commercial diving company that specialized in rig inspections noted that the guidelines requiring more inspections had not yet caused noticeable changes for his business:

[The disaster] had an indirect effect [on us]. Everybody just stopped, the drilling and production boom stopped. We're a service company, so we shut down when they shut down. The majority of our work now is inland shelf stuff. It's still not as affected as offshore. It still ain't picked up at all to where it was prior. During the incident, there were no vessels available. BP had everything on contract. We don't own vessels, we use third party everything. MMS changed. They came out with stricter guidelines, but it has not trickled down to our company... The whole time the spill was going on, nothing was available. Now boats are available but there's no work available. Everybody is still waiting. We have an inland job in Kentucky, coastal work... The stuff on the shelf is still controlled by major companies. They're watching their [bottom line] and not spending money. Watch the next year. We have to wait through hurricane season again... then we'll be busy in September and October (DA506a 2011).

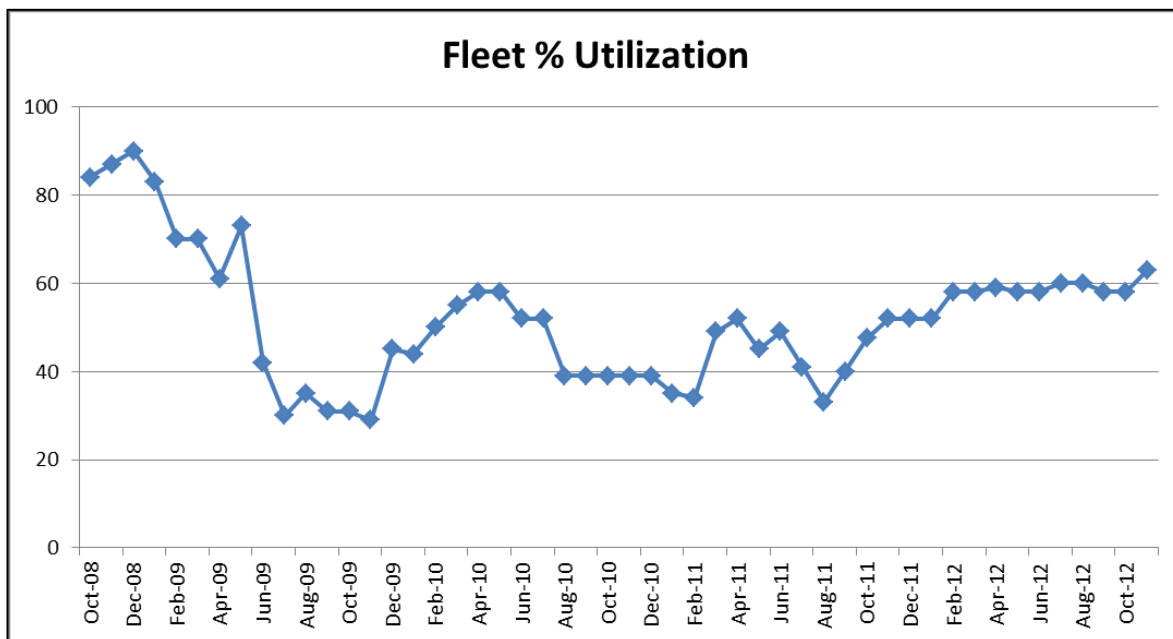


Figure 1.6. Offshore drilling activity in the U.S. Gulf of Mexico as reflected in jack-up fleet utilization.
Source: IHS 2012.

The permitting process began to accelerate in 2011, and by early September, 73 new shallow water well permits had been issued for the Gulf of Mexico, still considerably below the rate of issuance prior to the disaster. Day rates for rigs rose a bit by December and remained steady into 2012; fleet use was on the rise by then and reached almost 60% by April 2012

(Figure 1.6). The lack of activity was observed by workers in motels and restaurants who did not see a return of crews until late spring or early summer. Workers whose hours had been cut continued to struggle to make ends meet, though they remained largely invisible except at the loan offices, pawn shops, social service agencies, and other places where they turned for help. As has happened in prior industry downturns, because they were not laid off, these workers could not qualify for public assistance. Of particular concern to representatives from NGOs and others trying to meet the needs of those falling through the cracks were the families that typically supplemented income from fishing with oilfield work at a time when the latter jobs were few and far between (see Chapter 2).

The fact that the *Deepwater Horizon* explosion occurred in the midst of a downturn in the industry created particular problems for those seeking to use resources made available only for those affected by that event. For example, the affected coastal states received National Emergency Grants to provide employment-related assistance and retraining to support long-term training for individuals who lost their jobs because of the spill and would not be able to return to their previous lines of employment. Though the grants were awarded in 2010, the programs did not really get going until 2011, and program coordinators across the region reported that they were able to serve very few people. A key problem was that many people had first lost their jobs due to the industry downturn and then, because the disaster, the moratorium and suspension, and the changes in permitting further restricted employment opportunities, they were unable to find new ones. They were considered ineligible for training that was tied specifically to job *losses* from the spill. Thus, instead of being able to use the time they were out of work to upgrade their skills or develop new ones, they were excluded from the program.

Within the industry, the fear of large-scale layoffs was never realized. The expansion and extension of the Rig Worker Compensation Fund generated around 1,100 applications by the new mid-May 2011 deadline, with just over 400 people receiving money, but fell far short of expectations. Observers noted that oil exploration companies, drilling contractors, rig-supply vessel owners, and shipyards had maintained at least some contracts during the shutdown and avoided large layoffs. Consequently, by the end of the summer, most of the money remained in the fund: \$11.4 million had been paid to workers and \$6.5 million had gone to cover administrative costs. The Baton Rouge Area Foundation created a Future of the Gulf fund and, in September 2011, announced \$18 million in grants, the bulk of which would go to Catholic Charities Archdiocese of New Orleans to continue its Spirit of Hope Collaborative, a group of 16 nonprofits providing mental-health services and career counseling in fishing communities after the spill.

The effects of the new SEMS standards were evident in the early fall as October 15, the date by which companies working in offshore federal waters had to demonstrate that their plans met the new standards, approached. Established companies that provided training and safety compliance checks were fully booked, offering workshops and consulting services to contractors in the region:

The rules and guidelines have changed, and they needed to. What I see these guys doing [is] paying more attention to stuff that matters. It's not so much that's changed, but [they've] just cracked down on fire, training, SEMS. The majors always did, but now they're cracking down on the small companies. It's good for our business and the safety of people... I just hung up the phone with one of our biggest companies – they've been in business for 20 years and they're starting over from scratch... The service work has to be

done because the government says you have to have a third party to do inspections. Then we also do other work they could do but they don't want to do themselves. It's a liability issue ... I'm hearing that SEMS is doing what we've always done – shooting for picking a standard and everyone following that (DA605b 2011).

Although the job losses associated with the BP disaster were not as great as predicted, not all companies were able to keep their personnel. Mid-sized companies in specialized sectors were particularly affected, including those who supplied commercial oilfield divers, oilfield supplies, and offshore service vessels. Both company managers and employees reported layoffs or significant reductions in hours. Because these companies often hire local workers, their layoffs also affected the small bayou communities where they are located. Those companies and personnel that were mobile continued to leave the Gulf, taking jobs in onshore oil and gas fields in other regions of the United States and in offshore fields across the globe. Company officials noted that many workers from the Gulf found themselves surrounded by their former co-workers in their new national and international work settings.

Other industry impacts include new oil spill prevention systems for oil and natural gas producers operating in the Gulf. The Macondo Well was one of 43 wells being drilled in the U.S. Gulf of Mexico at depths of over 5,000 feet (Deepwater Horizon Study Group 2010c; see BOEMRE n.d.b for tables of permanent platforms and bore holes drilled at depths of greater than 1,000 feet). Industry leaders recognized that companies working in deepwater “need to be better prepared in the event an operator lost complete control and subsequent containment of a well” (Marine Well Containment Company 2012). As a result, two industry consortia, the Helix Well Containment Group (n.d.) and the Marine Well Containment Company (2012), were formed to develop and make available well containment equipment and a deepwater containment response system.

The *Deepwater Horizon* incident also had ramifications for the entire offshore petroleum industry. For example, Norway's Petroleum Safety Authority identified three key areas—organization and management, risk management, and barrier management—which required changes to reduce major accident risk on the Norwegian Continental Shelf (Petroleum Safety Authority Norway 2012). The effects of the changes within the industry will be felt in years to come.

1.6. SUMMARY

The offshore oil and gas industry in the Gulf of Mexico had entered a downturn prior to the *Deepwater Horizon* rig explosion. At the same time, activity was expanding in the onshore oil and gas fields in U.S. states including northern Louisiana, Texas, North Dakota, and Pennsylvania as well as offshore fields off the coasts of countries including China, Africa, Brazil, and the Middle East. As a result, it is difficult to distinguish the effects of the *Deepwater Horizon* disaster and its aftermath from the other changes taking place within the petroleum industry. The moratorium and suspension of deepwater drilling, and regulatory changes implemented in the wake of the explosion, nevertheless affected companies and employees across the industry, and were perceived by some to have had greater effects than the release of oil into the Gulf. In addition, while some of the major indicators of the effects of the disaster, such as unemployment rates and demands on compensation funds, showed less change than

expected, many of the workers and companies most affected generally were beyond the public eye and the reach of the programs established to mitigate the loss associated with the disaster.

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CHAPTER TWO: COMMERCIAL FISHERIES

Brian Marks, Bethany Rogers, Preetam Prakash, and Shannon Dosemagen

2.1. INTRODUCTION

Commercial fisheries and seafood processing have a long history on the Gulf Coast. Despite being a far smaller industry in terms of formal employment and revenue than other prominent Gulf industries like tourism and offshore oil (Bourne 2010), commercial fishing is the most important economic driver in some coastal communities and the basis of livelihoods for thousands of people, including many who trace their residence on the Gulf Coast back to indigenous tribes, to early European settlers in the 1700s, and to more recent immigrants in the 19th and 20th centuries (Gramling and Hagelman 2005; Davis 2010). For many in the commercial seafood trade, involvement in the industry goes back multiple generations and the ownership and operation of boats, docks, and plants as well as business relationships in the Gulf seafood industry are still often organized along lines of kinship and co-ethnic identification (Roberts and Pawlyk 1986; Deseran 1997; Deseran and Riden 2000, 2003; Durrenberger 1992, 1996; Marks 2012). The region's fisheries have had to coexist with expansive economic development in the coastal zone such as intensive agriculture, urbanization and mass tourism, chemical manufacturing, bulk cargo shipping, and oil and gas exploration and extraction. Such development led to attendant environmental changes like salt water intrusion, coastal wetland loss, hypoxic zones, and underwater obstructions, as well as the effects of some coastal restoration projects, especially fresh water diversions from the Mississippi River that provoke opposition from oyster harvesters and other commercial fishers for claimed harms to fishery productivity (McGuire 2006). Despite major hardships in recent decades—the BP oil spill being only the latest in a series of acute and chronic challenges ranging from major hurricanes, to tightening government regulations, to sharply falling prices simultaneous with rising expenses—commercial fisheries remain an important element in the Gulf region's economic and cultural landscape and the personal and collective identity of many coastal residents (Margavio et al. 1996; Davis 2010; Deseran and Riden 2000; Fritchey 1993; Guillory et al. 2001; LDWF 2000; Marks 2012).

After the Pacific Northwest (including Alaska), the Gulf of Mexico is the country's most valuable and largest volume regional fishery (NOAA Fisheries 2011d). The Gulf Coast commercial fishing industry is comprised of four principal fisheries: shrimp, oysters, crabs, and finfish, with menhaden, grouper, red snapper, and yellowfin tuna making up a large proportion of the regional finfish catch. Of the Gulf states, Louisiana has the highest overall landings volume and revenue, 1.2 billion pounds in 2009 with an ex-vessel value of \$297 million out of a Gulf-wide total of 1.6 billion pounds worth \$644 million (NOAA Fisheries 2012).

The following sections address each of the fisheries for the major targeted species in the Gulf, and, where possible, the multiple actors in the commodity chain of those fisheries, from harvesters to docks to processors and distributors. Since the 2010 disaster, several peer-reviewed and grey literature studies have attempted to project the spill's potential economic impacts on the region's fishing industry (GNO, Inc. 2010; National Commission 2011b; Tunnell 2011; McCrea-Strub et al. 2011; Sumaila et al. 2012). This report supplements those studies, and the recent

journalism on prevailing socioeconomic conditions (Alexander-Bloch 2010, 2012a, 2012b; Alexander-Bloch and Anderson 2011; Amy 2011; Anderson 2011; Bayles 2012; Buskey 2010a, 2010b; DeSantis 2011a, 2011b, 2011c, 2011d; Jonsson 2012; Kaufman 2010; Robbins 2010; Roberts 2011; Robertson 2011a, 2011b; Rodriguez 2010; Satchfield 2010; Seafood.com 2010; Seafoodnews.com 2011; Skoloff and Weber 2011; White 2011; Zullo 2011), by situating the present condition of Gulf commercial fisheries in their historical and geographical context. This report incorporates ethnographic data gathered by this project's fieldworkers in 2010 and 2011 with existing accounts of the socioeconomic factors affecting the recovery of Gulf of Mexico fisheries.

2.2. METHODOLOGY: MULTI-SITED ETHNOGRAPHY WITH COMMUNITY PARTNERS

Data on commercial fisheries were generated through a multi-sited, one year ethnographic study of the social and economic impacts of the 2010 spill on Gulf Coast communities. At the time of the *Deepwater Horizon* incident, the lead academic researchers for this project had relationships with community members and organizations in some Gulf Coast fishing communities that had developed from community-based team ethnographic research in the region conducted prior to the disaster (Austin et al. 2008; Austin 2003). Out of these existing relationships and newly established ones, the academic researchers identified and hired community research partners to help identify and talk with residents in those communities about the impacts of the oil spill on their lives and businesses. This research collaboration strengthened access to fishing community residents, as well as led to the kinds of insights that developed as community research partners interacted with others with whom they have long-standing relationships. In addition to these discussions, community partners attended project team meetings and were encouraged to submit field notes of their observations of oil spill impacts on local economies and social dynamics. They also had focused conversations with the academic researchers at various points in the study in which they could reflect and share their personal experiences and insights.

The academic researchers on this project also spoke with people in all aspects of the commercial fishing industry. Using a matrix to guide their selection of participants, researchers talked with a range of fishers, business owners and workers in the region's four prominent fisheries across those fisheries' commodity chains. The exposure of the commercial fishing industry to the effects of the 2010 spill meant that conversations with people in the industry were a priority in the project; discussions with workers in the industry were often in-depth and digitally recorded or written in detail as field notes. The researchers also attended a range of events from industry conferences to public hearings to capture the broader economic and political context shaping the industry today, and participated in social and cultural events, such as local seafood festivals, Blessings of the Fleet, and church celebrations, in order to gain a better understanding of the political and socio-cultural aspects of Gulf Coast fisheries. Primary statistical data and secondary sources, including newspaper articles, agency and academic reports, are incorporated in this section to develop a historic context and a more comprehensive portrait of the commercial fishing industry in the region.

2.3. BACKGROUND ON THE GULF COAST COMMERCIAL FISHING INDUSTRY

2.3.1. Shrimp

Shrimping is the Gulf Coast's most economically valuable commercial fishery (NOAA Fisheries 2012) with a total value of \$327 million in 2009 for landings totaling 251 million pounds. Shrimp are primarily landed in Texas and Louisiana. Brown (*Farfantepenaeus aztecus*) and white (*Litopenaeus setiferus*) shrimp are the two principal species harvested and processed in the region, with smaller harvests of rock shrimp (*Sicyonia brevirostris*), pink shrimp (*Farfantepenaeus duorarum*), seabobs (*Xiphopenaeus kroyeri*), and royal red shrimp (*Hymenopenaeus robustus*). Shrimpers can trawl in open Gulf of Mexico waters regulated by state and federal authorities most of the year, while inshore marshes and bays under state regulation experience shorter open seasons intended to protect juvenile shrimp. Shrimp larvae mature to commercially harvestable sizes in brackish estuaries near the Gulf, where their harvest is restricted to varying minimum sizes by their respective state fishery management agencies. Louisiana's inshore shrimping seasons typically run from May to July for brown shrimp and from August to December for whites, with different openings and closures in other states and certain parts of federal waters (Louisiana Sea Grant 1999). The otter trawl is the most common fishing gear used to harvest shrimp in the Gulf, while skimmer nets have become prevalent in the past two decades among smaller shrimping boats working inshore waters (Hein and Meier 1995; Gramling and Hagelmen 2005; Davis 2010).

Shrimping is a traditional livelihood among many coastal families, both those resident to the region for many generations and recent immigrants. In south Louisiana, some shrimpers trawl inshore with small boats part-time in addition to working a shore job (Sass and Roberts 1979; Gramling 1984; Henry and Bankston 2002; Marks 2012). Shrimping communities dot the Gulf, with the largest concentration of licensed Louisiana commercial shrimpers in Terrebonne, Lafourche, Jefferson and Plaquemines parishes (LDWF 2012). Outside Louisiana, significant concentrations of shrimpers are found in Biloxi and Pass Christian, Mississippi and Bayou La Batre, Alabama (Durrenberger 1992, 1996; Boudreaux 2011). In Biloxi and Pass Christian, Croatian and French descendants are prominent in the shrimping industry. Native American shrimpers are prevalent in some south Louisiana parishes, as are Anglos, Cajuns, and Vietnamese and, in a few parishes, Cambodians, Croatians, African-Americans, and Isleños. Since the late 1970s Vietnamese-Americans have taken a prominent place in the Gulf of Mexico shrimp industry, today operating a large number of the fishery's steel-hulled freezer boats that work the open Gulf for a month at a time and shrimp buying docks in communities where Vietnamese shrimpers are numerous (Starr 1981; Durrenberger 1994; Marks 2012).

Gulf shrimp has been processed and distributed to regional and national markets for more than a century. The first shrimp canneries and open-air shrimp drying platforms opened on the Louisiana and Mississippi coast in the late 1800s (Becnel 1962; Davis 2010; Cenac and Joller 2011). In the early 20th century, some processors ran their own large shrimping schooners and others bought from businessmen operating ice boats shuttling chilled shrimp between harvesters and processors. By the mid-20th century, as shrimp boats evolved to have more storage space and more powerful engines and frozen shrimp replaced canned and dried products in the market, shrimpers came to sell directly to processors' landing docks or to onshore dockside dealers (Roberts and Pawlyk 1986; Becnel 1962; Marks 2012). The contemporary Gulf shrimp

commodity chain still generates the highest value of any fishery in the Gulf of Mexico, but crippling economic hardships in the industry since the 1980s have consolidated the number of shrimp processing plants (Keithly et al. 1994; Keithly et al. 2005) while the total volume caught and processed has remained fairly steady.

2.3.2. Oysters

Oysters are another of the Gulf Coast's iconic fisheries with a storied history (Durrenberger 1992; Davis 2010). Total Gulf of Mexico oyster landings in 2009 equaled 22.8 million pounds, worth \$73.5 million in ex-vessel value, of which about 2/3rds were landed in Louisiana. While in recent years the eastern oyster (*Crassostrea virginica*) fishery has constituted a shrinking percentage of the Gulf's fishery revenues, oysters still make up about 15% of the region's annual income from commercial fishing (NOAA Fisheries 2012). Unlike other fishing sectors harvesting wild animals as a common property resource, many oyster fishermen cultivate oysters over a number of years on leased water bottoms. Raising oysters involves preparing a bed of an appropriate substrate for oysters to grow upon, setting spat, or oyster larvae, on the lease's beds, transferring smaller seed oysters onto suitable beds, and harvesting them once they reach market size (McGuire 2006). The Louisiana Department of Wildlife and Fisheries (LDWF) leases water bottoms for oyster cultivation to individuals and maintains public seed grounds, commons harvested for oysters for transfer to private leases or sold directly to the market (Deseran and Riden 2000). LDWF determines opening and closing dates for harvesting from public grounds, but oyster leaseholders can take from their beds year-round. Most present-day oyster harvesters in Louisiana use mechanical dredges but in African-American and Creole communities on the east bank of the Mississippi in Plaquemines Parish, oystermen sometimes use hand dredges or tongs because it is more practical for small-scale fishermen, a harvesting technique the African-American fishing community fought to legalize in the late 1970s. Some oystermen of limited means are "sharecroppers" who work the oyster leases of oyster leaseholders and receive a portion of the harvest, work for wages for oyster processors who own their own leases, or work public beds only, while others have leases they harvest from periodically when not working public areas (Mock 2010).

Mississippi and Alabama's smaller area of oyster beds are almost all state-owned and those that are private are leased by a small minority of fishers (Durrenberger 1992). As a result, the majority of oyster harvesters in Mississippi and Alabama harvest market oysters from the public beds. In those states, the public oyster reefs are limited in size and capacity too, so in some areas fishers are required by law to hand tong their oysters and are limited in the number of sacks they can harvest daily. Mississippi permits mechanical dredging in certain state beds and this physically less demanding and more productive dredging method has become increasingly prevalent in the state in recent years. Oyster harvesters in Alabama have recently been permitted by the state to use mechanical dredges in designated areas. This has sparked controversy in Alabama's oyster industry because of concerns over equal harvesting access among fishers and over environmental sustainability, since state reefs in Alabama have been less productive in recent years due to intensive harvesting and to other environmental factors (Durrenberger 1992; Raines 2010a, 2010b).

Larger-scale oyster harvesters with bigger boats and more leases tend to rely exclusively on oysters for income, while smaller-scale oystermen often work side jobs, most commonly in other commercial fisheries, when they are not oystering (Deseran and Riden 2000). In Louisiana, many licensed oyster harvesters live in Plaquemines and Saint Bernard parishes, historically in eastern St. Bernard and in lower Plaquemines, and in the parishes of Terrebonne, Calcasieu, and Cameron (LDWF 2012). The oyster fishing community in Plaquemines is distinguished by a Croatian immigrant legacy and many oystermen in that parish, especially those operating large vessels full-time, are second- and third-generation Croatian fishermen (Deseran and Riden 2000). The Croatian oystermen are credited with developing the harvesting gear and operations that revolutionized Gulf oystering in the early 20th century, making it more lucrative (Davis 2010). As already noted, there is also a significant community of African-American and Creole oyster harvesters on the east bank of the Mississippi and in Port Sulphur in lower Plaquemines Parish. Cajun oystermen are numerous on the lower bayous of Terrebonne Parish. Across the Gulf, many hired oyster fishers working large leaseholders' boats are Hispanic. Oyster fishing is also prominent in Pass Christian, Mississippi and Bayou La Batre, Alabama.

Oyster processing and distribution to distant markets dates back to the 19th century, when an oyster-eating craze and railroad links to northern U.S. cities brought Gulf oysters to Baltimore, New York, and elsewhere (Davis 2010). At that time, oysters were either shipped whole or shucked and canned, but today, due to increased health protection requirements and issues of consumer confidence, some processors use a pasteurization process to ensure the oysters have a longer shelf life and to minimize risks from eating raw oysters. Some of the largest oyster processors on the Gulf are located in Bayou La Batre (Durrenberger 1992), but processors of varying sizes and some fishers themselves in Louisiana and Mississippi also shuck and wholesale oysters. Obtaining labor for oyster shucking, crab picking, or shrimp processing, jobs that are repetitive, strenuous, seasonal and poorly paid, historically presented difficulties to processors. Processors turned to Southeast Asian immigrant women in the 1970s and 1980s (Moberg and Thomas 1993) and, increasingly, to Hispanic immigrants, some of them H-2B visa workers, in the 1990s and 2000s (Gagnet 2005; Preston 2011).

2.3.3. Crabs

Crabbing is a less prominent commercial fishery than shrimping or oystering, but possesses its own particular history of development and regional socioeconomic importance (Horst and Horst 2010; Keithly et al. 1988). While fishermen have harvested the blue swimming crab (*Callinectes sapidus*) from the Gulf with nets and trotlines for generations, the commercial growth of the industry in the region is relatively recent. It was not until the 1980s that the blue crab industry became as substantial in value terms as oysters and menhaden among the region's commercial fisheries (Keithly et al. 1988; Guillory et al. 2001; NOAA Fisheries 2012). Blue crabs are the most commercially important crab species harvested in the Gulf of Mexico and in 2009 constituted a \$45 million fishery with 61 million pounds of landings, the large majority of which were landed in Louisiana (NOAA Fisheries 2012). The capitalization required to begin crabbing is less than some other Gulf fisheries (Guillory et al. 2001), such that the sector has attracted a considerable share of newcomers to commercial fishing. There are no seasonal closures in the crab fishery, so crabbing is an off-season pursuit for some shrimpers, oystermen and finfishermen in addition to full-time crabbers. Growing crabbing effort in the 1990s and

2000s has heightened competition for available crabs and raised the number of traps crabbers must run to earn a decent return (Davis 2010; Marks Field notes 2011). Most crabbers sell the animals live to buyers, but some crab fishermen and buyers shed crabs in on-shore tanks to produce more lucrative soft-shelled crabs (Horst 1992).

Crab fishing activity is concentrated in Waveland and Bayou Caddy in Mississippi and Bayou La Batre in Alabama but is spread across most of Louisiana's coastal parishes, with the largest number of licensed crabbers in 2010 in Terrebonne, Jefferson, and Saint Bernard (LDWF 2012). Southeast Asian immigrants, Vietnamese but also Lao, Cambodian, and Thai, have become prominent as crabbers as well as crab pickers in processing plants since the 1980s in Louisiana, Alabama, and Mississippi (Guillory et al. 2001; Juhasz 2011). The lower capitalization of small crab picking plants relative to shrimp peeling factories has also meant crab processing businesses are more easily invested in by recent immigrants. A few crab plants in the region are owned by first-generation Southeast Asian immigrants (Juhasz 2011), unlike the shrimping industry in which processors are more often owned by established Chinese-American businessmen (Marks Field notes 2011). The regional seat of crab processing and distribution is Bayou La Batre, with many small and a few large plants scattered across the Gulf Coast in places like Des Allemands and Slidell, Louisiana, and Biloxi, Mississippi. Smaller crabs and females are cooked and their meat picked in the region's processing plants, while larger male crabs fetch high prices on the live market for boiled crabs in restaurants in Gulf Coast states as well as in the Chesapeake Bay region.

2.3.4. Finfish

Finfishing is a diverse sub-sector in the regional fishing industry, constituting about one quarter of the Gulf seafood industry by value, compared to shellfish making up the other 75% (NOAA Fisheries 2012). The industrial fishery for Atlantic menhaden (*Brevoortia tyrannus*) is much larger in landings volume and considerably more lucrative than any other Gulf of Mexico finfishery. Menhaden, also known as pogy, were a nearly \$70 million fishery with a huge annual volume of catch, over 1.1 billion pounds in 2009 or more than 2/3rds of the entire Gulf's fishery landings by weight. Louisiana lands about 4/5ths of the menhaden brought ashore from the Gulf, Mississippi almost all of the remainder (NOAA Fisheries 2012). Menhaden are a reduction fishery, ground up and cooked in processing factories and their meal and oils used to produce omega-3 fatty acids, livestock feed, pet food, and cosmetics. The purse-seine harvest technique used to corral and net large schools of menhaden developed over the 20th century to involve large off-shore vessels and smaller net-running launches coordinated by spotter planes (Smith 1991; Davis 2010). Because of the scale of investment involved and the specialized processing and harvesting equipment used, the menhaden industry is vertically integrated: Processors harvest, process, and distribute menhaden products. Menhaden fishermen, unlike almost all commercial fishermen in the Gulf, are wage laborers, part of a workforce of more than 200 employees per menhaden plant during the harvest season (CW464 2011; PP1001 2011). African-Americans, and in recent years Hispanics, are prevalent among these waged menhaden harvesters (Davis 2010; BM591 2011). The contemporary Gulf menhaden industry is highly concentrated, consisting of just two companies with four processing plants along the Gulf Coast, three of them in Louisiana and one in Mississippi (NOAA Fisheries 2011a).

Aside from menhaden, groupers (Serranidae), snappers (Latjanidae), and tunas (Scombridae) are the other principal finfish species caught commercially in the Gulf of Mexico. 5.8 million pounds of all species of grouper worth \$14.5 million were landed in 2009, almost all from the West Coast of Florida, making up about 12% of the region's finfish landing revenues that year. Snapper, mainly the red snapper (*Lutjanus campechanus*) but also several other species, are also mainly a Floridian fishery, with significant catches in Louisiana and Texas as well. Gulf-wide, the snapper harvest totaled 8.6 million pounds worth \$21.6 million in 2009. The Gulf of Mexico fishery for yellowfin (*Thunnus albacares*) and other tuna species, based in Louisiana and Florida, brought to shore 2.8 million pounds of fish worth \$8.2 million in 2009 (NOAA Fisheries 2012).

Grouper and red snapper were long harvested in large quantities from the Gulf (Helies and Jamison 2010). Red snapper harvests declined after 1970 and by the mid-1980s, snapper were overfished to the brink of fishery failure, leading to the first cap on total red snapper catch from federal Gulf waters in 1990. Rebuilding the snapper population is projected to take several decades and is complicated by high juvenile snapper bycatch and mortality in shrimp trawls (Baker et al. 1998). A string of federal regulatory measures have been introduced since the early '90s to protect red snapper, and on January 1, 2007 NOAA instituted a reef fish permit and Individual Fishing Quota (IFQ) system, which limits the number of Gulf fishermen who can commercially catch red snapper and caps the amount of fish that can be taken (Baker et al. 1998; Gulf Council 2010, 2012). Grouper, which includes various shallow and deep-water varieties that are fished commercially, is the second important class of fish in the Gulf of Mexico's "reef fish" fishery. Cuban commercial fishermen historically took most of the grouper harvested from the Gulf, although following the exclusion of foreign fleets from U.S. waters in 1976, American vessels, primarily from Florida, make up the contemporary grouper fleet (Schirripa et al. 1999). As with snapper, federal and state grouper regulations were tightened progressively after 1990 following declining landings and overfishing. Grouper were incorporated into the NOAA individual quota system for Gulf reef fish in 2010 (Gulf Council 2012; Schirripa et al. 1999).

The tuna fishery in the Gulf of Mexico typically employs bottom long lines, a hook-and-line technique with a weighted and anchored line sitting in deeper water (Horst and Bankston 1987). Following the discovery of commercially valuable tuna schools in the Gulf in the 1950s, Japanese fishing vessels harvested tuna from the Gulf between 1957 and 1981 before being replaced by U.S. fishermen. Many of the U.S. fishermen initially targeted swordfish and only caught tuna as bycatch. In the mid-1980s, Gulf tuna landings increased dramatically as fishermen began targeting tuna specifically. A new tuna fleet was established in Louisiana, at first augmenting existing effort out of Florida (Wilson 1988) and eventually overtaking it (NOAA Fisheries 2012).

Other finfish harvested from the Gulf include striped mullet (*Mugil cephalus*), sheepshead (*Archosargus probatocephalus*), and black drum (*Pogonias cromis*), fished primarily in the coastal state waters of Louisiana and Texas using strike nets or set lines with multiple baited hooks. In 2009 about five million pounds of black drum were taken from the Gulf, most of that in Louisiana, worth \$3.8 million (NOAA Fisheries 2012). There are a few docks and processors that specialize in finfish in the region, from the industrial menhaden concerns to small fish cutting houses. Other dockside dealers who primarily handle shrimp or crabs also buy, clean, and transport finfish as a secondary product line (BR119 2011; BM579a 2011; BM580 2011; BM582 2011).

2.4. STATE OF THE COMMERCIAL FISHING INDUSTRY PRIOR TO THE 2010 OIL SPILL

Gulf commercial fisheries generally grew in value, participation, and landings volume from 1945 to 1980. Profit margins in the region's principal fisheries peaked sometime between the late 1970s and mid-'90s, depending on the fishery (Guillory et al. 2001; LDWF 2000; Marks 2012). Declining economic conditions in the commercial fishing industry can be attributed to a number of factors, including rising production costs, downward pressure on prices and shrinking market share due to increasing seafood imports, increased government regulations, and a number of destructive hurricanes, particularly hurricanes Katrina and Rita in 2005 and Gustav and Ike in 2008.

The operating costs for commercial fishing vessels comprise several kinds of expenses, from ice and groceries to repairs and parts, but the largest single expense is usually fuel (Lafleur et al. 2004; Liese et al. 2009). High fuel prices in the 1970s and early 1980s cut into the profit margins of Gulf Coast fishermen (Durrenberger 1992), and the tripling of diesel fuel prices during the 2000s (U.S. Energy Information Agency 2012) did further harm to harvesters' margins. Mounting fishing expenses are one factor in declining shrimping effort in the federal waters of the Gulf (NOAA Fisheries 2009) and falling numbers of commercial fishermen (LDWF 2012) during the 2000s. Table 2.1 displays these trends in one of the Gulf's most important fisheries, the Louisiana shrimp fishery, showing the dramatic decline in shrimp prices and licensed resident commercial shrimpers after 2001 at the same time fuel prices increased. When adjusted for inflation (to the Consumer Price Index, in 2010 dollars), these trends become even more stark, with the price ratio of shrimp to fuel going from 0.72 pounds of shrimp = one gallon of diesel in 1998 to 2.57 pounds in 2008, a more than three-fold decline (Table 2.1).

A fast-growing volume of imported seafood in recent decades has trimmed the prices of Gulf seafood at the same time rising expenses have eaten at the fishing industry's margins. From 1980 to 2000, yearly seafood imports into the United States rose from 973,000 metric tons to 1,804,000 metric tons (USDC 2010). By 2009, imports accounted for 84% of the U.S. seafood market (NOAA Fisheries 2011c). Shrimp is the highest-valued seafood imported to the U.S. (NOAA Fisheries 2011d) and Thailand, Indonesia, and Ecuador are the largest shrimp exporting nations to the United States (NOAA Fisheries 2011c). Imports have been an issue for the Gulf shrimping industry since the 1960s (Becnel 1962) but have become the most serious economic challenge facing the sector in the past decade. Between 2001 and 2009 ex-vessel prices for Gulf shrimp fell, depending on size, between 25% and 50% (NOAA Fisheries 2012; NOAA Fisheries 2011e). Shrimp imports volume grew by nearly 50% from 2000 to 2003 alone, reducing the domestic shrimp industry's U.S. market share from 17.6% to 11.5% (NMFS 2004). Wholesale prices in the New York City market, one of the country's largest, for processed Gulf of Mexico brown shrimp show a generally declining trend from 1998 to 2009 under the price-cutting pressure of imports (Figure 2.1). Spot shortages and high demand on the international market pushed prices up to unsustainable levels in 1999 and 2000, then overproduction, the high value of the dollar, falling costs of shrimp aquaculture and some exporters' restricted access to the European and Japanese markets flooded the U.S. shrimp market after 2001 (Marks 2005). Prices for small peeled Gulf shrimp, such as five-pound boxes of 150/200 frozen shrimp per pound, saw a brief spike in late 2005 and early 2006 after hurricanes Katrina and Rita cut production and led to shortages further down the commodity chain. More important on 2008 prices than the brief impact of hurricanes Gustav and Ike were the extremely high fuel prices that increased prices

across all shrimp sizes in the NYC market. Rising expenses pushed Gulf shrimp prices much higher than their import competition in the national market, leading to price slashing by regional processors in 2009 seeking to regain their market share and move inventory. The economic pain imposed by this price cutting led some shrimpers to go on strike briefly that August season, and to attend a rally at the Louisiana State Capitol demanding an investigation of why Gulf shrimp prices were so low (Ballard 2009; Zullo 2009; Alford 2009).

Table 2.1. Statistics on the Producer Economics of the Louisiana Shrimp Fishery, 1998-2011

	Louisiana shrimp landings (thousands of lbs.) ¹	Landings value (millions of \$) ¹	Nominal price (\$/lb.)	Real price (Adj. to CPI, 2010=100) ²	Number of licensed LA resident commercial shrimpers ³	Nominal Gulf Coast #2 diesel price (\$/gal.) ⁴	Real #2 diesel price (Adj. to CPI, 2010=100) ²	Real shrimp / diesel price ratio (Adj. to CPI, 2010 = 100)
1998	112.0	\$159.2	\$1.42	\$1.90	8,826	\$1.02	\$1.36	0.72
1999	121.0	\$171.5	\$1.42	\$1.86	9,336	\$1.08	\$1.42	0.76
2000	145.4	\$253.0	\$1.74	\$2.20	9,988	\$1.44	\$1.82	0.83
2001	124.8	\$188.0	\$1.51	\$1.86	9,964	\$1.34	\$1.65	0.89
2002	107.8	\$141.2	\$1.31	\$1.59	9,558	\$1.28	\$1.54	0.97
2003	125.7	\$135.2	\$1.07	\$1.27	8,677	\$1.45	\$1.73	1.36
2004	133.4	\$138.5	\$1.04	\$1.20	7,679	\$1.75	\$2.01	1.68
2005	102.6	\$133.1	\$1.30	\$1.45	6,694	\$2.36	\$2.62	1.81
2006	137.8	\$147.7	\$1.07	\$1.16	5,775	\$2.64	\$2.87	2.46
2007	110.9	\$139.8	\$1.26	\$1.33	5,243	\$2.82	\$2.97	2.24
2008	89.3	\$130.6	\$1.46	\$1.48	5,101	\$3.76	\$3.80	2.57
2009	114.1	\$120.6	\$1.06	\$1.08	5,395	\$2.42	\$2.47	2.29
2010	75.6	\$107.4	\$1.42	\$1.42	5,839	\$2.94	\$2.94	2.07
2011	92.1	\$133.1	\$1.44	\$1.40	5,837	\$3.77	\$3.63	2.59

Source: ¹NOAA Fisheries 2012

²Bureau of Labor Statistics 2012

³LDWF 2012

⁴U.S. Energy Information Agency 2012

The cost/price squeeze on shrimpers forced many out of the business during the 2000s and imposed severe financial hardships on surviving fishermen, docks, and processors. In 2004, following years of contentious organizing and legal action by Gulf Coast shrimpers and processors, anti-dumping tariffs were imposed on imported shrimp from six countries, raising prices modestly for a time and generating funds that were partially redirected back to the shrimp industry (Marks 2012; BM595 2011; BM619 2011). The tariff's boost to prices notwithstanding, the economics of the Gulf shrimp fishery remained severely stressed by imports and expenses through the rest of the decade. The Gulf blue crab industry has also been negatively impacted by cheaper imported crab meat from countries like Venezuela and Thailand. In 2009, crab was the eighth most valuable seafood imported to the U.S. (NOAA Fisheries 2011c).

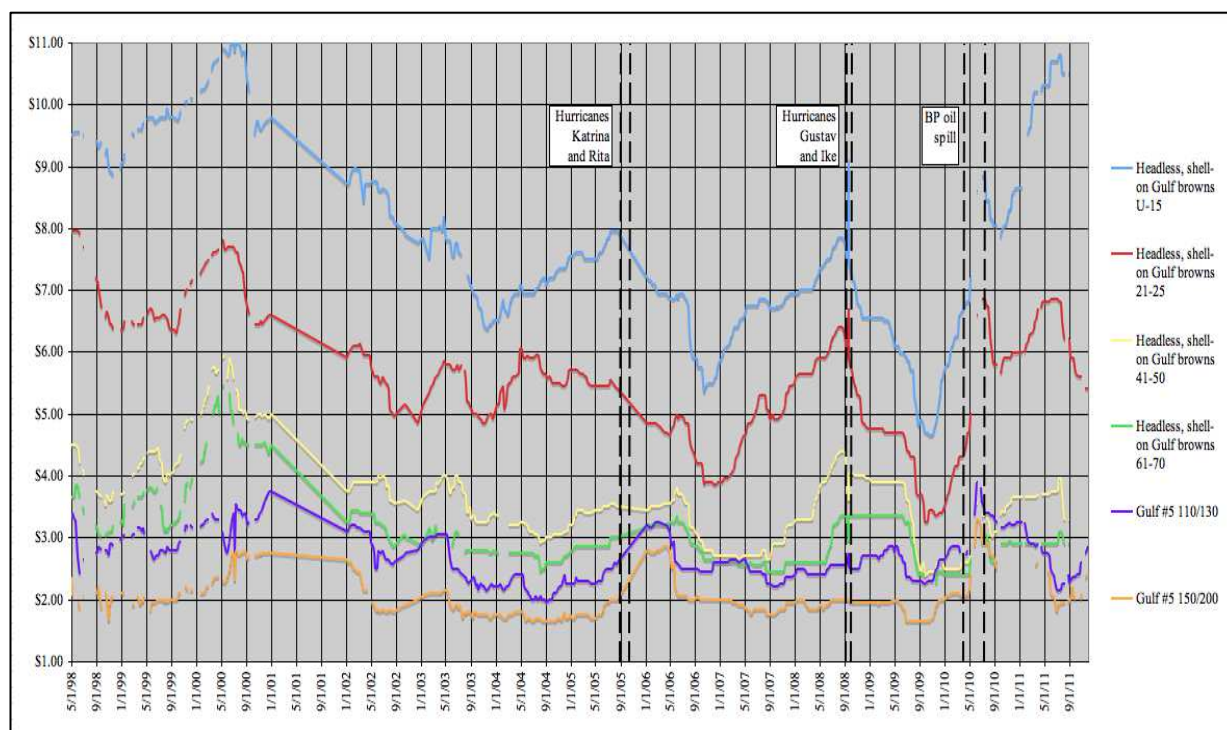


Figure 2.1. New York City wholesale Gulf shrimp prices, 1998-2011
Source: NOAA Fisheries 2011f

Government regulation in the commercial fishing industry has increased substantially in the last three decades. In the 1980s, concern over the incidental bycatch and death of endangered sea turtles in Gulf of Mexico shrimp trawls led to a years-long political battle between shrimpers, environmentalists, and regulators, after which shrimpers working in federal waters were required to use Turtle Excluder Devices (TEDs) in otter trawl nets (Margavio et al. 1996). TED regulations have come under renewed scrutiny by NOAA since the 2010 oil spill after concern about increased numbers of sea turtle deaths (Schleifstein 2012). In the 1990s the Federal Gulf of Mexico Fishery Management Council began requiring shrimpers to also use Bycatch Reduction Devices (BRDs) on their trawls (Samonte-Tan and Griffin 2001) and in 2005 imposed a shrimping permit moratorium in federal waters (Gulf Council 2005).

The oyster industry faces particular regulatory challenges. In the 1980s, concerns over health issues resulting from the consumption of raw oysters led to a U.S. Federal Drug Administration (FDA)-mandated shutdown of the entire Gulf industry in the summer of 1991 (Deseran and Riden 2000; McGuire 2006). In more recent years, mandates for refrigeration on oyster boats to prevent bacteria-related illnesses have affected the industry. In 2009, the FDA set pasteurization and refrigeration standards for the oyster industry that were criticized by Louisiana oyster interests and state government (Kirkham 2009; Alexander-Bloch 2012c). Oystermen and processors who have not made the investments to comply, which would have proven difficult for small operations under any circumstances but especially following the disasters of 2005, 2008, and 2010, do not typically get as many orders as those who have new refrigeration or pasteurization systems (Marks Field notes 2011). Another challenge to the oyster industry is a fluctuating supply of public oysters for sale and bedding onto private leases. In the 1980s, public oyster grounds saw a near-collapse in stocks, but in the early 1990s oyster

populations rapidly recovered. Despite a steady or rising volume of oysters harvested in Louisiana over the 1990s and 2000s, the stock of oysters on Louisiana's public seed grounds fell precipitously again after 2001. By 2009, public oyster stocks approached low levels of the late 1980s (LDWF 2010b).

In the 1990s the commercial fishery in Louisiana for red drum or redfish, a coastal finfish popular among recreational and commercial harvesters alike, was shut down by state regulatory action. Siding with a recreational fishing lobby against commercial harvesters, the state legislature reacted to a spike in redfish harvests by granting redfish permanent "gamefish" status, meaning that the fish henceforth could only be taken recreationally (Fritchey 1993). Some years later the Louisiana legislature adopted the Louisiana Marine Resources Conservation Act, effectively banning the use of gill nets by commercial finfishermen in state waters (Marshall 1996). The redfish and gill net bans greatly shrank the numbers of commercial finfishermen and commercial landings of coastal finfish in Louisiana, although small numbers of commercial fishermen still harvest mullet, black drum, catfish, and other minor species from the estuaries and coastal waters of the Gulf. Gill nets were also banned in Mississippi and in the mid-1990s the state of Alabama restricted the use of gill nets in coastal waters (Duff and Harrison 1997; Coastal Conservation Association 2012).

Two major hurricanes in each of the years 2005 and 2008 did significant damage to the Gulf Coast fishing industry (Alford 2005; Scharnberg 2005; Ratliff 2006; Jervis 2008; Buskey 2008). Estimated damages from hurricanes Katrina and Rita to commercial fishing vessels in Louisiana alone totaled over \$153 million, plus \$167 million in damages to docks and processors (Caffey et al. 2007). Mississippi commercial fishing losses from Katrina are estimated at over \$35 million (Posadas 2008) and \$101 million for the state's seafood buyers and processors (Posadas 2007). Along the Gulf Coast, fishermen and some docks facing extremely thin profit margins were either minimally insured or not insured at all. Posadas' (2007) assessment of the impacts of Hurricane Katrina on Mississippi seafood dealers and processors indicates that only about 15% of reported damages to facilities were covered by insurance. Caffey et al. (2007) found in Louisiana only 6% of reported 2005 hurricane damages to dockside dealers and 31% of reported damages to processors were covered by insurance. hurricanes Gustav and Ike in 2008 flooded and foundered many of the same fisheries firms still recovering from Katrina or Rita three years prior, mounting an additional \$251 million in estimated damages to commercial fishing in Louisiana (Buskey 2008) and smaller damages in Mississippi (Posadas 2011) and Texas.

Many commercial fishing enterprises could not recover on their own given the scale of damages and their weak financial position before the storms due to their low revenues and under-insured condition. Public assistance to the industry included federal grants following the declaration of Commercial Fishery Resource Disasters and special loan programs through the Small Business Administration (SBA). Katrina and Rita commercial fishery assistance amounted to \$238 million Gulf-wide, and was split between new research programs, public and private oyster bed rehabilitation, and direct aid to qualifying fishermen, docks, and processors (Upton 2010). Delays in appropriating the money and setting up a distribution program in the states meant that several years passed before any direct aid reached fishermen, though. In Louisiana, that state's Department of Wildlife and Fisheries did not begin its disaster assistance program for Katrina and Rita until May 2008. The initial distribution of funds was not completed before December of that year, months after two more hurricanes hit the same parishes victimized by the 2005 storms (LDWF 2010a). Another federal commercial fisheries disaster grant after Gustav

and Ike sent \$47 million to the Gulf states in 2009 (Upton 2010; Louisiana Sea Grant 2009). Post-Katrina SBA loans and Community Development Block Grant (CDBG) small business assistance totaled more than \$1.5 billion to all economic sectors, including commercial fisheries (GAO 2010). Federal grants and SBA loans helped many commercial seafood businesses recover from the hurricanes of the 2000s, but some fishermen and fisheries businesses complained the money came too late and came with too many strings attached, like the requirement to have increasingly unaffordable insurance on boats to qualify for SBA loans (Chu 2007; Buskey 2008).

Complicating post-hurricane commercial fisheries recovery was the displacement of fishing community residents. In some cases, post-storm relocation prevented fishers from easily getting home and tending to their damaged equipment or oyster beds. In addition, post-hurricane cleanup and construction contract work offered high hourly wages, attracting many returning residents and slowing the recovery of the commercial fishing industry. Coastal population loss seems to have particularly impacted seafood processing plants, which were not able to find enough workers to get up and running again. A prevalent concern among Louisiana processors and distributors was the loss of “old timer” skilled oyster shuckers who have been particularly difficult to replace (PP548 2010). Federal data indicates the number of seafood processing workers in Alabama, Louisiana, and Mississippi had declined by 25% between 2004 and 2008 (NOAA Fisheries 2011d). While the loss of infrastructure and workers significantly impacted the Gulf fishing industry, some of the region’s commercial fishing species were also impacted by the storms, notably oysters, since oyster beds smothered in mud stirred up by the hurricanes required years of replanting to return to full productivity (Johnson 2008).

The major storms of 2005 and 2008 combined with increased expenses, a shrinking market and government regulations have prevented the commercial fishing industry from returning to any semblance of stability or prosperity. The generational and familial continuity in fishing livelihoods and the reciprocal ties among industry firms that once distinguished Gulf Coast commercial fisheries have, in turn, begun to dissolve as the industry shudders from crisis to crisis (Ratliff 2006; Marks 2012; Anderson 2011). Statistics show that employment in fishing-related industries in Alabama and Louisiana dropped by 50% from 2006 to 2009, while Mississippi saw a 25% drop over the same three year period (NOAA Fisheries 2006, 2011e). Those who reinvested and rebuilt to remain afloat through the turbulent 2000s believed 2010 would be a rare chance for recovery and renewal in commercial fisheries: Seafood prices were rising modestly, fuel costs had moderated considerably the year prior, and disaster recovery and tariff monies were helping some businesses to shore up their firms or make new investments. The *Deepwater Horizon* explosion and ensuing oil spill came just as the industry was gearing up for the opening of the 2010 fishing season, what many hoped would be their industry’s first good year after a disastrous decade. It was not to be. A Louisiana crab fisherman said in a December 2011 conversation that:

2010 was supposed to be our comeback year. We had six [expletive] hurricanes in 10 years, that was rough! First in 2002, then in two in 2005, and then with those two storms in 2008....We was just getting back in 2010. We finally could get some money to get set up again. We had just gotten some money from the 2005 storm around when we got the 2008 storms, and we got some more after those storms so the fishermen could replace their traps, fix their boats, and recover. I invested my money in fixing up this dock, getting my other businesses in good shape. We were just about ready with all that when the spill happened (BM614 2011).

2.5. IMMEDIATE OIL SPILL IMPACTS: SUMMER THROUGH FALL OF 2010

The announcement of the *Deepwater Horizon* explosion on April 20, 2010 came at a time when many Gulf Coast commercial fishermen were finishing their preparations for the spring fishing season. Initially, the scale of the disaster was not apparent and the inability of BP to stop the leak was as yet unknown, so in the first days of the spill fishermen watched news reports with growing worry but hopes that the *Horizon* sinking might not disrupt their year. Unlike with hurricanes, most Gulf fishermen had little experience with major oil spills, and initial estimates of the amount of oil pouring from the Gulf floor were much smaller than the reality (Rainey 2010). In the last days of April, however, feelings went from worry to dread as the scale of the federal and state response surged and media attention grew following the failure to seal the well and the escalating estimates of the flow rate. The first contingents of fishermen had been drawn into the rapidly-evolving and chaotic response effort by May 1, hurriedly recruited by local agencies and BP sub-contractors, given safety trainings and briefings, and rushed into action from shore or on their fishing boats, newly-converted to skim oil or lay boom (DeSantis 2010; Warren 2010). By the end of the summer, several thousand commercial fishermen would work on the spill clean-up through the Vessels Of Opportunity (VOO) program, some for months, others for just days, while thousands more would be frustrated at their inability to get hired onto the lucrative program. By early May, out-of-work fishermen could also avail themselves of the economic claims offices BP had opened around the Gulf Coast. This first claims process, which ran until August 23 directly under BP's authority, focused primarily on paying commercial fisheries claimants, and wrote checks up to \$5,000 a month based on presented registration documents, seafood sales receipts, and tax records (WDSU 2010; Anderson 2010).

Louisiana's governor declared a state of emergency on April 29, one day before he ordered an extraordinary opening of freshwater diversions from the Mississippi River in an attempt to prevent the influx of oil into coastal marshes (Buskey 2010a). On the 30th, that state's Department of Wildlife and Fisheries issued the first fisheries closure in the Gulf, covering waters east of the Mississippi River (Smith 2010) as surface oil slicks approached that part of Louisiana's shoreline. Federal fishery closures totaling 3% of federal Gulf waters normally open to fishing began on May 2 and would expand to 37% of the area one month later (National Commission 2011a). Fisheries closures would also be declared in all or portions of Mississippi, Alabama, and Florida state waters during the summer of 2010 (MDEQ 2010a; FWC 2010a; Alabama MRD 2010). Federal and state closures fluctuated with the movement of oil, making for constant frustration and confusion among commercial fishermen. Louisiana's May inshore shrimp season was thrown into chaos by the spill as Wildlife and Fisheries opened the season early, before many people's boats were ready, to allow fishermen to catch shrimp before the oil closed down the fishery, then closed it again days later as oil began coming ashore. Many fishermen went to work for BP contractors in the clean-up, others waited out the season and sought payments from BP, and still others tried to go fishing but were frequently moved around by shifting closed areas, fined by fisheries agents if they wandered over the line, thrown into unfamiliar but open waters where they competed with other remaining fishermen for space and catch, and stymied to find open seafood dealers who hadn't shut down for lack of product or willing buyers for Gulf seafood (Houma Courier 2010; McElroy 2010; Marks Field notes 2011). Keeping up with the closures and re-openings was nearly impossible. In Louisiana alone, no less than 55 separate fishing closures, modifications, amendments, re-openings, overturned re-openings, re-closures, and final re-openings were issued between April 29, 2010 and April 26,

2011, most of them between May and August of 2010 (LDWF 2011b). An inshore shrimp fisherman in south Louisiana said that:

Last year we pretty much lost the May season because of all those closures – they’d open this area, then close that one, and close this again – you’d be dealing with panic, with mis-information, and dis-information, and *NO*-information, so people didn’t know what to do (BM617 2011).

Fishermen who tried to keep fishing around the area closures had mixed results, with some doing fairly well, others poorly, and some encountering floating oil even in open areas. Most reported better catches in the latter months of 2010 after the closures had mostly been lifted, although by the time waters were reopened and fishermen were released from the VOO program many did not have the time, or had made enough money from VOO and/or the claims process, to go back fishing before the end of 2010:

I shrimped last May season even though I had to move often because of the closures. They’d close this and that area and you’d have to move all over, but I found an open area to work in. I caught oil in my skimmers, too. It was too late before I saw this oil out in front of my boat to stop and pull up my nets, so I caught it. It was nasty stuff, thick like peanut butter, and you couldn’t wash it out of the nets or shake it out, it would just stick to the nets when you’d shake them so I washed my nets in my wheelwash to get most of it out and then I laid out the nets when I got home and pressure-washed them to get all the oil out (BM481b 2011, Louisiana inshore shrimper).

The oil spill happened April twenty-first. There was a bunch of worries amongst the fishing community as a whole because we really didn’t know what was going to happen, if the oil was going to come here, this and that and there was all this going on where people were getting hired to go work for BP and making really good money. We kinda stuck around for that but then finally - we normally get started around the first of May - but with all this happening, the way they was opening and closing seasons, stuff was real wild. I finally ended up going to work about the end of May. The shrimp supply was real short and the price of shrimp was great. We was getting prices for shrimp that we were getting 10 years ago. And actually I made one trip toward the ends of May and we worked two days in Louisiana when they said they was opening up Mississippi so we run over and worked one day in Mississippi and we come in and we had a very good trip for the short amount of time because we were getting almost two dollars a pound for small shrimp. I was gonna go right back out and then I got called by BP and I did get to go work for them. So, I only got to make one trip that year and after I got laid off toward the end of August, I made about three trips, about three or four weeks I worked (PP443 2011, Mississippi shrimper).

Crabbers were seriously affected by the closures (PP523 2010). Not only were they unable to keep fishing, but crabbers who were unlucky enough to have hundreds of crab traps in the water in an area when it was declared off-limits were prevented from collecting their traps as well as landing any crabs. Some crabbers lost thousands of dollars and, for many crabbers, this was a permanent loss:

I was still crabbing in April 2010 when the spill happened. And they closed all the waters, just like that, so I couldn't get my traps. They wouldn't let you even go and get your traps, retrieve them, so I lost like 300 traps in Dog Lake, over there by the Gulf. They had two guys arrested for trying to get their traps. One guy, they made him throw out all his crabs into the bayou, and the other guy, they actually arrested him out on the water and made him throw out his crabs too - wouldn't let him pick up his traps. Now the judge, he threw the case out, but they still arrested him. So I lost all my traps [permanently] - if you don't go pick up your traps people will come and steal them, the current will move them and you'll lose track of them, or people will cut your lines. So I lost my traps and I haven't been back crabbing since then (BM620 2011, Louisiana crabber).

The closures did not only affect fishermen in the areas directly facing the oil slick. One Vietnamese-American captain of a Gulf shrimp trawler in east Texas explained:

Last year all of Louisiana was closed for a while - we have places we always go to shrimp every year but with the closures, we couldn't always go to those places. Also, because our English isn't so good, we didn't always know where it was closed and where it wasn't so we'd get tickets from the state people in Louisiana. All of us got at least one ticket last year - I myself got three tickets. What happened last year is that all these boats [in Texas] couldn't go east because of the closures, so they just went out trawling a short time before the spill happened and again later in the year when Texas' season opened (BM601a 2011).

The large cluster of Vietnamese-American operated Gulf shrimp trawlers in Intracoastal City, Louisiana faced the conundrum of being too far from the spill to get easy access to VOO work and too close to avoid fisheries closures, as explained by a local fisheries agent:

What happened with the oil spill is at first there was a lot of confusion and fishermen didn't know what was going on, we were out of the center of events here and things with the oil spill happened so fast, we had a lot of trainings here and meetings and such but people were disappointed because they didn't ever get called to the VOO. Boats that happened to be in Houma got to go [work for VOO] while others from Texas said their boats were from Houma or New Orleans and they got in - some people here were upset about that... The closures were real difficult because they'd be issued in Latitude/Longitude terms but the fishermen here know LORAN C, not Lat/Long, plus there were language barriers. Later last year, some boats did get to go shrimping but most didn't go at all because the season is a whole process lasting months. You can't make any money if you only go a short time, it's too expensive to get ready if you can't work that whole time. So some boats did, like, three trips last year instead of the normal six and others didn't go at all (BM598 2011).

A shrimp processor in western Louisiana said the 2010 shrimp season, for those boats that were able to go later in the year, was fair to good:

Last year we couldn't run the peeling plant at full capacity because we couldn't get enough shrimp; most of the boats didn't work last year because they either worked for BP or else they shut down and got a check from BP. Now those boats that worked last year, they caught some shrimp; especially in the August season we had a lot of shrimp here, and big shrimp too, but there were very few boats to catch them. One guy made \$85,000 from BP last year and he made another \$80,000 catching shrimp. I don't know if that oil pushed the shrimp into Vermillion Bay or not, there was a lot of shrimp last fall but this year it's not good (BM587a 2011).

The oil leak was eventually stopped on July 15, 2010, and in the weeks and months to follow progressively larger areas of the Gulf of Mexico were reopened to fishing (MDEQ 2010b; FWC 2010b; LDWF 2012; LDWF 2011a; LDWF 2011b; Alabama MRD 2010; Gohlke et al. 2011; NOAA Fisheries 2011b). The huge amount of oil spilled and the volume of chemical dispersants sprayed onto the slick and below the surface raised fears among consumers (and some fishermen) that Gulf seafood would be unsafe to eat after the oil spill. Fishery reopenings and post-reopening testing were undertaken, and are still ongoing, to reassure consumers that Gulf seafood is safe (Gohlke et al. 2011; Buskey 2011). These tests have not found seafood with contamination higher than a "Level Of Concern" (LOC) for human consumption as defined by the FDA and calculated through a complex formula (Dickey 2011). However, the safety standards employed generated their own controversy. Area reopening decisions were based on standard sensory and chemical tests of samples of aquatic life from those respective areas – beginning with a much-maligned "smell test" where seafood was looked over and sniffed by trained testers for evidence of petroleum "taint," and followed by chemical analysis for PAHs (Polycyclic Aromatic Hydrocarbons), molecules in crude oil with carcinogenic properties (National Commission 2011b; Juhasz 2011; Dickey 2011). Following criticism from Gulf residents and environmentalists over the lack of testing for dispersant residues in seafood, NOAA and the FDA announced on October 29, 2010 a new test for a chemical component in the dispersants used on the spill and reported that they found no samples above those agencies' LOC (NOAA 2010).

Paralleling the testing and reopening process, federal and state governments, the seafood industry, and BP contributed to a public relations campaign to assure consumers that Gulf seafood was safe to eat. After months of negotiations with Gulf Coast state governments, BP released tens of millions of dollars to fund seafood promotion and quality testing in late 2010 (Seafood.com 2010; National Commission 2011a; Associated Press 2010). The message that Gulf seafood was now the most tested in the world, that all samples had come back below LOCs, that seafood was available and waters were reopened beamed out nationwide through news stories, sponsored sports events and cultural festivals, and BP's TV and radio spots inviting people back to the Gulf Coast.

Such pronouncements that Gulf seafood was safe did little to quiet criticism from some quarters. Critiques of the post-spill fishery reopening process and seafood safety protocols centered on assumptions of the toxicity of the spilled oil and the length of exposure (Rotkin-Ellman et al. 2011), the cancer risk threshold employed [the *Exxon Valdez* assessment used a

one-in-1 million risk threshold; *Deepwater Horizon* one in 100,000, and more recent spills as high a threshold as one in 10,000] (Bolger and Carrington 1999; California Environmental Protection Agency 2007; Dickey 2011), and the amounts and types of seafood eaten by different kinds of consumers (Rotkin-Ellman et al. 2011; NRDC 2010). A 2010 survey (NRDC) found some Gulf Coast communities, especially Vietnamese-American and Native American fishing communities in Mississippi and Louisiana, ate between 3.6 and 12.1 times more shrimp and twice as much oysters and crabs than assumed in the federal risk assessment, based on the 90th percentile of seafood consumers nationally. Children, smaller people and pregnant women would also skew the safety criteria towards lower levels of acceptable contamination (Rotkin-Ellman et al. 2011).

On the Gulf Coast, fieldworkers encountered a range of opinions of the seafood safety question from residents, with many people, especially those with memories of chronic oiling on coastal beaches in prior decades from smaller offshore spills, expressing confidence this oil spill could not have harmed Gulf seafood because oil pollution hadn't in the past (BM630 2012; BM476b 2011) while others vocally advocated their neighbors cease eating local seafood (Buskey 2010d; Marks Field notes 2011).

Commercial fishermen not only overheard this controversy over seafood safety in the media, they directly experienced it through the decisions they made about feeding Gulf seafood to their families and selling it to consumers. The quantity of seafood consumption considered safe per federal guidelines (14 ounces of shrimp and crabs per month, equaling about four individual shrimp per meal - see Ball 2010) is much lower than what is eaten by many Gulf Coast residents and became a running joke among residents who ate several pounds of the crustaceans weekly (AG415b 2011). One south Louisiana shrimper reported:

I'm worried about them saying 'the seafood is safe,' and they're saying 'you can eat four shrimp a week.' People here eat a lot more than that, so how did they come up with this figure that the seafood is safe? How was that calculated because you can make things show that it's safe or unsafe depending on how you figure it (BM617 2011).

Fishermen varied considerably in their seafood consumption practices following the spill, with some proud to report they still ate a portion of their catch and dismissive of any safety concerns, others expressing uncertainty about seafood safety but still eating some, and a number who completely stopped eating the seafood they caught. "Are you eating the seafood?" became a frequent conversation piece around Gulf Coast coffee tables after the oil spill, including in talks with fieldworkers for this project. A Louisiana commercial shrimping deckhand reported his decision to cease eating line-caught and bycatch fish while offshore or bringing any Gulf seafood home to his family came after cleaning abnormal fish on his first two shrimping trips taken since the spill in early 2011:

Since we started fishing this spring, we've been catching fish to eat on the boat like usual but when we'd cut them open, all the fish were black inside with oil, they even felt oily and greasy inside. When I cut the first one open, I threw it over and didn't think any more about it but after the next one and the next one, they were all like that. They were all black inside on this last trip, too. So on this trip, we got on the radio and all the other boats said they found the same thing. I used to bring seafood home for my kids to eat but

I've stopped doing that. I love my children and I won't feed this to them. We're not eating seafood we catch on the boat any more, either (BM590b 2011).

Another offshore shrimper who captains boats from Texas and Alabama ports was concerned about eating Gulf seafood because of what he observed when he returned briefly to trawling in late 2010. He claimed the texture of the fish and crabs he ate at sea had changed. "The fish used to be firm when you ate it with chopsticks, but now it's very soft, and it has no taste, it's like cardboard. That includes flounders, drum, redfish, yahoo" (BM462a 2011).⁴

Apart from the portion of the harvest they retain for family consumption and gifts to friends and community institutions, most Gulf Coast commercial fishermen sell their catch wholesale to docks or processors. Among small-scale fishermen like inshore shrimpers operating small boats, informal retailing to local consumers is a traditional outlet for part of their catch and an increasingly important business in the past decade of economic crisis because directly-marketed seafood gets a higher price than at the dock (Marks 2012). These direct marketing fishermen encountered skepticism over seafood safety from their customers and lower sales volume after the spill. One Louisiana inshore shrimper and crabber said in late 2011:

BM619: I'm still eating the shrimp. I don't know about you and how you feel about that, but me and my family, we never stopped, we're still eating the seafood. Now, I wouldn't eat shrimp that's from some area that I didn't feel okay about, somewhere there was oil, but I'm eating shrimp from areas on the inside [of the Gulf shoreline] here. But I've got people who won't buy [my] shrimp now, they're scared to eat them still.

Researcher: You mean you sell retail to people, local people here and they're not buying anymore from you?

BM619: Yeah, people right around here. I don't sell too far away, just to people in the area, and they're not buying from me anymore since the spill. They don't trust that it's safe. You have all this coming from the state and the federal government, saying 'the seafood is safe, come and eat our seafood,' and they're testing, but it's LSU doing it and where's LSU's money coming from? It's from BP, so do you think they're going to bite the hand that feeds them? Nah, they're not, so what can you do with that (BM619 2011)?

Three other inshore Louisiana shrimpers, one from southwest Louisiana (BM478 2011) and two from the southeast (BM481a 2011; BM481b 2011) faced challenges retailing seafood after the spill:

Last year I found my retail customers were scared to buy shrimp – they'd still buy, but you'd have to tell them it was tested safe, that I eat it, so that was a difficulty. And the closures around here last year were a problem, we had to work around them but it wasn't bad like further east – we also had more boats working here because they couldn't work further east and they came here to shrimp (BM478 2011).

⁴ This study was not designed to measure the nature and extent of effects on the seafood. Fisheries scientists were continuing to investigate these effects as this study concluded, with some studies reporting higher rates of health problems among offshore Gulf finfish in the spill zone than in the Gulf overall, including gross symptoms akin to those mentioned by BM462a and BM590b (see Pittman 2012a, 2012b).

I lost money on shrimp last year. I only went out for the August season - they'd close and open different areas all the time during the May season. I got hired on with BP out of Cocodrie instead for the May season, I worked for them for three months laying and changing booms. Then I shrimped like normal for the August season; I did alright. I retail what shrimp I can but since last summer - since the last half of 2010 - the people I sell to in Houma don't want to buy shrimp, they're scared because of the oil. So I've had to sell it to the docks even though the prices are bad. They were up early in 2010 because they thought there wouldn't be any shrimp, but in August when fishermen went back out the price was way, way down (BM481a 2011).

I normally sell all my good [large] shrimp retail. I have customers all around, some are in Vacherie, that I sell to. But I haven't yet sold my first box of shrimp retail this year, just a few ice chests here and there. Retailing has been down ever since the oil spill. Last week I sold 98% of my shrimp to the dock because my telephone just isn't ringing anymore (BM481b 2011).

A part-time commercial fishing deckhand in Plaquemines Parish reported being paid for deckhand work with shrimp, oysters, and crabs before the spill, but since the spill had stopped eating local seafood out of fears for its safety (BR026 2011). "I'm used to having seafood in the freezer all the time ... I haven't bought crabs or shrimp since the spill, and I kind of want to try it, but I'm afraid to 'cause of the oil" (BR026 2011). A shrimper's wife on Grand Isle, Louisiana said her family's seafood consumption practices changed since the spill:

We used to eat shrimp at least twice a week, but now we don't have any seafood at all. And that might be good - I mean, should we really be eating the seafood? ... For one thing, I know how much seafood we normally eat and I know it's way more than the average diet. And anyway, it's one thing if my husband and I want to eat it and deal with the health consequences, because we're older, but should we let our kids eat it? I think there's more chemicals than they're telling us and it's one thing for me to be so at risk, but I really worry about our daughter. About all the kids (BR053b 2011).

The end of the oil leak and reopening closed areas to fishing began a slow transition back to the water for many commercial fishermen in late 2010. Charter fishing captains, who hire out their boats and guide tourists to recreational fishing, typically had boats well-suited for many cleanup operations. Charters also had existing relationships with many of the local marinas where cleanup operations were staged. As a result, charter captains were more consistently able to secure cleanup contract work and they were typically asked to stay on as cleanup sub-contractors longer than commercial fishermen. Also, in contrast to the benefits that accrued to recreational marinas that served as hubs of cleanup deployment along the Gulf, commercial fishing marinas and seafood wholesale docks saw fewer benefits from the 2010 cleanup, sometimes selling fuel or ice to contractors and possibly leasing the use of their facilities on limited terms. On the other hand, charter boat captains were less able to access compensation through the claims process as they were generally treated as tourist businesses, not commercial fishermen.

The VOO program rapidly wound down along with the rest of the clean-up effort. While some 3,500 VOO boats were in action at some point during the summer of 2010, only 1,000 remained by November (Robertson and Rudolf 2010). The BP claims process transitioned to the Gulf Coast Claims Facility (GCCF) on August 23, but leftover issues from the clean-up and new ones related to claims slowed down some fishermen from going back to work. Fishermen who worked for VOO for a significant amount of time built up a financial reserve they used to maintain their vessels, do repairs, or pay down debts, helping some return to fishing while others took the rest of 2010 off. For example, some Vietnamese-Americans who returned later than normal to Vietnam in late 2010 and stayed there longer than their usual off-season journeys, waiting to see how, or if, the Gulf's fisheries recovered (BM543 2011). Most fishermen did not get big payments from VOO. Of those that worked for the program, some claimed unpaid damages to their boats incurred while working for VOO, insufficient or slow decontamination of oil from their vessels, and overdue payment for days waiting on stand-by. Angry public meetings and lawsuits against BP and its sub-contractors followed in the wake of VOO (Ferrara 2010; Kirby 2010; Ferrara 2011). Claims money kept flowing into commercial fisheries after the switchover to GCCF, but many fishermen and seafood processors contacted for this study reported having their claims denied or being offered only a small fraction of their actual damages (Marks Field notes 2011). Others in the seafood industry complained of too much claims money. Seafood buyers and processors complained money from the claims process was keeping fishermen from going back to work, while fishermen expressed confusion if returning to fishing would help or harm their claims. Some reported going back to work out of necessity or an inclination to return to their profession while others waited to see the progress of their claims and the recovery of fisheries landings (Rodriguez 2010; Satchfield 2010).

Oystermen faced a particularly serious challenge to near-term recovery because torrents of fresh water pouring from Mississippi River diversions had killed huge numbers of the sessile creatures, especially east of the river in Louisiana and Mississippi (Buskey 2010a). Oysters on private leases, typically closer to fresh water sources than the public beds, suffered especially. In August 2010, 86% of private bed oysters and 56% on public seed grounds in Louisiana's eastern Breton Sound were dead (Banks 2011). When oyster harvesting from Louisiana and Mississippi public beds reopened in November, 2010, there was very little product to harvest (Buskey 2010b, 2010c). Mississippi authorities restricted the harvest to hand tonging only and to 10 sacks per day per vessel (Dow 2010; BM424 2011).

Christmas 2010 saw many Gulf Coast commercial fishermen seeking public assistance and charity, despite the assistance some were getting (and others were denied) through the claims process (Skoloff 2010). The foreshortened 2010 fishing season was marked by a poor volume of landings, but an overall value nearly equal to the year before the spill (Table 2.2). The smaller amount of seafood sold in 2010 for higher per-unit prices was due, in part, to supply shortages driving up prices on some products and, in part, to a trend towards higher seafood prices than 2009 already evident before the spill (Figure 2.1). Importantly, the location and value of seafood landings shifted with the oil spill; Texas and Florida had fewer area closures and saw greater total landings value in 2010, while Louisiana, Mississippi and Alabama experienced a loss in volume and value.

Shrimp landings fell Gulf-wide by more than 20% in 2010 - by more than half in Mississippi and Alabama (Table 2.3). Unit prices rose over the nadir of 2009 but the smaller catch meant shrimpers earned less than even in the previous year of rock-bottom prices. A third less blue crab was landed in 2010, earning a significantly higher price per pound but still paying crabbers in the

spill states of Louisiana, Mississippi, and Alabama about a third less in all. Oysters were hit hard in Louisiana and Mississippi, with Louisiana oystermen seeing less than half the production and value they earned in 2009, Mississippi about 1/3 less. Texas producers almost doubled oyster production, only partially compensating for the severe loss of supply to the Gulf oyster industry following the spill and freshwater damage in 2010.

Table 2.2. Overall Gulf of Mexico Commercial Fishery Landings by State, 2009-2011. At left: Weight of Landings (thousands of pounds). Center: Value of Landings (Millions of \$). Right: Average Price (\$/lb.)

Overall landings	2009	2010	2011
Gulf-wide	1,599,505 / \$643.9 / \$0.40	1,285,614 / \$639.4 / \$0.50	1,765,899 / \$818.0 / \$0.46
Texas	102,695 / \$155.1 / \$1.51	90,054 / \$204.5 / \$2.27	98,111 / \$239.1 / \$2.44
Louisiana	1,172,327 / \$296.8 / \$0.25	1,007,066 / \$247.8 / \$0.25	1,285,875 / \$333.6 / \$0.26
Mississippi	230,307 / \$38.0 / \$0.17	111,242 / \$21.9 / \$0.20	278,080 / \$30.3 / \$0.11
Alabama	28,825 / 38.9 / \$1.35	14,661 / \$27.7 / \$1.89	26,145 / \$50.9 / \$1.95
Gulf Coast Florida	65,350 / \$115.1 / \$1.76	62,592 / \$137.5 / \$2.20	77,687 / \$164.1 / \$2.11

Source: NOAA Fisheries 2012.

Table 2.3. Overall Gulf of Mexico Commercial Shellfish Landings by State, 2009-11. At left: Weight of Landings (thousands of pounds). Center: Value of Landings (Millions of \$). Right: Average Price (\$/lb.)

Shellfish	2009	2010	2011
Shrimp (all species)			
Gulf-wide	251,290 / \$327.2 / \$1.30	178,853 / \$339.8 / \$1.90	219,961 / \$438.5 / \$1.99
Texas	92,943 / \$135.6 / \$1.46	77,064 / \$174.2 / \$2.26	87,006 / \$214.9 / \$2.47
Louisiana	114,727 / \$121.5 / \$1.06	75,641 / \$107.4 / \$1.42	92,093 / \$133.1 / \$1.44
Mississippi	10,107 / \$12.7 / \$1.26	4,148 / \$8.3 / \$2.00	10,053 / \$18.5 / \$1.84
Alabama	22,841 / \$34.1 / \$1.49	10,175 / \$23.8 / \$2.34	19,247 / \$44.4 / \$2.31
Gulf Coast Florida	10,673 / \$23.3 / \$2.18	11,825 / \$26.1 / \$2.20	11,562 / \$27.6 / \$2.38
Blue crab			
Gulf-wide	61,272 / \$45.5 / \$0.74	41,219 / \$41.2 / \$1.00	55,571 / \$48.8 / \$0.88
Texas	2,844 / \$2.5 / \$0.86	3,436 / \$3.1 / \$0.91	2,893 / \$2.8 / \$0.98
Louisiana	53,060 / \$37.3 / \$0.70	30,731 / \$30.3 / \$0.99	43,862 / \$36.8 / \$0.84
Mississippi	545 / \$0.6 / \$1.05	366 / \$0.4 / \$1.00	370 / \$0.3 / \$0.86
Alabama	1,459 / \$1.0 / \$0.66	927 / \$0.7 / \$0.79	1,614 / \$1.1 / \$0.70
Gulf Coast Florida	3,364 / \$4.2 / \$1.24	5,759 / \$6.7 / \$1.16	6,833 / \$7.7 / \$1.13
Oysters			
Gulf-wide	22,835 / \$73.5 / \$3.22	15,877 / \$55.1 / \$3.47	18,386 / \$64.2 / \$3.49
Texas	2,733 / \$9.4 / \$3.43	5,265 / \$19.1 / \$3.64	3,943 / \$12.8 / \$3.24

Shellfish	2009	2010	2011
Louisiana	15,010 / \$50.6 / \$3.39	6,874 / \$25.0 / \$3.63	11,135 / \$41.6 / \$3.73
Mississippi	2,192 / \$6.1 / \$2.78	1,453 / \$4.3 / \$2.94	247 / \$0.9 / \$3.75
Alabama	23 / \$0.1 / \$3.33	120 / \$0.4 / \$3.25	313 / \$1.3 / \$4.22
Gulf Coast Florida	2,877 / \$7.0 / \$2.42	2,165 / \$6.3 / \$2.91	2,746 / \$7.6 / \$2.77

Source: NOAA Fisheries 2012

Grouper and snapper landings, centered on Florida far from the spill's center, fell less steeply than some other fisheries in 2010 (Table 2.4), as did the menhaden fishery, many of whose vessels were able to relocate temporarily to western Louisiana during the summer to escape closed waters (NOAA Fisheries 2011a). Black drum landings fell slightly in 2010, the decline coming from Louisiana and Alabama waters. Tuna, a fishery whose harvesting waters in the Central Gulf overlapped with some of the longest fishery closures near the *Deepwater Horizon* site, experienced a very dramatic decline in 2010, losing more than half its landings and unlike almost any other fishery, also saw a decline in price—by almost 1/3—for its catch, as the species composition of the remaining tuna harvested from the Gulf shifted from more expensive yellowfin to cheaper little tunny (NOAA Fisheries 2012).

Table 2.4. Overall Gulf of Mexico Commercial Finfish Landings by State, 2009-11 . At left: Weight of Landings (thousands of pounds). Center: Value of Landings (Millions of \$). Right: Average Price (\$/lb.)

Finfish	2009	2010	2011
Tuna (all species)			
Gulf-wide	2,836 / \$8.2 / \$2.88	1,322 / \$2.7 / \$2.03	1,588 / \$5.5 / \$3.47
Texas	45 / \$0.1 / \$3.08	1 / \$0.0 / \$3.19	1 / \$0.0 / \$1.82
Louisiana	2,009 / \$6.4 / \$3.16	490 / \$1.6 / \$3.37	932 / \$3.4 / \$3.62
Mississippi	0 / 0 / 0	0 / 0 / 0	0 / 0 / 0
Alabama	17 / \$0.0 / \$0.48	6 / \$0.0 / \$0.62	13 / \$0.0 / \$0.44
Gulf Coast Florida	765 / \$1.7 / \$2.21	825 / \$1.0 / \$1.25	642 / \$2.1 / \$3.33
Grouper (all species)			
Gulf-wide	5,785 / \$14.5 / \$2.50	4,286 / \$11.5 / \$2.68	6,614 / \$18.2 / \$2.76
Texas	208 / \$0.6 / \$3.07	139 / \$0.3 / \$2.48	189 / \$0.5 / \$2.89
Louisiana	150 / \$0.4 / \$2.73	109 / \$0.3 / \$2.69	183 / \$0.5 / \$2.68
Mississippi	0 / 0 / 0	0 / 0 / 0	0 / 0 / 0
Alabama	20 / \$0.0 / \$2.77	1 / \$0.0 / \$2.88	2 / \$0.0 / \$2.63
Gulf Coast Florida	5,406 / \$13.4 / \$2.47	4,036 / \$10.8 / \$2.68	6,240 / \$17.2 / \$2.75
Snapper (all species)			
Gulf-wide	8,633 / \$21.6 / \$2.50	7,277 / \$20.1 / \$2.76	8,930 / \$25.6 / \$2.87

Finfish	2009	2010	2011
Texas	1,429 / \$3.7 / \$2.58	1,579 / \$4.4 / \$2.77	1,424 / \$4.6 / \$3.20
Louisiana	1,126 / \$3.1 / \$2.72	1,106 / \$2.7 / \$2.67	1,199 / \$2.9 / \$2.39
Mississippi	59 / \$0.2 / \$2.74	0.4 / \$0.0 / \$1.78	88 / \$0.2 / \$1.96
Alabama	415 / \$1.1 / \$2.68	232 / \$0.7 / \$3.08	300 / \$0.9 / \$3.10
Gulf Coast Florida	5,605 / \$13.6 / \$2.42	4,449 / \$12.3 / \$2.77	5,918 / \$17.1 / \$2.89
Menhaden			
Gulf-wide	1,165,948 / \$69.5 / \$0.06	967,025 / \$66.0 / \$0.07	1,374,298 / \$103.5 / \$0.08
Texas	0 / 0 / 0	0 / 0 / 0	0 / 0 / 0
Louisiana	948,944 / \$51.4 / \$0.05	862,114 / \$57.6 / \$0.07	1,106,931 / \$93.5 / \$0.08
Mississippi	216,709 / \$18.0 / \$0.08	104,729 / \$8.4 / \$0.08	266,774 / \$9.9 / \$0.04
Alabama	190 / \$0.0 / \$0.22	81 / \$0.0 / \$0.18	364 / \$0.1 / \$0.16
Gulf Coast Florida	106 / \$0.0 / \$0.20	70 / \$0.0 / \$0.37	230 / \$0.0 / \$0.20
Black drum			
Gulf-wide	4,971 / \$3.8 / \$0.77	4,585 / \$3.9 / \$0.86	5,297 / \$4.0 / \$0.76
Texas	1,610 / \$1.4 / \$0.86	1,729 / \$1.6 / \$0.91	1,795 / \$1.4 / \$0.81
Louisiana	3,176 / \$2.4 / \$0.76	2,794 / \$2.3 / \$0.83	3,385 / \$2.5 / \$0.75
Mississippi	10 / \$0.0 / \$0.30	11 / \$0.0 / \$0.36	9 / \$0.0 / \$0.31
Alabama	162 / \$0.0 / \$0.18	35 / \$0.0 / \$0.36	98 / \$0.0 / \$0.25
Gulf Coast Florida	14 / \$0.0 / \$0.53	15 / \$0.0 / \$0.62	9 / \$0.0 / \$0.66

Source: NOAA Fisheries 2012

2.6. ONGOING IMPACTS: THE 2011 FISHING SEASON

The 2011 fishery season saw varying levels of recovery in commercial fisheries landings and revenues, with considerable differences in the pace of recovery dependent on species and area of harvest. In 2011, total Gulf seafood landings volume and value increased compared to 2010. For most species in most states, landings and income increased over the prior year, while price per pound declined overall and in many specific fisheries as spill-related shortages and panic buying receded (Table 2.2).

Depending on the geographic area, range of species, and time scales considered, different Gulf of Mexico fisheries can be viewed as recovering, holding on, or declining further in 2011. For the Gulf as a whole, oyster landings in 2011 were higher than 2010 but not recovered to their 2009 pre-spill level (Table 2.3). While oyster landings from east Texas to western Florida were higher than in 2010, the 2011 catch was still considerably lower than the three year average before the oil spill. 2011 oyster landings were 38% less than the 2007-09 average (Hammer

2012). Zooming in still further, the 2011 oyster harvest in eastern Louisiana's Pontchartrain basin was just 35% of its four-year (2006-09) pre-spill average, an already low baseline given damage from the 2005 hurricanes (Waltzer 2012).

Gulf shrimp landings in 2011 were higher overall compared to 2010 (Table 2.3), but they have not regained the long-term norm seen in the 2000s. Across the Northern Gulf from east Texas to western Florida, shrimp landings volume was higher in 2011 than 2010 and total shrimp value was 11% higher in 2011 than the 2007-09 average (Hammer 2012). Louisiana's 92.1 million pound shrimp harvest in 2011 was smaller than every year since 1998, save the spill year of 2010 and 2008, when many shrimpers stayed at the dock because of extremely high fuel prices and hurricanes Gustav and Ike disrupted the season (Table 2.1). Louisiana's 2011 shrimp landings volume was 77% of its 2006-09 average (Waltzer 2012).

Shrimp landings recovery significantly differed according to place and also to species, with brown shrimp recovering better than white shrimp. Before the start of the 2011 May shrimp season, shipyards were reportedly doing record amounts of repair work on shrimp boats as many captains reinvested their VOO and claims earnings into the vessels (BM495a 2011). While brown shrimp were numerous in the spring, so numerous they led one processor to "throw in the towel" and temporarily stop buying more than the factory could peel (BM509 2011), white shrimp landings were disappointing in 2011 (Alexander-Bloch 2012b). At least 37.7 million pounds of brown shrimp were landed in Louisiana in 2011, more than double 2010's harvest and more than any year since 2007 (Alexander-Bloch 2012a). By contrast, less white shrimp were harvested in Louisiana 2011 than in 2010, with the 2011 statewide white shrimp harvest about 2/3rds of the 2006-09 average (Waltzer 2012).

Some highly productive Gulf coast shrimping grounds saw landings decline in 2011 compared to 2010. The 2011 white shrimp harvest from the central Louisiana coast's Atchafalaya and Terrebonne basins was nominal at 97% and 93% of their 2006-09 average. By contrast, declines in 2011 shrimp landings were pronounced in southeast Louisiana's Pontchartrain and Barataria basins bordering Saint Bernard, Plaquemines, and Jefferson parishes where the white shrimp catch was, respectively, just 57% and 61% of the four year pre-spill average (Waltzer 2012). Some of this discrepancy by species and location may be due to the Mississippi River flood of Spring 2011, when huge amounts of fresh water entered Gulf waters around the river's mouth. As these same areas were also the most proximate coasts to the *Deepwater Horizon* and experienced significant oil landfalls onto beaches and marshes, the role of the oil spill versus other factors in the size of the 2011 shrimp harvest is hard to discern (Alexander-Bloch 2012a; 2012b).

In 2011, prices for large Gulf shrimp rose dramatically in the New York wholesale market, reflecting poor catches of large shrimp reported by fishermen and docks. For medium and small size shrimp, wholesale prices fell after the opening of the May inshore season, for some very small shrimp to levels approaching the worst years of the 2000s (Figure 2.1). Meanwhile, diesel prices in 2011 averaged just under the record amounts seen in 2008 (Table 2.1). In terms of competitiveness, large Gulf shrimp became more expensive relative to their imported competition in 2011, nearing the highs observed in 2010 when closures and panic buying pushed up domestic prices relative to imports (Figure 2.2). For more plentiful medium count shrimp, Gulf product approached price parity with imports in 2011, much closer to meeting import competition than during almost any period since the late 1990s with the exception of the drastic price slashing of 2009 (Figure 2.3).

Numerous shrimpers and crabbers contacted for this study reported poor catches in 2011; crabbers in the early and middle part of the year, shrimpers especially during the white shrimp season in the last months of 2011. Competition reportedly increased significantly in the crabbing industry in 2011 as more crabbers bought boats and traps with oil spill claims and clean-up earnings (Marks Field notes 2011). May 2011 blue crab landings in Louisiana's Terrebonne basin were about ½ their May 2010 total, despite the lifting of all area closures that affected the fishery just after the spill (DeSantis 2011d). Through early and mid-2011, numerous crabbers and crab buyers in eastern and central Louisiana reported poor catches and landed crabs dying prematurely (DeSantis 2011c; DeSantis 2011d). 2011 Louisiana blue crab landings were 11% below the average harvest in 2006-09, 26% below the norm in the Terrebonne basin, 29% less in the Pontchartrain basin (Waltzer 2012). Into early 2012, crabbers continued reporting low catch volumes in this part of Louisiana (Bayles 2012).

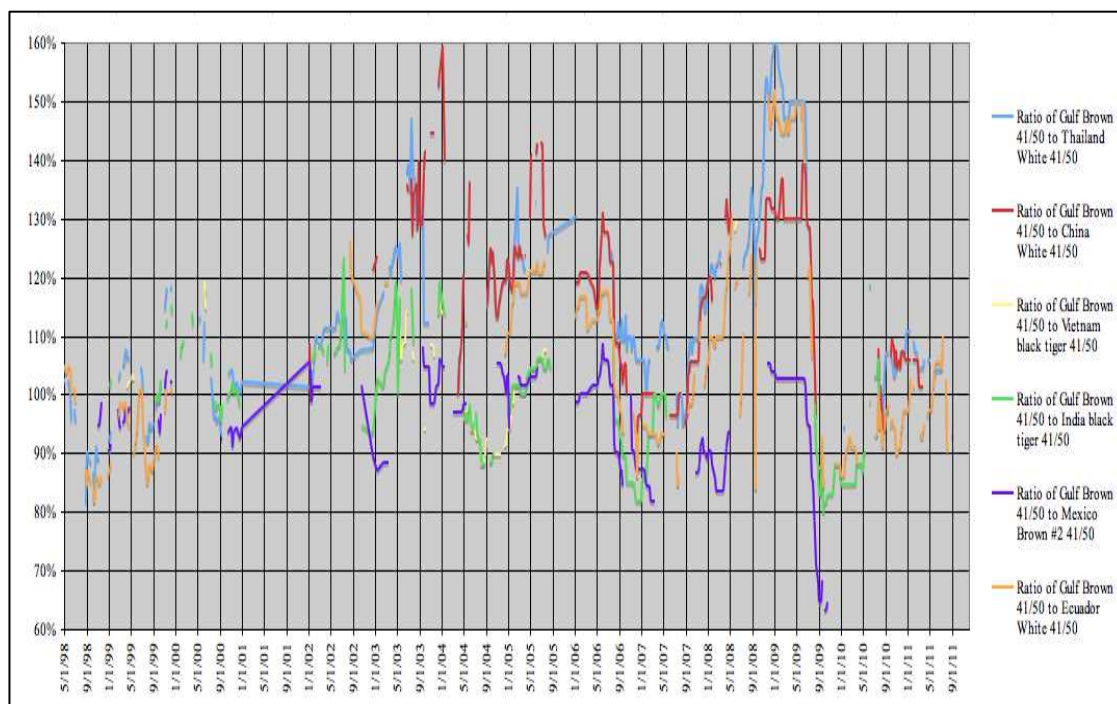


Figure 2.2. Price ratios of 41/50 Gulf Brown and imported shrimp in the New York City wholesale market, 1998-2011
Source: NOAA Fisheries 2011f

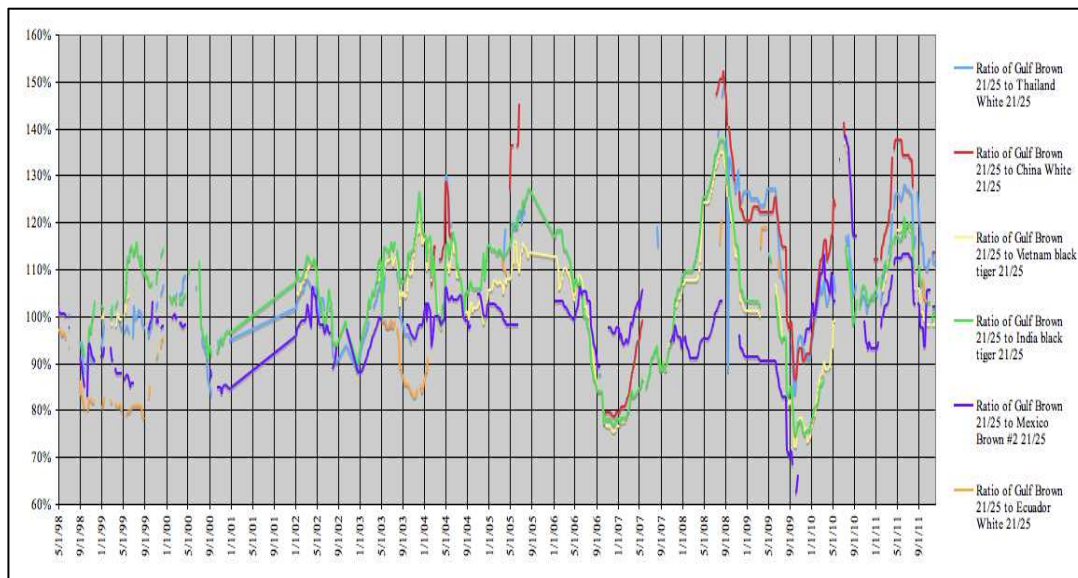


Figure 2.3. Price ratios of 21/25 Gulf Brown and imported shrimp in the New York City wholesale market, 1998-2011
Source: NOAA Fisheries 2011f

Crab processors and buyers reported seeing generally better landings than they'd seen in 2010, but were still off from their expected volume of catch across Louisiana, Mississippi, and Alabama (PP936 2011; PP953 2011; BM578 2011). NOAA Fisheries data showed the total value of 2011 blue crab landings from east Texas to western Florida was 2% higher than the three year pre-spill average, finfish landings total value still 13% lower (Hammer 2012). Gulf-wide in 2011, blue crab landings rebounded from 2010's poor landings but still fell behind their 2009 total (Table 2.3). For the entire Gulf of Mexico, the recovery of finfish landings in 2011 differed significantly depending on the fishery. Tuna landings only recovered modestly in 2011, still far below 2009's catch volume, while grouper, snapper, menhaden, and black drum landings were all higher than 2009 (Table 2.4).

2.7 COMMERCIAL FISHERIES IN THE CLAIMS PROCESS

Addressing the multiple claims processes resulting from the BP oil spill could easily make up an entire volume (see this Volume, Chapter Seven, for a more general treatment on the subject). The enormous number of critical and positive comments fieldworkers heard on the Gulf Coast Claims Facility (GCCF) and its Administrator Ken Feinberg, both in private conversations and at the always raucous public gatherings featuring Mr. Feinberg in early 2011, can likewise hardly be summarized here (Marks Field notes 2010, 2011). The statistical and ethnographic data that follows is provided to sketch out some of the range of experiences reported by study participants with the claims process in 2010 and 2011 and contextualize the seafood industry's claims and payments with numbers for the claims process overall.

The GCCF sought to compensate claimants with proven damages resulting from the BP oil spill, under the guidelines set out in OPA 90. Feinberg acted with considerable discretion in how those guidelines were enacted, helping fuel a myriad of criticisms of the GCCF's

procedures (Mullenix 2011). Initially, the GCCF paid commercial fishermen Six-Month Emergency Advance Payments (EAPs). The GCCF paid 17,572 individual and business commercial fishing claimants just over \$500 million by December 14, 2010, when the application period for EAPs ended and final payments first became available (GCCF 2012). An additional 5,596 seafood processing and distribution claimants, both individuals and businesses, were paid \$139.5 million during this period, for a seafood industry total of 23,168 paid claimants receiving \$639.5 million in emergency payments. Seafood industry claimants represented 13.9% of all paid EAP claimants on December 14, 2010 and 25.9% of the total amount paid in EAPs by that date (GCCF 2012).

From December 15, 2010 through March 14, 2012, the last date consulted for this analysis, the GCCF paid an additional 12,988 payments to commercial fishing claimants totaling \$244.4 million, for an average payment of \$18,814 per claimant, down from the average commercial fisheries EAP payment of \$28,469. During the same period, GCCF paid an additional 5,407 seafood processing and distribution claimants \$216.3 million for an average payment of \$40,005, up from the average seafood processor EAP payment of \$24,394 (GCCF 2012). Overall, on March 14, 2012 paid commercial fisheries claimants represented 7.6% of all paid GCCF claimants and 12.7% of the total amount paid by GCCF, while seafood processing and distribution claimants represented 2.8% of all claimants and 6.1% of total payments, for a seafood industry total of 10.4% of all GCCF claimants and 18.8% of all payments from the facility (GCCF 2012).

Study participants' experiences with the claims process varied considerably, with some praising their experience with the GCCF and others strongly denouncing their payment, or lack of payment, from the facility. One Gulf shrimp trawler captain from Texas explained in April 2011 that he had lost about half his normal income of \$80-90,000/year even after participating in the VOO program and collecting BP and GCCF claims money (BM462a 2011). After cleaning oil for which he earned \$200 / day, totaling \$14,000, the VOO kept booms on his boat for 90 days for which he wasn't paid. BP's claims process paid him \$32,000 for four months, and GCCF paid him a \$20,000 six-month emergency payment. After taxes, he reported a take-home income of about \$45,000 for 2010. He also explained that because he was paid cash under the table for part of his normal captain's wages, his 1099 tax forms underreported his income and shrank his compensation (BM462a 2011).

A south Louisiana crabber, described how a simple error reporting his claim and the loss of his fishing gear caused him to lose one claims payment and accept a smaller amount on another out of frustration:

You see, I couldn't collect on my lost traps. My CPA, he messed me up. He used my Social Security number, not my [IT]IN number, on my BP [GCCF] claim, and the regulations say you can only pay one claim per social security number, but not on one IN number, so I had to only file for my crab trap business, not on my crabbing. That's all from filing on the wrong number. And I took the quick payment, [\$25,000] on my business, because I got tired of all that. They wouldn't pay me on my crabbing because they said, 'hey, you didn't have a loss in 2010,' but that's because I lost all my traps! I lost my traps, so how could I go crabbing? I didn't show a loss of income because I had no more crab income, I was at \$0, so they said 'you gave up, you quit.' But I didn't have crab traps to keep crabbing. That's stupid, you know! So I got tired of all that and took [the quick final payment] (BM620 2011).

A Louisiana tax preparer and seafood dock worker explained how she helped 25 local fishermen file GCCF emergency claims (BM479a 2011). While 20 of them were paid amounts close to their reported losses, another five were paid only a small fraction of what she and they expected, as little as \$4,200 on a claimed \$100,000 loss. She could not understand these differences because the claimants had equivalent documentation, similar business conditions and income, and worked with the same claims preparer (BM479a 2011).

2.8 OIL SPILL AND CLAIMS PROCESS EFFECTS ON COMMERCIAL SEAFOOD PROCESSORS AND DOCKS

Fishermen faced particular issues in returning to normal after the oil spill, as did commercial docks and processors. In summer 2010, seafood landing docks located in harbors taken over by spill clean-up activities had to shut down, and many others outside those areas stopped operations because the fishermen who normally sold to them ceased fishing because of area closures, getting work in the VOO program, and being paid BP claims money. Most docks were themselves paid money through the initial claims process, so that only a few unloading docks remained open through the summer (Marks Field notes 2011). Processors, in the first weeks of the disaster, had wholesalers “panic buy” much of their leftover 2009 inventory out of fears no more Gulf seafood would be available for the foreseeable future. Many seafood processing workers lost their jobs as the majority of Gulf Coast processors shut down or ran at a fraction of their capacity in 2010. Some workers moved out of the region which later posed serious labor recruitment problems for processors in 2011 (PP548 2010; PP1011 2010; PP937 2011). Processors who owned or effectively controlled fishing boats debated whether or not to participate in VOO, with some releasing their fishermen to try joining the program and others having no choice as their hired fishermen quit to seek employment in the clean-up (PP756 2011; PP799 2011). The remaining processors in production in 2010 scrambled to accumulate enough raw material to work in their plants, often from unfamiliar sellers and from areas they hadn’t bought from before.

From late 2010 through 2011, more and more docks and processors came back online to face a seafood market that looked deceptively normal but proved to be markedly changed. With fewer commercial fishermen back at work, fisheries like oysters (Alexander-Bloch 2012c; Pham-Bui 2010), white shrimp (Alexander-Bloch 2012a, 2012b), and blue crabs on the central Louisiana coast saw lower landings than the norm (DeSantis 2011c, 2011d; Hammer 2012) and, as 2011 progressed, ever-higher fuel prices. Some seafood buyers continued struggling to get enough product to meet their customers’ demand. Shrimp prices, while still higher than the disastrous levels seen in 2009, could not go down further without destroying the thin margins harvesters gained after paying their high operating costs. This price floor meant Gulf shrimp, especially larger sizes, remained uncompetitive with the imported competition (NOAA Fisheries 2011f; Figure 2.2, 2.3).

A tuna and shrimp processor in Louisiana explained his company’s situation in April, 2011:

The tuna boats haven't gone out even once since April 20 last year, we haven't unloaded one tuna since then. Almost all the tuna boats went out on the VOO and they made good money, so they're not working in part for that reason. A lot of the tuna fishermen made money on VOO and they went back to Vietnam early and they haven't come back to the U.S. yet. So there might be fish to catch but we don't know if there will be anybody to go catch them this year.

For shrimp, our factory did about 1 million lbs. less finished product last year compared to prior years, about 51% less volume and 67% less income compared to the year before. Right now this factory only has 40,000 lbs. of white shrimp inventory left over from last year, this time of year we should have more like 400,000 lbs. of inventory but people didn't shrimp as much last year. I don't know yet if the boats will go out or not, among the shrimpers some went out with VOO and they made big money, but those that didn't get on VOO and waited but didn't shrimp either, they lost a lot. They were already falling behind on those big boats with high fuel prices, low shrimp prices and storms, so some without VOO money have sold their boats, gone out of business, while some with VOO money have reinvested in their boats, they didn't waste their money on frivolous things and they got ahead on their bills and their debts on their boat. This is all happening since last year and the spill.

With the GCCF, this company got about 14-16% of its claim paid by GCCF, that's typical of seafood processors and I know of some processors who've gotten as little as 8% of their claim. GCCF said they'd make the processors whole so that they'd in turn be able to make their employees whole – that way every employee wouldn't be filing individual claims and clogging up the system. But GCCF didn't pay processors much, they told this company it made more in May 2010 than in May 2009 but that was due to panic buying of shrimp inventory – so now everybody is filing individual claims and that's clogged the system further.

Initially buyers were just not buying Gulf seafood of any kind – they were even saying “we don't serve Gulf products.” Now it's gradually changing, they're coming back, but we only had an 8% market share (domestic shrimp) to begin with. We also don't know yet if we'll have enough product to sell this year and if we do (if it's a good year), if anyone will buy it, which means we'll have to drop the price in order to sell it (BM484 2011).

A Louisiana crab buyer gave a similar explanation for the ills facing that market:

The crab market is really bad, before the spill #1s were \$2/lb. and now they're \$1.40. Let me explain how this happened: Half the U.S. restaurants only serve imports or mainly imports but the other half are loyal to the American fishermen. What the oil spill did was to make the 50% of loyal restaurants have to go to the imports for some of their business; they 'got on the Google' and found another seller. And now that the spill is over they're still buying some imports, it's like a habit, you know? Well what the spill did is break the habit of how people bought seafood. So now we can still move the crabs, but for less

money: The peeler crabs market has been just *killed* by BP; they can't compete with the meat from Venezuela now (BM580 2011).

Modestly good prices masked the structural weakness of a Gulf seafood industry still operating at a low volume because of weak demand and supply shortages. While processors, like fishermen, worried about a post-spill Gulf with less seafood to harvest, they also worried about having more seafood than they could market profitably to a still-shaky consuming public and wholesale buyers whose loyalties were lost in the months of the spill. Well-publicized consumer fears of eating Gulf seafood were one factor in the slow recovery of the commercial seafood industry, but processors described a related, but distinctively different problem selling Gulf seafood to their old customers: Food service buyers switched seafood suppliers during the long months when almost no Gulf seafood was available, prices for what remained climbed, and consumers became fearful of eating the product. Despite more Gulf seafood coming available and subsiding consumer fears, buyers who had switched to imported substitutes in 2010 now preferred to stay with their new suppliers of a cheaper product, and the only way back into those markets was to drop prices to compete, which high fuel costs made difficult to pass along to fishermen. This is how one shrimp processor put the conundrum:

We've lost so much market share and we can't go down on price to make up for it now. Here's how it works: You're a retailer and you used to buy domestic shrimp, but now you get used to buying 40/50s for \$3.25/lb. that you had to buy because of the oil spill disruption. So now, after four months, you've gotten used to the imports and that price, and the only way I can get back my market share is by cutting my price but we can't do that yet because of fuel prices, our prices aren't low enough and our inventory is priced too high – If I sell a bunch of my inventory now I'd lose a bunch of money on every pound, I paid more for it then than I'm selling it for now. I've got \$1.5 million in inventory, 300,000 lbs. worth, that I wish was 30% cheaper. My margin is down to about 3%, if you told somebody you'd run a business with a seven-figure investment on a 3% margin they'd say you were crazy! But all my machines, all my forklifts and trucks, all that is paid for – if you were working on a line of credit you'd be eaten up by now. The market's so volatile there's some highlights – I made about 5% on some 10/15 white shrimp recently but whenever two guys get a product the price drops instantly so overall my margin's just 3% now from only 10% gross margins normally in this business.

I'm selling to people I'm not making any money on, but I want to keep my customers. The independent restaurants are devastated, even in south Louisiana people are scared to eat seafood ... And when any processor loses a big customer, it hurts the entire industry because we're all competing to move the same amount of shrimp to fewer customers and the competition gets worse (BM595 2011).

In short, in 2011 processors reported the Gulf seafood sector could not ramp up production to pre-spill levels without cutting prices to overcome their loss of consumer confidence and market share during the spill. At the same time, processors reported every loss of a buying contract somewhere in the industry jeopardized their ability to find markets for what production they did have. Processors focused on servicing their remaining contracts, finding supply wherever possible and doing deals more to keep or regain customers than to turn a profit.

The oyster industry faced particularly serious challenges still of rebuilding production in 2011 with greatly diminished supply coming in. According to an oysterman:

BM621: When the oil spill happened, that shut us down completely for about seven months. We only got back to work, and very slowly, in November-December of 2010. We were shut down for so long because of the closures - the DHH had to check everything and we were just waiting and watching for months. If I'd known it was going to be such a long, drawn-out thing, I would've gone with my family to the Grand Canyon, things like that, spent more time with them instead of keeping everything ready to get back at it and waiting and waiting, because they tried to seal the leak, like how many times?, 10 or something times with this 'try' and that, and then that didn't work - just to stop the oil from coming out, to stop the spill! And then they had to reopen everything. I did get to spend the summer with my kids, so that was good, and our workers, BP took good care of them, I can't complain at all about that, BP paid them so that when we did get back to work, we didn't have them going off to other jobs so we could bring them back easily and get back [harvesting and shucking] again. BP paid our shuckers, we employ about 40 shuckers at our plant and they paid our fishermen too. We employ way more fishermen than shuckers, actually. But us, the company, that's another story. They paid us some initially, but with all that [claims issues], I turned all that over to a lawyer, I told them, 'just call me when it's over with, I don't even want to hear about it.' They [BP/GCCF] lost our paperwork like two, three times already, and our company is documented better than anybody, everything is down to a T. We've got CPAs, everything we do is crystal-clear in black and white, but we still haven't gotten paid. And we can't wait for that [money], we got started again and we're doing, I'd say, about 75% of what we were before the spill. There's some [shucking] shops...they still haven't opened back up again since the spill, they're waiting on that money, thinking they'll get some [by waiting] but we're not doing like that. They say, 'if you get back to work, then they'll subtract the money you're making from what would be getting' from [GCCF], but you can't live based on that, because you might not get paid, and who knows?

Researcher: How's the market for oysters? Are people buying them again?

BM621: Our market is still weak - not so much our local market, Louisiana, the Gulf Coast, and that - but more to the north, and to the west, people are still worried to eat anything 'Gulf seafood' because of everything they see on the TV and media about the oil. That's hurt our demand, plus there's the national economy. If people don't have money to spend then they're not going to be buying oysters. You see, we only sell to distributors - we don't sell to any restaurants directly - and our distributors out-of-state are telling us their customers [the restaurants] are telling them the public is still concerned about eating Gulf seafood, and they're not buying as much from us because they're taking oysters off the menu. And once they take us off the menu, it's real, real hard to get back on the menu. It's a lot easier to get off the menu than back on it. We're worried about that weakness because if we do finally get back to normal [volume], get our production back up, then where are we going to sell the product to? Plus, when these other shops reopen, then we're going to have more product to compete with and not the

same [size] market to sell it to, so we worry about that. Last year, when you couldn't get any oysters, we had the imported oysters come in –

Researcher: You mean fresh oysters?

BM621: No, frozen. They were frozen oysters from Korea. And they were so cheap, they would kill us if they'd worked out. We couldn't compete with them on price, our cost of shucking them, if we had to compete with them. But they didn't taste good, people didn't accept them. And they turned the cooking oil black when you fried them, so they [restaurants] backed away from them.

Researcher: And how are the oysters themselves?

BM621: Here in Terrebonne Parish, there's very little public beds at all. And we didn't have oil get into the oysters, and we didn't have the problems they had out to the east of the Mississippi river where they let all the fresh water out...Where it's really bad is in Plaquemines Parish, east of the river, where they're [the oysters] just dead - everything's just shut down over there. What that's done is now, normally this time of year we'd be buying oysters from the east [of the river] to shuck and kind've letting our oysters rest now, and come later next year they'd be full of oysters. But because there's nothing to buy right now from there, we're fishing our beds real hard right now, so by the summer, they're gonna be cleaned out, there's gonna be nothing left (BM621 2011).

2.9. SUMMARY

Uncertainty pervades the Gulf Coast since the spill, and commercial fishermen worry that ecological problems from the spill will resurface in the Gulf in the years to come. Aside from the worry over the long-term impact of the spill on the region's prominent commercial species, this research indicates that many of the factors contributing to the decline of commercial fishing along the Gulf in recent years, such as rising expenses, increasing imports, and slipping market share only intensified in 2010 and 2011. The generational ties and social networks making up the commercial seafood industry has permitted the sector to endure great hardships historically, but the spill has further undermined those foundations, already shaky from decades of buffeting economic and ecological change. Participating in the cleanup effort and claims process have made good the losses of many commercial fishermen and seafood businesses but have been unsatisfactory to compensate for the losses others sustained during the spill and still suffer from. Eroding market share through the loss of traditional marketing outlets during the supply disruptions of 2010 and ongoing perception issues cannot be readily fixed through shifting prices downward because high costs give producers nowhere to cut. 2010 may mark a significant transition in the nature of the Gulf seafood sector, but how the industry will change and what the consequences will be in the longer term for the livelihoods of those dependent on it remains unknown.

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CHAPTER THREE: TOURISM

Preetam Prakash

3.1. INTRODUCTION

The U.S. Gulf Coast is home to a wide range of businesses dependent on tourism. The tourism industry's growth in the area and its significance to the regional economy is in some ways similar to other regions of the United States. The tourism economy in the U.S. as a whole grew steadily throughout the 1980s and 1990s and in 2011 the U.S. led the world in Travel and Tourism GDP (World Travel and Tourism Council 2012). However, the 2000s presented a number of challenges for the U.S. tourism industry. One of the results of the September 11 attacks was that both Americans and citizens of other countries cut down heavily on travel, especially air travel. After several very slow years tourism to the U.S. picked back up during the middle of the decade, with 2007 and 2008 being excellent years for the industry nationwide (Randall Travel Marketing 2008; U.S. Department of Commerce 2010). The global and national recessions had sharp negative impacts on tourism in 2009 with the industry nationally generating \$100 billion less output than in 2008 (U.S. Department of Commerce 2010). However, the U.S. tourism industry once again experienced an upturn in 2010, with the numbers of overseas visitors up 11% from the previous year (U.S. Department of Commerce 2011a). July 2011 saw this trend continue, with the country up 5% when compared with the same period from 2010 (U.S. Department of Commerce 2011b).

While Gulf Coast tourism shares to some degree in these more general national trends it also differs in a number of ways. Differentiating factors include the area still largely being a drive-in market, a fact that spared it from some of the economic consequences of the post-9/11 drop in air travel; the impacts that the hurricanes of the mid-late 2000s had on the Gulf Coast and its tourism industry (see below); and most recently, the effects of *Deepwater Horizon* rig explosion and resultant oil spill on the industry in 2010 and 2011. This section attempts to articulate some of the impacts of the oil spill on the coastal tourism industry by drawing on ethnographic research conducted by team researchers as well as by referring to economic reports, newspaper articles, and other salient sources which address this issue.

Analysis of the tourism industry post-oil spill is complicated by the fact that much of the existent economic data referenced here does not clearly distinguish between business that is and is not tied to tourism. In many coastal communities, large numbers of retailers who sell to non-tourists are also involved in the tourism industry to varying extents. Thus, two businesses that are classified as tourist businesses may experience very different volumes of tourist traffic. Sales and tax data related to the tourism industry falls under a range of categories, including food and beverage, lodging, retail trade, and transportation and attractions/entertainment/recreation, which also include non-tourism-related business (Mississippi Development Authority/Tourism Division 2011). Charter and recreational fishing businesses, hotels, restaurants, souvenir shops, and casinos are some of the tourism related businesses which are included under these categories. Additionally, economic analyses often do not differentiate between tourism and other forms of travel. This can lead to a degree of conflation in some Gulf Coast communities, which

experience high volumes of traffic from contract workers and other groups travelling for non-tourist purposes. Definitions of travel and tourism also vary slightly across reports.⁵

Keeping these limits in mind, it is still possible to say that the tourism industry is a significant economic force in Louisiana, Mississippi, and Alabama, and in our study areas within these states. In 2010, of a total 182,100 non-agricultural jobs, 35,704 people were directly employed by the tourism industry in Mobile and Baldwin counties, Alabama (Alabama Tourism Department 2010;⁶ Mobile Area Chamber of Commerce 2010). Tourism directly employed 22,600 in the three coastal Mississippi counties in 2010 (Mississippi Development Authority 2010⁷). In the eight Louisiana parishes that were the focus of this study, 58,920 people were employed in tourism in 2009: the majority of these jobs were located in Orleans Parish, followed by Jefferson and St. Mary parishes (U.S. Travel Association 2010⁸). In 2009, tourism employment constituted 7.37%, 8.55%, and 6.69% of all jobs in Alabama, Mississippi, and Louisiana respectively (Gordon et al. 2011). In Mississippi, tourism contributed \$354 million in 2010 to the state's General Fund Revenues. In Louisiana, tourism generated \$372.2 million in tax revenue for the state in 2009, and in Alabama, it produced around \$472 million in tax revenue in 2010 (Alabama Tourism Department 2010; Mississippi Development Authority 2010; U.S. Travel Association 2010). Despite heavy impacts of the 2005 hurricanes on tourism in the Gulf Coast region, and the national recession that began in late 2007, the industry remained crucial to many Gulf Coast communities and to the region as a whole.

While the nation as a whole was experiencing an upturn in tourism in 2010 and 2011, many tourist-centered areas on the Gulf Coast were dealing with the aftermath of the BP oil spill. This section considers some of the spill's impacts on these types of tourism: beach tourism, recreational fishing/charter boat tourism, nature based tourism /environmental education, casino tourism, and tourism centering on local festivals and other major events. Many tourism-related businesses and attractions along the Gulf Coast revolve around and often directly utilize local marshes, seafood, and beaches. Both the direct physical impacts of the BP oil spill on some coastal areas as well as the more widespread effects of extended media coverage on public perceptions of the region have had important consequences for many associated with the tourism industry.

⁵ Calculating travel-generated payroll impacts is imperfect because the wages of those who work in businesses experiencing tourist traffic are reported as travel generated payroll impacts. However, tourist traffic from one business to another can vary considerably.

⁶ The annual reports put out by the Alabama Tourism Department do not separate tourism from other forms of travel, such as business related travel. The reports draw on "state lodging tax revenues, Smith Travel Research data on hotel occupancy rates, and field intercept surveys conducted in previous years". The reports do not indicate how tourism retail business is separated from more general retail business.

⁷ The "Methods" section of the 2010 annual report states, "purpose of this report was to estimate Travel and Tourism's FY 2010 statewide economic contribution in terms of Total Value Added, jobs (direct and indirect & induced), payroll (labor income), sales (expenditures), capital investment, and State tax revenue—including the General Fund portion—plus local level (city/county) indicators". Here too, tourism and other forms of travel are not clearly separated. The reports used NAICS codes to estimate travel and tourism's economic contributions, but in many cases these codes do not provide a way to separate tourism related from more general business.

⁸ The annual reports put out by the Louisiana Office of Tourism use the TEIM economic model to calculate tourism and travel impacts. The latest report states that "the TEIM combines the activity levels for trips to places within the U.S. with the appropriate average costs of each unit of travel activity, (e.g., cost per mile by mode of transport, cost per night by type of accommodation), to produce estimates of the total amount spent on each of 16 categories of travel-related goods and services". However, it is unclear to what degree, for example, this model separates tourist expenditures on recreational fishing from the expenditures of local residents on recreational fishing.

3.2. METHODOLOGY

Academic and community researchers conducted participant observation in coastal Louisiana, Mississippi and Alabama between September 2010 and September 2011. They also spoke with business owners and employees in the tourism industry, members of local chambers of commerce and tourism boards, and members of local non-profits that advocate for or are otherwise related to the tourism industry. They participated in both shorter “drop-in” conversations that generally lasted five to 15 minutes as well as more extended discussions. The drop-in conversations with local business owners and employees allowed the researchers to quickly ascertain the impacts of the oil spill on businesses and local communities. Extended discussions also centered on oil spill impacts but also covered other relevant issues, for example the history of particular businesses and of tourism development in certain areas. As mentioned above, it is difficult to easily separate businesses tied to tourism from retail businesses more generally speaking. Team ethnographers relied on participants’ self-identification as being involved in the tourism sector.

Researchers participated in local festivals, concerts, and other occasions which drew significant numbers of visitors to local areas. The purpose of this participant observation was to enable the collection of information that would have been difficult to obtain through other methods. Such data include local event demographics and attendance levels, the themes around which events were focused, and the perspectives of organizers and other participants. For example, many festivals across the Gulf Coast feature the seafood industry and by attending such events ethnographers were able to document changing attitudes and practices concerning local seafood, both on the part of locals and visitors. Participant observation was especially important in the case of the tourism industry because the funding of festivals, concerts, and other events intended to draw visitors was an important aspect of post oil spill recovery efforts in many communities.

3.3. A BRIEF HISTORY OF TOURISM IN THE STUDY REGION

Gulf Coast tourism dates back to the 19th century in areas such as Biloxi, Mississippi, Dauphin Island, Alabama, and Grand Isle, Louisiana (Stielow 1982; Taylor 1998). Similar to other U.S. regions, tourism businesses along the Gulf Coast initially catered mainly to the upper classes, but eventually began to market to a broader range of society (Myer-Arendt 1995). The tourism of the 19th century centered on coastal beaches and recreational fishing, which proved to be important attractions for populations further inland. Mirroring nationwide trends, the number of visitors to many Gulf Coast communities, including Grand Isle, Louisiana and Biloxi, Mississippi began to expand considerably following World War II. The proliferation of the automobile and the rising development of regional and national highways and other infrastructure made tourist destinations increasingly accessible to large numbers of people (Myer-Arendt 1995; Husley 1998; Sullivan and Powell 1999). These processes gained speed and impetus during the 1970s and onwards, with further investments in transportation infrastructure and the extensive development of local, especially waterfront, real estate (Husley 1998; Taylor 1998; Jackson 2010). New hotels, high rise condominiums, fishing lodges, and other housing and lodging aimed at capturing the rising numbers of tourists sprang up during the 1980s and 1990s

in communities such as Orange Beach and Gulf Shores, Alabama and Biloxi, Mississippi, substantially increasing land values in the process (Jackson 2010; MS DMR 2005).

Gulf Coast businesses related to tourism have always had to contend with environmental and social factors specific to the area. Perhaps foremost among environmental challenges are the tropical storms and hurricanes which distinctly mark life across the Gulf Coast and which damage or destroy tourism-related businesses and accommodations as well as other forms of commerce, housing, and infrastructure. Hurricanes have dealt heavy and sometimes fatal blows to tourist enterprises in certain communities. For example, both Grand Isle, Louisiana and Bayou La Batre, Alabama were severely impacted by powerful hurricanes in the late 19th and early 20th century (Stielow 1982; Gaillard et al. 2008). In both cases it would take decades before tourism to these communities began to recover. In other areas tourist businesses and infrastructure have been more rapidly and frequently rebuilt following the damage caused by various storms (Husley 1998). As investments in tourism infrastructure, real estate development, and the numbers of yearly visitors to many Gulf Coast communities have grown, the potential dangers posed by hurricanes to lives and property have likewise expanded in scope (NOAA 2008).

The heavily industrialized landscape of much of the Gulf Coast sets it apart from many other popular U.S. tourist destinations and presents unique obstacles. Plaquemines Parish, Louisiana, for instance, ranks among the premier recreational fishing destinations in the country, but is also one of the regional centers for the oil and gas industry. Pollution, wetland loss, and other issues tied to industrial presence and development have had important implications for tourism and have generated conflicts among local and non-local actors favoring alternative models of development. Such disagreements have occasionally found some resolution, for example in the utilization of active and abandoned oil rig sites as prime fishing grounds by the recreational fishing industry (Dauterive 2000; Jorgenson 2009), or the establishment of the “Mr. Charlie” oil rig as a popular tourism site in Morgan City, Louisiana (International Petroleum Museum 2011). Other issues, such as the impacts of industrial runoff on the marsh environments and fish populations vital to Gulf Coast tourism, continue to be heavily debated. Wetland loss is a major ongoing problem with which coastal residents have to contend (Caffey and Schexnayder 2003; Dean 2006; Burley et al. 2007). With respect to coastal tourism, wetland loss and saltwater intrusion pose particularly pressing dilemmas for nature tourism and environmental education programs and for the recreational fishing industry.

The growth of nature-based tourism and environmental education in recent years has fueled further discussion and argument about the nature of development in the area. Local leaders in Louisiana, Mississippi, and parts of Alabama tout their “working coasts” while simultaneously promoting forms of tourism which are dependent on local waters and marshes. Nature-based tourism and environmental education have been slow to develop on the Gulf Coast, but over the past decade or so, tourism emphasizing local landscapes, cultures, and “authenticity” has gained more local and regional support (Stuart 2001; GulfBase 2004; Ruddiman 2011). Aside from hunting and fishing, wildlife viewing, “swamp tours”, and national parks all serve as popular attractions. Nature-based tourism and environmental education are often linked to “cultural tourism”, especially in southern Louisiana where an industry has sprung up around various formulations of Cajun culture and “Cajunness” (Wiley 2002). In south Louisiana and along the Gulf Coast, annual festivals and celebrations, for example Blessing of the Fleet ceremonies in fishing communities, food festivals featuring French and Cajun cuisine, and various music festivals, are among the most tangible manifestations of “local culture” and often attract large numbers of tourists. These festivals and celebrations commonly integrate aspects of

local landscape, traditional livelihoods, and food. The Louisiana Association of Fairs and Festivals (2012) website lists over 150 annual festivals in this state alone.

While tourism has had to contend with the ongoing industrialization of the Gulf, the tourism industry has itself had considerable impacts on local environments, lifestyles, and patterns of work in many coastal communities. For example, in areas like Lower Plaquemines Parish, Louisiana, and coastal Alabama, the rapid, extensive development of charter and recreational fishing industries have at times brought the operators of such businesses into conflict with commercial fishermen. Many commercial fishermen negatively associate the development of charter and recreational fishing to growing competition for limited resources, including fishing grounds and dock space (Louisiana SeaGrant 2008). Commercial and recreational fishermen compete directly for certain species of fin fish, as well as for other marine life. The designation of particular fish, for example redfish (see above), as “game fish” and the introduction of new state and federal regulations on fishing grounds can affect various aspects of commercial fishing, including how and when fish can be harvested. The development of such regulations over the years has at times inflamed tensions amongst commercial, charter, and recreational fishermen. The shortage of dock space in particular, was exacerbated following the hurricanes of the 2000s (see below).

Other tourism-driven industries have also sometimes come into conflict with certain local interests. For example, large scale casino development in Biloxi began in the early 1990s in an effort to create new sources of revenue for the area in the midst of an economic downturn (Sullivan and Powell 1999; Nuwer and O’Brien 2006; Hashimoto et al. 2011). The gaming industry has expanded dramatically since then, both in Biloxi and in other towns along the Mississippi Gulf Coast, and has transformed the beachfront and other aspects of local landscapes. Many credit gaming with creating a huge number of relatively well-paying new jobs and generally raising local employment standards. Despite the impacts of Hurricane Katrina and the more recent economic recession, coastal Mississippi casinos and hotels continued to employ 11,453 during the second quarter of 2010 out of a total tourism workforce of 22,600 (Mississippi Development Authority; Phillips 2011). However, opponents and detractors often blame casino development for the loss of traditional local culture, the disintegration of established social networks, and increased crime and poverty (Sullivan and Powell 1999; MS DMR 2005).

Sub-sectors of the tourism industry draw their workforce from different sources. Smaller retail businesses such as non-franchise restaurants and gift and souvenir shops generally employ local residents. In most cases, the charter and recreational fishing industries are also composed of local residents. Plaquemines and St. Bernard parishes, Louisiana are exceptions to this in that many charter fishermen working in these areas reside for the most part in other areas of south Louisiana although they commonly maintain fishing camps in these two parishes as well. Historically, African Americans provided much of the labor needed to maintain and staff larger hotels and tourist resorts in study areas with larger populations and more developed infrastructure such as Biloxi, Mississippi and Orange Beach, Alabama. More recently such businesses, along with other large tourism businesses such as nationally franchised retailers and casinos, have drawn significant portions of their workforce from newer immigrants to local areas. For example in Biloxi, Vietnamese and Hispanics constitute a large part of the workforce in local casinos. The gaming industry and other larger businesses have also begun to employ foreign guest workers. Guest workers often perform domestic cleaning and maintenance duties in casino and resort hotels (Urbina 2005).

The nature and extent of the tourism industry's presence varies considerably across coastal communities, reflecting different histories of development, and social and economic conditions. Some areas focus overwhelmingly on particular forms of tourism, for example charter boat fishing, whereas others possess highly diversified tourism sectors incorporating a wide range of businesses, such as recreational fishing, gaming, and ecotourism. Furthermore, the relationships amongst various sub-sectors of the tourism industry as well as those amongst tourism and other local industries are often quite disparate from one area to another.

3.3.1. Hurricanes of the 2000s

The tourism industry, like nearly every other Gulf Coast economic sector, was powerfully impacted by the hurricanes of the 2000s, especially Hurricane Katrina. Katrina destroyed huge numbers of tourism businesses and related infrastructure across our study areas, including in Grand Isle, Louisiana, Dauphin Island, Alabama and Biloxi, Mississippi (Economics and Statistics Administration 2005; U.S. Travel and Tourism Advisory Board 2006). The rebuilding of tourism infrastructure and businesses following Katrina has been uneven, both across communities and with respect to particular tourism sub-sectors. Where reconstruction did occur it played an important role in attracting large numbers of skilled and unskilled laborers to many coastal communities. In some areas, such as Harrison County, Mississippi and Baldwin County, Alabama this in-migration substantially altered local demographics as Hispanics constituted a high percentage of this post-Katrina workforce (Donato and Hakimzadeh 2006; Redwood 2008). Some Hispanic workers, as well as others who worked on cleanup and reconstruction, began to work in the tourism industry once this work had died down.

Certain businesses, such as the majority of casinos as well as some nationally franchised restaurants along the Mississippi Gulf Coast, rebuilt very soon after Katrina (Cords 2011; Hashimoto et al. 2011) and quickly regained large portions of their market share (Economics and Statistics Administration 2006). However, other less well capitalized businesses, including many locally owned restaurants, hotels, bait shops, and small scale family attractions, failed to rebuild or reopen (Rowley 2008; Scurfield 2008). Specialized sectors such as charter boat fishing, which rely heavily on personal relationships with clients, had difficulties recovering some long-standing customers following the storm.

The impacts of Hurricane Katrina varied across study communities. Damage was particularly extensive in Plaquemines and St. Bernard parishes, the Mississippi Gulf Coast, and South Mobile County. The fishing industry experienced very heavy losses, with Katrina destroying 80% of recreational and commercial fishing related businesses and infrastructure in Mississippi and 90% in eastern Louisiana (Economics and Statistics Administration 2006; Posadas 2010). In Louisiana tourism industry employment dropped 9.2%, with over 10,000 tourism jobs lost in 2005 (U.S. Travel and Tourism Advisory Board 2006). 15,600 jobs in the leisure and hospitality sector along the Mississippi coast were estimated to be lost following the storm (Phillips et al. 2006).

While all regions of our study area suffered damages from Katrina, the effects of this hurricane were relatively minor in Baldwin County, Alabama and in portions of southern Louisiana including Terrebonne, Lafourche, and St. Mary parishes, Louisiana when compared to the impacts of other storms which struck these areas during the same decade. Homes did flood in Terrebonne and Lafourche parishes during Katrina and Rita in 2005 but the area was damaged

more severely when hurricanes Gustav and Ike hit the Louisiana coast in 2008. Similarly, Baldwin County, Alabama suffered more extensive negative impacts from Hurricane Ivan in 2004 than from Katrina in 2005. The tourism industry in this area was very heavily affected, with charter boat trips between September and October 2004 falling to 25% of 2002 and 2003 levels. Additionally, the destruction caused by Ivan prompted many dock and marina owners in the area to sell their property to condominium developers, aggravating the ongoing concerns of local commercial and charter boat fishermen about the lack of dock space in the area (Chang et al. 2006).

All of the major storms of the 2000s, and particularly Katrina, were followed by an influx of federal money and agencies, non-profits, contract workers, and volunteers into affected areas, although the extent to which this occurred varied by community. Many tourism-related businesses which managed to open back up after Katrina experienced a surge in business, due to the arrival of relief workers and the fact that local business competition was substantially reduced after the hurricane. However, the absence of lodging was a serious factor limiting long distance tourism for several years following Katrina. In 2010 the number of hotel rooms along the Mississippi Gulf Coast was still around 24% lower than pre-Katrina figures. Hotel rooms were particularly scarce in the Biloxi and Gulfport area, where numbers were approximately 45% lower than before Katrina, and the beachfront area was considerably underdeveloped compared to the situation prior to the hurricane (Gulf Coast Business Council 2011a).

In some cases the situation after the storm gave rise to innovations on the part of tourism business owner and operators which have had lasting impacts. For example, because damaged hotels and motels were slow to be repaired or rebuilt in Plaquemines and St. Bernard parishes, charter boat captains sometimes converted fishing camps to fishing lodges to house their customers. This new all-inclusive twist to the charter fishing experience proved popular in these communities. The post-Katrina “boom” came to an end around 2007-2008, coinciding with the national recession and with the departure of many cleanup workers (Gulf Coast Business Council 2008). Economic indicators were looking up around the end of 2009 and the beginning of 2010, and people in the tourism industry, similar to those in many other sectors, reported having entertained high hopes for 2010 as the “come back year” for their communities and the coast.

3.4. MAJOR OIL SPILL ISSUES, IMPACTS, AND RESPONSES IN 2010

All of the types of tourism considered in this section suffered negative impacts across the five study areas in the immediate aftermath of the oil spill (The Knowland Group 2010; Mackey 2010; Phillips 2011; Gulf Coast Business Research Council 2011a). While some impacts were specific to particular tourism sub-sectors, or to tourism in certain communities, the Gulf Coast tourism industry as a whole shared common experiences and concerns following the spill.

The unremitting media coverage of the spill during summer and fall 2010 figured prominently among such more generally relevant issues. Media attention focusing on the oil spill proved to be a major concern in areas that actually received oil and those which did not. Like many other coastal residents, those involved in the tourism industry often attested that the physical extent of the spill had been limited to a few areas and that a lack of specificity on the part of the media was responsible for widespread public perceptions of oil covering the entire Gulf Coast. Across study areas, tourism businesses reported receiving high volumes of calls during summer 2010 inquiring about the presence and impacts of oil and dispersants. Tourism-

related businesses which normally take reservations experienced very high cancelation rates following the oil spill and a heavy loss of business during 2010 (The Knowland Group 2010; Mayock 2010; International Property Journal 2010). This, combined with the availability of BP related cleanup work, sometimes resulted in these businesses losing employees who frequently stood to earn more money working on the oil spill cleanup. As with the commercial fishing industry, people in the tourism industry frequently mentioned to researchers that the effects of the oil spill on tourism had been particularly pronounced because the spill had occurred at the onset of the summer season, by far the most important time for tourism along the Gulf Coast.

The impacts of the spill on tourism stretched beyond issues of image and perception. Within the study area, local governments closed beaches on Grand Isle and Port Fourchon, Louisiana throughout much of 2010 following the oil spill. Some beach areas on Grand Isle reopened in August 2010 while Fourchon Beach remained closed through the end of the year. Beaches in Gulf Coast Mississippi and Alabama were never officially closed but received oil spill advisory warnings from state marine resources departments at various times during summer and fall 2010 (National Resources Defense Council (NRDC) 2011).

During summer 2010 both federal and state waters were opened and closed multiple times to recreational and commercial fishing, sometimes within very short periods (Louisiana Wildlife and Fisheries 2010; MDEQ 2010; NOAA 2010). The extent and duration of closures varied by geographic area (see Part One). At times certain types of activity, for example finfishing, were permitted while others, such as crabbing, were prohibited. In many cases, operators in the tourism industry reported an almost complete stoppage in business during summer 2010. However, those who continued to operate complained about the lack of advance notice and information regarding beach, water, and marsh closures. This was especially the case among inshore and offshore charter boat fishermen, whose businesses often depended on access to a range of waters. Water closures also impacted nature tourism as well as local marinas and docks. The fear of impending water closures sometimes prompted recreational boat owners to leave marinas located in communities which had received or stood to receive oil, and to take their vessels elsewhere. Marina owners who had suffered such losses reported that such customers were difficult, if not impossible, to regain since in many cases they had found new places to dock in other states. A marina owner in Coden, Alabama discussed these types of impacts on his business:

Since the oil spill we've lost most of the boats that generally dock here. When the boom was put up in the summer [2010], people that had their boats here got scared of being boomed in. The sailboat [owners] in particular were afraid because they depend on the winds. Then people started discussing the possibility of an oyster shell dam across the mouth of the river to keep the oil out...They said that they were going to leave a gap until the oil came and then they were going to close it. When people heard this, everyone left (PP506 2011).

Many coastal restaurants catering to tourists prominently feature Gulf seafood on their menus. In addition to dealing with the fears surrounding Gulf seafood following the spill, these restaurants also had to deal with substantial increases in the prices of local seafood as well as scarcity in supply resulting from water closures and few active commercial fishing vessels. In general, restaurant suppliers could compensate to an extent for the declines in supply of Gulf shrimp, fish, and crabs by turning to other domestic and foreign sources. The majority of oysters

consumed in the U.S., however, originate in the Gulf and there was no easy way for restaurants to adequately increase their supply. A number of restaurants temporarily took oysters off the menu in 2010, a decision that in some cases stretched into 2011. A restaurant owner in Ocean Springs, Mississippi discussed some of the issues that he and others in the business faced following the spill:

We had to take oysters temporarily off the menu at our other restaurant following the spill. We could not easily get oysters the previous summer and those that we found were very expensive...We are getting oysters from TX now. We generally got them from Pass Christian. Some of the best oysters in the world came from Pass Christian, but the waters around Pass Christian weren't open for dredging this past [2010-2011] season (PP1017 2011).

Some in the tourism industry were able to partially or fully compensate for lost business, most commonly by becoming involved in the oil spill cleanup effort in various ways. For example the owners of marinas which were well situated to serve as staging points for cleanup work were able to lease or rent parts of their property to BP, and sold fuel and other supplies to boats working on the VOO program. Charter boat captains and deckhands, and those involved in water-based nature tourism often went to work for the VOO program or provided water transport for researchers and media personnel. Some restaurants which normally depended on tourist customers were able to formally cater for BP and cleanup contractors. Hotels along the coast hosted BP officials and cleanup workers (See Section 2.5 below).

Those who were able to obtain work tied to the cleanup effort generally reported being well compensated. Indeed, some stopped serving their usual tourist clientele altogether and focused exclusively on their work for BP. One major complaint by marina and restaurant owners was that formal catering and service contracts with BP were generally limited to a few, better-capitalized businesses in each community. In some areas, especially in early summer 2010, non-local contractors held the majority of such contracts, something which drew strong criticism from restaurant owners and employees. Later on in the course of the cleanup, catering was still largely carried out by a few restaurants in each community, and establishments which had not managed to secure official contracts commonly reported that their business had not witnessed much of an upturn from incoming workers. Of those who *had* managed to obtain BP-related work, a few expressed dissatisfaction with the ways in which they had been forced to alter their business operations to suit clean-up effort. A marina and restaurant owner in Orange Beach, Alabama, voiced this type of opinion:

During summer 2010 our marina had served as a staging site for the VOO program. Normally this marina and the adjoining restaurant are the hub of the local waterways since we have 70 slips, way more than any other place around here...The people working on the VOO were not the type of crowd we wanted. They looked for the cheapest thing on the menu and they were rough. This restaurant is a family restaurant and while we want to have one or two characters in the place, it was hard dealing with a whole restaurant full of them...we had to reduce the prices on many items since the people working on the VOO refused to pay the normal prices (PP1018 2011).

The impacts of cleanup workers on local economies were generally more constrained and limited than that of regular tourists. As stated in the most recent report by the Alabama Tourism Department (2010), oil spill workers who stayed in coastal communities for cleanup work during summer and fall 2010 likely did not spend the same amounts as regular tourists and did not access the same range of facilities and attractions. Furthermore, while businesses had often diverted significant resources and energy into shifting to cleanup work, such work generally lasted for a far shorter period of time than most had expected.

Work on the Vessels of Opportunity (VOO) program was more widely dispersed than catering and marina contracts, but those who operated businesses tied to the water expressed anger about the program's employment of both local and non-local people unaffiliated with the commercial or recreational fishing industry. A very common complaint voiced by those involved in the VOO program concerned the unpredictability and sporadic nature of their employment, with many being put on "stand-by" for varying periods of time both prior to and after having been hired, and then having their employment terminated with little warning. BP officially halted the VOO program in Florida, Alabama, and Mississippi on September 16, 2010 but continued on with the program in certain areas of Louisiana, including Plaquemines and Jefferson parishes (BP 2010).

People involved in the tourism industry commonly disagreed about who had been "really" impacted by the spill. While the great majority of those in tourism acknowledged that the commercial fishing industry had been impacted by the spill, a few people insisted that the impacts on tourism had in fact been worse. There was also disagreement as to who within the tourism industry itself had actually been impacted. Like commercial fishermen, people involved in charter boat fishing and in other tourism businesses which relied on local waters and seafood often stated that those who made their living from the water should be compensated before souvenir shops, restaurants, and other tourism retail businesses. Furthermore, some in the tourism business argued that those people in tourism and other industries who had could not provide adequate documentation did not deserve to receive claims payments. A charter fisherman operating out of Plaquemines Parish expressed such an opinion:

The people that are pissed about the claims process are people that never declared any of their income before and were never in the system. So for once, it pays to be a good guy... I went in person [to the claims office] because I had three inches of paperwork of documentation (BR030 2011).

In contrast to other coastal tourism sectors, the gaming industry along the Mississippi Gulf Coast actually posted slight increases in revenues during the last three quarters of 2010 relative to these same quarters in 2009 (MS Department of Revenue 2010). This reversed a downward trend of seven consecutive quarterly declines since 2008. However, casino employees from both Mississippi and Louisiana staged a protest in Biloxi, Mississippi in December 2010 which was intended to draw attention to the losses they claimed were suffered by casino workers in the aftermath of the oil spill (Pham-Bui 2010). Workers as well as members of local gaming associations expressed that general increases in casino revenues did not accurately reflect the situation of casino employees, many of whom rely heavily on tips (Jervis 2010). Kenneth Feinberg met with local casino officials later on that same day and stated that GCCF would reexamine casino worker claims (Wilkinson 2010).

While the majority of people in the tourism industry fell into the same general claims process as others filing claims, GCCF established a special \$60 million fund for those in the real estate business who had been affected by the oil spill. However, initially only those in the real estate business who had suffered a loss in rentals following the spill could file a claim. Those who had suffered a loss in sales were not eligible.

On May 17, 2010 BP announced that it was allocating grants specifically intended to promote tourism to the coastal areas of all four states. Florida received \$25 million and the other three states each received \$15 million. The way in which funds were portioned out and put to use differed across states. In Louisiana, for example, the funds were evenly divided by the lieutenant governor amongst three broad initiatives intended to promote tourism to coastal parishes, to the Greater New Orleans Area, and to the state of Louisiana as a whole (State of Louisiana 2010). A portion of BP funds went to assist the formation of the Louisiana Tourism Coastal Coalition, a new organization intended to promote the Louisiana coast as a tourist destination (Visit Louisiana Coast 2010).

Annual festivals and other public events constitute an important part of the tourism season in many Gulf Coast communities and frequently suffered considerable losses following the spill (Breed 2010). For example, fishing rodeos are key attractions and sources of revenue for coastal communities, and many were cancelled in 2010. BP tourism funds often went towards sponsoring established local festivals and events as well as putting on new public events, such as concerts, specifically intended to draw tourists to the area. A common reservation among those in the tourism industry about these events was that the crowds they brought to the area were only temporary and that public perceptions of coastal areas remained very sensitive to future media representations of the area as well as to the results of ongoing scientific testing of waters and marine life.

3.5. MAJOR OIL SPILL IMPACTS, ISSUES, AND RESPONSES IN 2011

For many in the tourism industry early 2011 was a time of considerable ambiguity. BP contracts, huge numbers of cleanup workers, and other sources of revenue related to the oil spill had largely played out by fall 2010. Many tourism-related businesses, including hotels, real estate rental agencies, and charter fishermen, expressed concern about a lack of advance reservations for summer 2011 and reported that the absence of reservations was very unusual and at least partially the result of continued uncertainty surrounding the oil spill and its long-term impacts. A charter boat fisherman from Plaquemines Parish lamented the low and uncertain state of his business in spring 2011:

I only have a hand full of bookings for this year. I'm taking my first trip out in two weeks, but I should've had something at least every weekend this month. It's definitely not enough to survive on. And with the start of spring of 2010, I was ready to have my best year since Katrina. I'd say I had around 100 bookings, but I also get trips from some of my other friends who are fishing guides and need more than one boat to take out a group on the water (BR060 2011).

Many in tourism feared that new mentions of the oil spill and dispersant use in media outlets during spring 2011 would renew or increase public concern about water and seafood safety.

The Mississippi River flooding of spring 2011, which affected St. Mary, Assumption, Terrebonne, Plaquemines, and Jefferson parishes, was an event which captured national attention. Much of the Gulf Coast, including the Mississippi and Alabama Gulf Coasts, as well as parts of south Louisiana, suffered little or no physical damage from the flooding aside from impacts to local oyster beds. However, motel owners and charter boat captains in unaffected areas nevertheless reported cancellations from clients based on media reports describing widespread flooding throughout the region. Among tourism business operators, those involved in charter and recreational fishing held the most immediate concerns about the short- and long-term impacts of flooding on fishery populations in various regions of the Gulf. Nevertheless, following the flood charter fishermen, marinas, and bait shops reported few lasting impacts resulting from this event.

High gas prices and the national recession were two other major factors affecting the Gulf Coast tourism economy in 2011 (Gulf Coast Business Council 2011b). Tourism businesses in the area have come to rely on customers spanning much of the southeastern United States and other parts of the country, but a significant portion of the industry is still dependent on drive-in customers, a segment which clearly stood to be directly impacted by the rise in gas prices.

Sections of beach remained closed in Port Fourchon, Louisiana throughout summer 2011. In Grand Isle, Louisiana major sections of beach were opened for public use in May 2011, in time for Memorial Day Weekend. However, late in summer 2011, beaches on Grand Isle were again issued advisories after Tropical Storm Lee in August 2011. The storm deposited tar balls along a broad span of the Gulf Coast beaches, including on Fourchon Beach, and in Orange Beach and Gulf Shore, Alabama. The sight of new tar balls and cleanup crews prompted fresh concern about the continuing economic and environmental impacts of the spill.

NOAA opened all federal Gulf waters to recreational and commercial fishing on April 19, 2011. A few state areas in Plaquemines and Jefferson parishes remained closed to commercial fishing, but were open to recreational activity (Louisiana Wildlife and Fisheries 2011). In a very few cases marinas and docks in these parishes were still serving as staging sites for cleanup in summer 2011. Likewise, some charter fishermen in these areas, as well as a very small number of fishermen in Mississippi and Alabama, were still involved in working on the oil spill cleanup, either for contractors or directly for BP.

The majority of businesses related to tourism resumed regular operations in 2011 and most agreed that despite its late start, summer 2011 nevertheless ended up being a fairly good season. Those in the charter and recreational fishing industries often commented that fish and other marine life were particularly abundant this year because of the low numbers of people who had fished recreationally and commercially during 2010. However a few species, for example speckled trout, was reported by the majority of charter boat captains as being considerably down in number during summer 2011. Regulations on fishing, bad weather, and high fuel prices were the main reasons given for the 2011 fishing season getting off to a slow start. Fishing tournaments, sometimes partly sponsored by BP, generally had a fair to good turnout. Fishing tournaments began to be held once again off the coast of Grand Isle, Louisiana which had experienced some of the most extensive and long standing beach and water closures following the oil spill. The first such tournament to be held, the Swollfest Fishing Rodeo which was cancelled due to the spill in 2010, drew around 600, which was nearly twice as many as

registered in 2009 (Braxton 2011). Registration for the Grand Isle Tarpon Rodeo, the largest tournament held on the island, was reported to be up 20% over recent years (Rioux 2011). In Dauphin Island, Alabama the annual Alabama Deep Sea Fishing Rodeo set a world record for largest fishing tournament (Petri 2011).

Retail business catering mostly to tourists was generally much better than in 2010 and in some cases was reported to approach pre-spill levels. However, there was a broad consensus among those in the hospitality business, charter boat fishing, and other tourism sub-sectors which took reservations that businesses were relying much more in 2011 on short notice and even on walk in customers, which made planning ahead difficult. Even those in the tourism industry who reported having a relatively good summer 2011 season complained that long term planning had been much more difficult this year. This was the case with this real estate agent based in Dauphin Island, Alabama:

We did all right in 2011. We saw lots of “new faces” during the summer 2011 season, although we lost clientele as well. The amount of time that people stay in the area has gone down a bit. Generally people stay for a week, but this year they have been staying for three or four days...the lack of reservations before and during the season was a problem. It made it hard for us to plan or budget ahead (PP1020 2011).

The majority of those in tourism discussed how they continued to receive inquiries from tourists and potential tourists about the safety of local waters and seafood and the presence of oil and dispersants. Those few people in tourism who still worked for BP had additional worries about retaining customers, as their work on the cleanup generally kept them from serving their regular clientele. Businesses featuring Gulf seafood continued to suffer in 2011 from a combination of factors, including sporadic availability of product, higher prices, and the continuing fears of customers. Toward the end of the summer many in the tourism industry expressed considerable uncertainty about the future of their businesses. A charter fisherman operating out of Plaquemines Parish expressed:

I’m not worried about the big fish. It’s how the babies are doing that worries me. Both trout and red fish lay their eggs on sandy bottoms in the bays around here...I know from working the clean-up that there’s a lot of oil that has been sunk to the bottom of the bays because of the dispersant they used. I’ve seen tar balls come up to the surface that are as big as houses. No kidding. So if there’s oil all on those sandy bottoms, the mamas can’t lay their eggs this year and that’s going to be really bad for us in a couple years...It can take a red fish 20 years to get that big, so if we lose a whole year or two of babies, we could be waiting a long time to get a red fish breeding stock back again (BR059 2011).

Others, including one beach vending employee in Biloxi, were less concerned about the physical safety of the water and seafood; rather, they were more preoccupied with the oil spill and subsequent media coverage prompting visitors and potential visitors to remain suspicious of everyday realities of life along the coast, such as muddy or brackish water (PP1014 2011).

Some in the tourism industry feared that dolphin deaths, tarballs, and other phenomena would be uncritically linked to the oil spill in the months and years to come and would continue to prompt potential tourists to reconsider or cancel their trips far into the future.

In 2011, the gaming industry along the Mississippi Gulf Coast continued to post slight increases in revenue relative to 2010. By the second quarter of 2011 the coastal gaming industry had posted revenue increases over five consecutive quarters (Gulf Coast Business Council 2011a). In March 2011, GCCF announced that it would soon start processing 2,500 claims from casino workers along the Gulf Coast (Associated Press 2011).

In February 2011 the GCCF expanded its claims process for the real estate industry to include the possibility of claims on losses suffered on residential transactions. In the spring of 2011, BP announced a second round of tourism grants to affected states. The grants were slated to be dispensed and spent over three years. Florida received \$30 million to be divided between seven coastal counties. In March 2011 Louisiana received \$30 million with the Greater New Orleans Area set to receive \$6 million and with \$2.2 million set to issue to Jefferson, Terrebonne, Lafourche, St. Bernard, Plaquemines, and St. Tammany parishes. The remainder will go to the State Department for Culture, Recreation, and Tourism to fund general tourism advertisement and marketing for the state and will be divided among the other Louisiana parishes according to extent of oil spill impacts they each suffered. Dispersal of the funds are being overseen by the lieutenant governor's office and channeled through the Community Foundation of Acadiana (Office of Lt. Governor State of Louisiana 2011). The Louisiana Tourism Coastal Coalition will also be involved in how these funds are utilized in the coastal parishes (Visit Louisiana Coast 2011). The state introduced a new marketing campaign centered around the theme "Pick your Passion." Some of the areas on which the campaign focuses include local festivals, recreational fishing, and promotion of lesser-known regions of south Louisiana as tourist destinations. As with Alabama and Mississippi, the state of Louisiana was also attempting to aim a portion of BP funded advertising at non-traditional markets (Viator 2011).

Biloxi/Gulf Port, MS and Orange Beach and Gulf Shores, Alabama present two broadly different approaches to post-spill recovery. While both areas rely heavily on tourism, Biloxi/Gulfport has a large commercial fishing industry as well as one of the largest concentrations of gaming establishments in the United States. Furthermore, Biloxi/Gulfport has a long history with the military, and this has significant impacts on the local economy. In contrast, Orange Beach and Gulf Shores are much more singularly focused on beach tourism. As one local south Baldwin County official put it, "Here, the beach and the white sand are the only reason for the business community to exist. Gulf Shores started developing in the 1950s because of the beach. If it had been farmland to the south instead of beach, then there would be nothing here" (PP1016a 2011). Both Biloxi/Gulfport and Orange Beach/Gulf Shores figure as the most important tourist destinations in their respective states in terms of tourism revenues, but the areas differ with respect to the forms of tourism on which they focus. The beachfront is the major "attraction" drawing tourists to Orange Beach/Gulf Shores. While the beach also figures as an important tourist attraction in Biloxi/Gulfport, rebuilding along the beachfront has been uneven since Hurricane Katrina, and the beachfront is mostly dominated by large corporate gaming establishments and nationally franchised restaurants and hotels.

Following the oil spill, Alabama and Mississippi were both awarded \$15 million BP grants. Mississippi received an additional \$3 million in tourism grant money from BP in August 2010. In 2011, Alabama was awarded a \$16 million grant, which was intended to focus on coastal Mobile and Baldwin counties. The grant was overseen by the Alabama Tourism Department and the Alabama Coastal Recovery Commission. Mississippi also received a \$16 million grant, which will be portioned out under the newly formed Mississippi Coast Regional

Tourism Partnership. The ways in which coastal Alabama and Mississippi have utilized and plan to employ BP grant money have in some ways varied considerably.

In Orange Beach and Gulf Shores, major recovery projects and initiatives have focused largely on the beachfront. To this end, a “Concerts for the Coast” series was staged using BP tourism grant money during summer and fall 2010 and brought a number of big name entertainers to perform on the beaches in both Orange Beach and Gulf Shores. Beach concerts featuring Jimmy Buffett, Brad Paisley, and Bon Jovi were each reported to have drawn more than 30,000 visitors, although countywide gross lodging revenues were still down 33.2% for summer 2010 (CBS News 2011). Additionally, BP tourism grant money was also used to increase and develop new forms of advertising and to sponsor research intended to benefit tourism. In 2011, Orange Beach and Gulf Shores continued to host concerts, including the three-day-long Hangout Music Festival in May, which were intended to draw visitors to the area, and specifically, to the beachfront. The festival was reported to have brought more than 30,000 visitors to the coast. The area posting record lodging numbers from March-May 2011 and several more concerts and other events were scheduled for 2012 (Viator 2011).

In Biloxi/Gulfport, these types of large-scale events specifically centering on drawing tourist visitors to the beachfront were largely absent during summer 2010. In this area, the initiatives funded with BP tourism grants in the area did not center on special events around the beachfront or on other particular locations. Instead, grant money was utilized on an advertising campaign, as well as on local promotional efforts in Biloxi/Gulfport and in nearby communities such as Bay St. Louis. For example the Hancock County Tourism Development Bureau devised a program where tourists were provided with free transportation to Bay St. Louis, Mississippi as well as \$100 in “Magnolia Money”, which could be spent at participating businesses in the local area. The program was applauded by some local businesses for greatly stimulating the economy after a very slow summer season. The Mississippi Gulf Coast Golf Association featured another similar program that rewarded golfers booking three day/three night golf package deals with a \$100 reward card that could be spent at participating coastal seafood restaurants (Drum 2010). Many of these initiatives were part of the Mississippi Tourism Development Authority’s Tourism Division general “Wish You Were Here” advertising campaign, designed to aid post-spill recovery (Mississippi Gulf Coast 2010). As part of this effort, BP tourism grant money was used to partially fund pre-existing Mississippi Coast events including fishing tournaments, seafood festivals, and the annual Cruisin’ the Coast car show (Bowman 2010).

In 2011, the three tourism agencies which had previously separately promoted each of the Mississippi coastal counties were merged together under the newly formed Gulf Coast Regional Tourism Partnership. Proponents of the organization cited its formation as a major event for the area, and as an important step towards post-spill recovery and in promoting future tourism by marketing the entire Mississippi coast as a single tourism destination. Others involved in the local tourism industry argued that the formation of the Partnership was occupying time and resources which would be better spent funding projects and events which stood to more immediately boost tourism. The organization started to accept grant proposals in September 2011 and has stated that it will continue to accept proposals until December 2011. The types of projects and items eligible for funding included advertising efforts outside of the six Mississippi coastal counties, event production, and economic research (MS Gulf Coast Regional Tourism Partnership 2011). 2011 saw few major events specifically intended to spur post-spill recovery staged in Biloxi/Gulfport and along the Mississippi Gulf Coast generally speaking. However, a number of regularly-held annual events, including the Blessing of the Fleet ceremony, Christmas

in the Pass, as well as several fishing tournaments and boat races were partially sponsored with BP funds (BP 2011). Furthermore, following its formation, the Gulf Coast Regional Tourism Partnership invested in research focusing on obtaining information about tourist visitors to the Mississippi Gulf Coast and their perspectives on the area.

At the end of the 2011, Alabama's tourism numbers were reported to be up 51% since the previous year, while Mississippi was up 7% over 2010 (Keating 2011). In South Baldwin County, residents, business owners, and workers expressed fewer disagreements over the utilization of BP tourism grant money than in many other study communities. This was due to a number of factors including the absence of much economic activity outside of the tourism sector, the relative uniformity of the tourism sector in terms of its concentration on the local beachfront and waterways, and continuing local business ownership. In this area the tourism sector did not have to reconcile the interests of highly divergent sub-sectors within the tourism industry, nor did it have to deal with strong local interests representing other industries, such as commercial fishing. Many business owners and employees in the South Baldwin County tourism industry expressed satisfaction with local governments' post-spill efforts and expressed that summer 2011 had been a good season, although they still voiced uncertainty about the future.

In Biloxi/Gulfport there was more disagreement about the way in which BP tourism grant money had been utilized and how recovery had played out. Those in tourism who depended on the beachfront and local waters commonly expressed that the presence of the gaming industry had marginalized the concerns of those involved in other forms of tourism in the area. For example, a vending stand owner in Biloxi stated:

Most of the shops and restaurants and other businesses which used to exist along the beach did not come back after Katrina...there are very few places for people to stay if they want to come to the beach. Not everyone can afford to pay \$250-500/night for a room at the casinos...The problem is that the city looks at it like these are just vendor stands and they're not a big deal. They don't see that if the people come to the beaches they will go to the stands, but they will also go to the restaurants and other businesses nearby. Some people don't want to just go to the casinos (PP1019 2011).

The aftermath of the oil spill was thus held to be in line with a particular, local vision of development which dated back to Katrina, and which was held to favor the development of the gaming industry and other large, corporate business at the expense of smaller scale tourism businesses in the area. Many local residents as well as business owners and employees involved in non-gaming tourism stated that gaming tourists would continue to come to the area regardless of the condition of the local environment, whereas the majority of other tourism businesses in the area were highly dependent on the state of local waterways and beachfront. Many in the tourism industry in the Biloxi/Gulfport area spoke directly about the need for concerts and other events of the kind staged in South Baldwin County and other areas of the coast after the spill. The diversity of the economy across the three Mississippi coastal counties, divisions within the tourism sector itself, as well as a heavy presence of non-locally owned businesses were all factors which complicated post spill recovery efforts for the tourism industry in Biloxi/Gulfport.

3.6. SUMMARY

All of the sub-sectors of the tourism industry discussed in this section were impacted to some degree by the BP oil spill. Negative media attention was the most common impact reported by owners and employees across these sub-sectors, as well as tourism industry advocates and officials. Renewed negative media attention on the area in 2011 and beyond was also among the most widespread fears of people in tourism. In this respect, the experiences of tourism industry along the Gulf Coast in 2010-2011 were similar to the experiences of those involved in tourism in Alaska following the Exxon Valdez oil spill. There too, actual physical impacts often had little correlation to declines in tourism business, which were heavily influenced by extensive media coverage (Greenberg 1990). The success of various tourism marketing initiatives along the Gulf Coast, as well as media coverage and the results of continued scientific testing will all play important roles in how well the coastal tourism industry can recover over the coming years.

Aside from these more overarching concerns, different types of tourism also face more individual problems. For example, continued testing of seafood arguably has more potential to impact seafood restaurants and those in the charter and recreational fishing business than those in other sub-sectors of the tourism industry. For beach vendors and others concentrating specifically on beach tourism, the potential for future storms and hurricanes to deposit tar balls and other residue on local beaches is a continuing source of worry. This was confirmed to an extent by Tropical Storm Lee in fall 2011. However, this storm certainly did not present a worst-case scenario by the standards of the region, and tourism in 2011 benefited from an absence of the truly devastating hurricanes so common to the area.

As demonstrated in this section's discussion of the post-spill period in Orange Beach and Gulf Shores, Alabama and Biloxi/Gulfport, Mississippi, impacts and recovery also varied across communities and depended on various factors, including the types of tourism present in a given area, the community's ability to obtain BP tourism grant money, as well as the diversity of local tourism and the more general economy. For example, in an area such as Biloxi/Gulfport, at least some of the businesses that normally depended on tourist customers managed to draw upon military and corporate customers to a greater extent following the spill. However, in other tourism-based coastal communities that lacked such military or corporate presence, such a shift was not possible. At the same time, the presence of economic diversity sometimes complicated the division of post-spill grants and other resources. Residents and business owners of smaller, lesser-known tourism destinations such as Dauphin Island, Alabama often complained that larger communities, with greater tax revenues, political leverage, and access to media had been much more successful at obtaining available BP grants and funds. Control and allocation of BP grant funds at the state rather than local level, and portions of grants being directed towards statewide tourism rather than coastal tourism specifically, drew general criticism among residents in coastal communities, both those involved in the tourism industry and others.

Some aspects of post-spill recovery have more to do with broader economic conditions. High fuel prices, for instance, stand to have negative impacts on all sectors within the tourism industry. Continued high national unemployment will also clearly not bode well for tourism along the Gulf Coast. Regional and national developments in tourism also have bearing on the future of the tourism industry in particular Gulf Coast communities. For example, the Mississippi coast gaming industry stands to be impacted by the possible development of new casinos in Florida and other nearby states.

As in other economic sectors, some of those involved in the tourism industry were able to at least partially compensate for their losses following the oil spill by becoming involved in the cleanup effort in various ways. However, such work had been long finished for the majority of the tourism industry at the time of this report. Many in the tourism industry are currently involved in the claims process and are waiting on their final settlements from BP. They often expressed worries about the prospect of drawn-out legal battles over spill-related settlements and about the prospect of accepting final settlements when the long-term implications of the spill remained unclear.

As discussed above, the four affected Gulf Coast states have been the recipients of several BP tourism grants since May 2010. To date BP has awarded \$30 million in tourism grants to Louisiana, \$20 million to Mississippi, \$32 million to Alabama, and \$52 million to Florida (BP 2011). The long-term effects of such funding is unclear. In some areas, for example in Louisiana and the Mississippi Gulf Coast, BP tourism grants have already facilitated the formation of new tourism organizations and new visions for tourism development. Similarly, in areas of south Louisiana, the influx of BP funds and the promise of more money over the coming years has raised hopes among some groups of promoting new forms of employment, for example in ecotourism and environmental education, in areas which have traditionally relied heavily on work in the oil and gas industry. At the same time, those in tourism expressed trepidation about the new bureaucracies and “red tape” forming around the oil spill recovery process, tourism grants, and the dispensation of recovery funds (Wilkinson 2011). Many of the initiatives based on these monetary sources are still in their infancy and it is difficult to tell to what extent they will be successful and what types of impacts they will have. People in the tourism business continued to hold fears that the positive impacts of BP funded events and initiatives would be fleeting and that the real consequences of the oil spill on coastal areas would not be known for several years.

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CHAPTER FOUR: SHIPBUILDING AND REPAIR

Tom McGuire and Preetam Prakash

4.1. INTRODUCTION

Shipyards and shops along the Gulf Coast build, modify, and repair boats for a large array of customers. Clients include commercial and recreational domestic fishermen, foreign fishing operations, domestic and foreign military services, oil and gas producers and service companies, cruise lines, bulk commodity transporters, and municipal ferry operators. Shipyard activity responds to a range of economic and socio-political forces. Shipyards vary in size, in capabilities, in financial assets, and in the diversity of clients they service. They vary in their ability to attract a skilled work force and to retain those workers through cyclical and event-related changes in work orders. To isolate the *Deepwater Horizon* consequences on shipbuilding and repair along the Gulf is thus difficult. This catastrophic event needs to be set in the context of several pre-existing factors and issues significant to the industry.

First, a substantial portion of the remaining newbuild activity in U.S. shipyards is buoyed by the provisions of the Merchant Marine Act of 1920 (the Jones Act) governing "cabotage" coastal shipping. Transport of goods between U.S. destinations, including oil and gas rigs and platforms, must be conducted on U.S. built and manned vessels. There are exceptions, and continual attacks on the act by domestic and foreign vessel builders and operators, but many argue that much of the tug, barge, and offshore service and supply work along the Gulf owes its existence to this enduring legislation. Second, naval warships and support vessels are constructed in the handful of remaining private domestic facilities capable of meeting complex construction and security requirements. Several of these are located along the Gulf Coast. And, with the increasing concern for coastal protection in the aftermath of terrorist attacks, Coast Guard patrol activities have increased, bringing significant work to modest-sized domestic ship builders.

However, dampening trends and negative economic cycles must be considered alongside these variables which have increased or at least sustained demand. Fishing fleets expanded with the declaration of the Exclusive Economic Zone in 1976, but have subsequently declined due to overfishing, foreign imports, and rising costs of fuels and other inputs. The demand for new commercial fishing boats has thus softened, although in certain shipbuilding areas there have been subsequent spurts of growth, for example in the late 1990s and early 2000s. Much of the offshore oil service fleet was built in the expansionary decade of the 1970s, and replaced in the late 1990s and early 2000s. The subsequent and enduring recession beginning in late 2007 slowed further newbuild activity, largely through restricted access to financing. Within this context, the spill, the cleanup process, and the moratorium, suspension, and "permitiorium" on new offshore drilling have had diverse consequences for shipbuilding and repair along the coast.

4.2. METHODOLOGY

Researchers gathered information on the shipbuilding and repair industry in the study areas through drop-in conversations at local yards and shops involved in the industry; longer discussions with company owners and employees; and reviews of industry publications. Many of the study participants had taken part in a recent study of fabrication and shipbuilding conducted by several team members for the BOEM, and their longer-term perspectives were particularly valuable in helping put the *Deepwater Horizon* disaster and its aftermath in context. Team members talked mostly with owners and employees of the small and medium-sized yards that build and repair vessels and gathered information about the larger yards, particularly those involved solely or primarily in military contracting, from trade journals and company reports.

4.3. BACKGROUND ON THE SHIPBUILDING INDUSTRY IN THE GULF OF MEXICO

The shipbuilding industry has a long, prominent history along the Gulf Coast. In many areas the industry came into existence in the 18th and 19th centuries in conjunction with the growth in river trade and local seafood industries (Cangelosi and Ford 1998; Ziglar 1974). However, it was World War I and World War II and the accompanying need in both cases for the rapid construction of large numbers of military vessels which provided the impetus for shipbuilding's massive expansion (Couch 1964; Ziglar 1974; Gutierrez 1987). In some areas, such as Jackson County, Mississippi, this dependence on military-related work has continued up until the present.

Following both world wars, the shipbuilding industry along the coast experienced significant downturns linked to sharp decreases in military demand, but starting in the 1950s and onward the development of the offshore oil industry in the Gulf came to provide a significant new customer base for shipyards in the region (Workboat 1950; Offshore Operations 1954). Though many of the military-focused yards only began to build offshore service vessels (OSVs) and structures to weather slow periods, some existing yards diversified to serve the needs of the offshore oil industry while others opened specifically to cater to this industry. Offshore oil-related work proved especially attractive for many yards and shops during the "boom" of the 1970s with many yards which had previously focused on other sectors, for example commercial fishing, moving increasingly in the direction of offshore related work (Colton n.d.).

The downturn in oil prices in the early 1980s resulted in difficult times for a shipbuilding industry which had become increasingly dependent on the oil industry. A number of yards and shops shut down during this decade. Some yards, such as Ingalls in Pascagoula, which focused more on government and military work, made it through this time more easily than others, benefitting from President Ronald Reagan's call for a 600-ship Navy (Baylis 1989).

In the 1990s, with the fall of the Berlin Wall and the disintegration of the Soviet Union, reductions in warship work prompted yards and shops across the Gulf to once again turn to a revived offshore oil industry for work (The Times-Picayune 1997). As contracts for the new construction of platforms and rigs for the industry moved overseas to locations such as Singapore and South Korea, Gulf Coast yards and shops came to depend more on repair, refurbishing, and component fabrication. The move to deepwater drove up the size of OSVs, reflected in more than a fourfold increase in length and an increase in both the size and number of onboard

engines, exceeding the capacity of small to mid-size yards. Companies without sufficient space had to acquire more property or subcontract to yards elsewhere for the fabrication and even modular assembly of the large vessels (Anonymous 2009; Pearson 2010). Newbuild work for the commercial fishing industry had also decreased considerably from the 1970s, and through the 1980s, and yards in places like Bayou La Batre, Alabama that specialized in fishing vessels began to take on more offshore construction. A small recreational vessel construction and repair sector along the coast in the study areas and has tended to stay distinct from the other shipyard activity. Some yards that deal with recreational vessels mostly perform haul outs and provide space for people working on vessels and refrain from doing much of the actual repair and maintenance work themselves. Other yards do engage in such work at times. But, overall, specialized recreational vessel construction is a very small niche market and recreational vessel-related work constitutes a relatively small portion of the shipbuilding and repair industry.

Throughout its history, the shipbuilding and repair industry has been highly cyclical and subject to dramatic fluctuations. Such cycles frequently coincide with the powerful storms and hurricanes common to the Gulf. The most recent industry upturn followed Hurricane Katrina in 2005. Those who work on offshore business generally acknowledged that hurricanes result in substantial increases in activity due to the widespread damage and destruction of platforms, rigs, and vessels. The aftermath of Katrina was no exception, and yards and shops subsequently attempted to recruit both domestic and foreign labor to meet demand (Tortorano 2007). This demand had declined in most regions along the Gulf by 2008 to 2009.

The impact of the "Great Recession" of 2008 into 2010 can be captured by two commentaries. Larry Pearson, writing for the *Professional Mariner* magazine in December, 2007, observed that:

In the 30 years that I have been covering the offshore industry, I have never seen shipyards so busy with supply boat construction. The yards that typically build these vessels are booked to 2009 and beyond, and the business is so good that owners who want a boat with a normal lead time have only two options: to go to a shipyard that can, but seldom does, build supply boats, or to wait for up to three years for their favorite Gulf Coast yard to build it (Pearson 2007).

Ken Hocke of *Workboat* was telling a different story in March, 2010:

Just over two years ago, Gulf Coast shipyards literally had a waiting list for its [sic] precious construction slots. Since then, new contracts have dried up as Gulf yards have been hit hard by the recession, with many scrambling to keep workforces busy enough to avoid further layoffs...it's a tough financial market, even for those with lots of credit and a sterling credit rating (Hocke 2010a:33).

With the slowdown in newbuild construction, some yards concentrated on repair work, and vessel operators used the slowdown in oil demand and drilling activity during the recession to refurbish existing fleets. Some yards focused on foreign customers, while several existing yards took the opportunity to acquire failing facilities (Hocke 2010a). Military shipbuilding continued through the recession, providing work for the major warship yards in New Orleans and Pascagoula, as well as yards in Louisiana and Alabama. These smaller facilities received lucrative contracts for constructing runs of smaller Navy and Coast Guard vessels.

By May, Hocke of *Workboat* was seeing indications of recovery for the vessel industry:

There are signs that more newbuild contracts for offshore service vessels could be on the horizon. For starters, the Gulf is beginning to show signs of life. Between mid-November 2009 and the end of February, 15 working jackup rigs have been added to the 24 already working in the Gulf of Mexico and the Minerals Management Service's Central Gulf lease sale in mid-March was a strong one. And looking to the future, President Obama announced a plan to open up new areas for oil and gas exploration and development (Hocke 2010b:24).

He further observed that:

The offshore energy market appears to have bottomed out, and operators and shipyards are sounding and acting like they are ready for business to take off (Hocke 2010b:24).

By August of 2010, after the *Deepwater Horizon* explosion and the subsequent suspension of drilling, things had once again changed and *Workboat's* coverage of the Gulf featured the headline, "American Idle" (DuPont and Hocke 2010:24).

4.4. OIL SPILL AND AFTERMATH IN 2010

Study participants frequently reported that the moratorium on deepwater exploration was the most harmful consequence of the oil spill for shipbuilders. They commonly used the term "moratorium" to refer to both the official period of the moratorium as well as the later suspension of drilling. In addition to closing off sections of the Gulf of Mexico to drilling, the moratorium was described as having introduced a great deal of uncertainty into an industry which was already in a downturn, about the future and about the new regulatory environment that would come out of the tragedy. Such uncertainty was held by some yard and shop owners as having directly led to the loss of pending contracts. This situation also dissuaded OSV fleet operators from considering newbuilds. Such widespread uncertainty combined with a drop in demand was reported to have led in some cases to heavy reductions in the workforce. Moreover, those workboats delivered by Gulf Coast yards in the year following the *Deepwater Horizon* explosion were overwhelmingly from contracts signed before the event (Hocke 2011). The official lifting of the drilling suspension in October 2010 was widely held to have had little actual impact and the first new exploration permits were not issued until the spring of 2011.

The moratorium and suspension were not entirely negative for everyone in the industry. Beyond those companies that had contracts which kept them busy, a few yards which had pre-existing relationships with larger offshore oil service companies benefited from increased work following the moratorium. Such work resulted from rig and vessel owners taking advantage of the slowdown following the spill to have Coast Guard mandated repairs and maintenance work done. Oil spill cleanup operations were another albeit short-lived source of work for a few yards and shops. These businesses were able to become involved in cleanup operations by fabricating oil boom and other necessary equipment. Several yards mobilized quickly to build specially-

designed skimmer vessels for the cleanup. For example, a yard owner in Bayou La Batre, AL said regarding his business in fall 2010:

The effect for us has been mostly good so far. We've been doing work for BP ever since the oil spill... We're just doing whatever they need. We're fabricating the anchors to hold the booms in place. We had a contract to make a number of oil skimmers that they were using earlier on in the summer (PP434 2010).

As with many other sectors of the coastal economy, the number of businesses in shipbuilding that could get involved in post-spill cleanup work was limited, and many owners commonly reported that work on commercial fishing vessels had suffered following the spill. The drop in business was reported by yard and shop owners as being both the direct result of fisheries closures as well as the pervasive climate of uncertainty over seafood safety (see Section 2.2). Furthermore, a number of commercial fishermen were employed with the VOO program during the summer and fall of 2010 and thus did not bring their boats in for repair during this time. However several yards that dealt with commercial fishing boats stated that business had picked up substantially towards the end 2010 with fishermen reported to be coming in considerable numbers during this time to spend money they had received from working on the VOO program or as part of the BP claims process on boat repairs. Such was the story told by the yard owner from Galliano, LA:

Things picked up as soon as [the oil spill cleanup] was over...with the money from BP people were able to buy things. Everyone got new trucks but they were also able to repair what they had been putting off. The boats that had gone out started coming back and getting repairs, coming up on the drydock for painting and blasting (DA499 2011).

The relatively small number of yards and shops that normally dealt with recreational boats reported a decrease in this business during summer 2010, as did marine hardware suppliers (see Section 2.5). Yard and shop owners who dealt with recreational boats said that it had made little sense for owners to invest money in boat repairs and maintenance given constantly shifting water closures and general uncertainty about the future of the Gulf during the summer of 2010. However, in a few cases yard owners hauled out greater than normal numbers of boats due to the fears that boat owners had about oil in the water. Others, such as this recreational boat repair shop manager from Gulf Shores, AL, also commented on how the VOO program had resulted in a temporary increase in business:

When people started working on the VOO program we got some of this work... when the VOO was underway people were digging in their garages for whatever types of boat engines and parts they could find so that they could go to work. We ended up selling a lot of boat engines over summer 2010 and doing lots of repair work, but this still didn't make up for the losses in our business (PP1021 2011).

A builder of luxury motor yachts on the Gulf Coast continued to find worldwide clients, and also helped construct belt skimmers for the state of Mississippi, but the few yards that dealt with recreational vessel construction reported a drop in contracts; most personal recreational vessels are manufactured in factories, not constructed in boat yards. As with commercial fishing

related business, yards and shops dealing with recreational boats generally reported at least small increases in this side of their business towards the latter part 2010, with many boat owners spending money earned in the VOO program or received through the claims process on boat repair and maintenance.

Despite the impacts to many yards, some yards in the region reported that their business was little changed by the spill. Perhaps most prominent among these are yards whose major focus lies outside of the offshore oil, seafood, and recreational fishing industries. Such yards saw construction opportunities in LNG (liquefied natural gas) tugs, articulated tug barges, ferries, and specialized lightering service boats (Crowley 2010). Yards dependent on government and military contracts likewise were little impacted by the oil spill; if anything, some saw an increase in construction or repair of Coast Guard vessels. Other yards, while impacted by the spill and moratorium, were insulated from its impacts to some extent because they had contracts with customers in other areas of the United States or overseas or because of their involvement with the regional inland waterway traffic market. As in other sectors, some shipyard and shop owners who managed to get through the oil spill period relatively unscathed commented unfavorably on the behavior of others in the industry after the oil spill and on the potential consequences of such actions.

By the end of 2010, Meredith observed, “Builders of rigs and support vessels stand to benefit from tighter controls, particularly if build-American provisions are extended to deepwater drilling” (2010).

4.5. OIL SPILL AND AFTERMATH IN 2011

There was relatively little change in the situation of most shipyards and shops tied to the offshore oil industry during the early part of 2011, due to little positive development in the issuing of offshore oil contracts. Yard and shop owners commonly observed that the lifting of the drilling suspension in October 2010 failed to result in new drilling permits. In February 2011, a yard owner in Bayou La Batre, Alabama commented:

The moratorium being lifted was just symbolic. The actual number of permits being issued is way lower than it was before the moratorium was put into place. Also, the permits that are being issued differ in kind from the type that were issued before. The permits being issued now are not the kind which put a lot of boats and people to work. I don't know of anyone who has gotten any big contracts related to offshore since the moratorium was lifted (PP641 2011).

However, towards the middle of 2011, shipyards began to report a rise in the number of estimates being requested on offshore oil-related projects. By summer 2011, a few larger yards along the coast had already obtained new offshore related contracts. For example, shipbuilders in Louisiana reported newbuilds of supply vessels, anchor handlers, double-hulled tank barges, and aluminum crewboats (Crowley 2011). And several yards continued with facility upgrades and expansions (Hocke 2010c). But the majority of yards and shops still reported relatively little change in the number of projects actually being financed (cf. Hocke 2010b).

Small yards and shops alleged that larger companies possessing substantial amounts of capital were in a much better position to weather the slow times and to obtain what new contracts might arise while smaller operations that lived from contract to contract were having much more difficulty. For example, this yard owner from Bayou La Batre, Alabama attested that the oil spill and moratorium had resulted in a situation where the smallest operators were the most vulnerable:

The impacts of the moratorium impacted the entire offshore industry. What you have is a situation where each person bumps off the next person down. So the nice, well-appointed offshore boats bump off the smaller boats, and these boats bump off the inshore boats and so on. The same thing happens with shipyards and everyone starts doing work that they might not have otherwise (PP745 2011).

A yard owner based in Larose, Louisiana concurred articulate another reason for smaller yards and shops facing hard times in 2011 when he discussed his inability to handle work of the scale that was beginning to open up that summer:

The bigger stuff, it's working, but I can't handle it. I'm not big enough. I don't know where we're going. We don't know. We just take it day to day, that's all. It's frustrating to hear what they want to give money to... Normally we stay with [vessels] below 80 tons. From tugs to shrimp boats, approximately 70 foot, 65 foot, on down. That's what this facility is able to handle. Now the way the business is, you have to be able to do 300 to 400 tons. You can't make a living with little bitty boats. All the little boats up and down the bayou can't pay insurance and workman's comp. Everything is bigger... The middle sized boats are not working. They're tied up (DA497 2011).

Contributing in significant measure to the poor situation of many yards in 2011 was the fact that many of these yards were at low points in contract cycles when the oil spill began and the ensuing climate of uncertainty and caution was not conducive to their acquiring new contracts. There was a general consensus that things were looking a bit better than in 2010 and early 2011, but yard owners were still uncertain about when significant numbers of new contracts would actually begin to flow in from the offshore oil industry.

Yards that dealt mostly with the commercial fishing industry reported being moderately busy with repair work during the early months of 2011. This work was said to be a continuation of the trend which had begun in late 2010 of commercial fishermen opting to use some of the money they had earned working for BP or through the claims process to repair their boats. In addition, some fishermen invested their money in new boats, benefitting the yards engaged in the construction of these vessels. Owners whose business was still relatively slow attributed this as much to exterior factors such as the low price of seafood and high fuel prices as they did to any lasting impacts of the oil spill. During the summer of 2011, the number of commercial fishermen utilizing yards and their services had risen to levels that most yard owners considered normal.

Recreational boat owners were reported to be coming in for repair and maintenance work in lower-than-usual numbers during the spring of 2011. However by the middle of the summer the numbers of recreational boat owners bringing their vessels in for repairs had again picked up. Some owners even reported that owners of recreational vessels were especially eager to go out because they had missed the previous season. Those yards where recreational boat related

business was still slow mostly attributed this to high gas prices and the bad economy. A few yard and shop owners who dealt with commercial and recreational fishing vessels reported having placed an increased emphasis on secondary aspects of their business, such as providing drydock services to people wishing to store or repair their own vessels in an effort to make up for business which had been lost following the spill.

Toward the end of the summer of 2011, business had leveled out and become fairly stable at the majority of small and medium sized yards and shops the ethnographers visited. Business was still frequently reported as being lower than prior to the spill but owners almost all concurred that a wide range of factors contributed to this. Reflecting the long-standing ties between the shipbuilding sector and oil and gas along the Gulf Coast, some connected to the shipbuilding industry, such as the following manager of a vessel leasing company in Cut Off, Louisiana, were openly hostile to the idea that BP and the oil spill bore any continuing responsibility for the generally low state of the industry in 2011:

In the past they had oil in marshes... The oil that BP spilled is not a quarter of the oil that was already out there. They had oil on boats. It's not the oil that causes that. The blisters were probably there before. There's a fungus that grows in fiberglass. They just want money from BP. They think [the money from BP] is going to last forever and ever and ever, but it's not. BP paid them. It's done (DA500 2011).

A few owners were successfully attempting to diversify their business in various ways. For example, a yard owner in Bayou La Batre, Alabama had decided to increasingly focus on the oyster reef restoration work which was slated to pick up, partly in relation to oil spill recovery, over the coming years. However, the majority of owners spoke disparagingly about the possibilities of diversification. While owners often recounted having performed a great variety of work and being capable of taking on "anything" they also reported that their ability to find new lines of work was limited by the relatively narrow social networks that have come to characterize the industry niches. Thus for example, those who had been engaged in fishing vessel construction for a number of years often found it difficult to begin, or in some cases reassume, building push boats or Coast Guard vessels.

4.6. SUMMARY

The great majority of the study participants in the shipbuilding and repair industry reported the moratorium/drilling suspension and de facto "permitorium" (see Section 2.1, above) on deepwater drilling had a much a greater impact on business than the oil spill itself. The oil spill occurred during an industry down cycle, when many yards and shops were reaching the end of existing contracts, so yards and shops often could not rely on pre-existing contracts to see them through the months following the spill.

The diversity of reported impacts is a testament to the complexity and diversity of the shipbuilding and repair industry. Smaller yards and shops specializing in fabrication and repair for the offshore oil industry generally were the hardest hit by the oil spill and its aftermath. Most yards concentrating on offshore oil-related work experienced sharp downturns in business during the summer and fall of 2010. However, due to their often possessing greater capital and a more expansive customer base, larger yards were better able to weather this period and maintain their

workforce. Yards that mostly did work for the commercial fishing industry generally reported sharp downturns during the summer and fall of 2010. While business was still slow in summer, 2011, most of these yards attributed this downturn to exterior factors and reported that business had stabilized somewhat.

Yard owners expressed significantly different opinions as to the long-term consequences of the oil spill, moratorium, and suspension of drilling. Owners of smaller facilities sometimes reported having been stretched to the breaking point by the oil spill and its aftermath. They often invoked the shift of shipbuilding and fabrication work overseas during the past two decades and described the oil spill as further pushing business to foreign countries. Those who dealt with the offshore oil industry in particular discussed the potential movement of large numbers of oil rigs abroad and subsequent long-term loss of work. Other owners of large and small yards regarded the spill, moratorium, and suspension in terms of the cycles so common to the industry. While sometimes having been impacted by these events, these owners were more confident that the industry would eventually recover from these impacts as it had recovered from previous downturns. Most of them acknowledged that the industry was currently hampered by a number of other factors including very tight constraints on financing, high material costs, and a slowly recovering national economy. Some also commented on the historically close ties between hurricanes and upturns in business, and on the relative lack of storms in recent years. Yard and shop owners were mostly united in expressing that any turnaround in the industry would not come overnight but were hopeful that 2012 would prove to be a better year than 2010 and 2011.

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CHAPTER FIVE: RETAILING

Brian Marks

5.1. INTRODUCTION

The retailing sector is at once the most ubiquitous and the least distinctive economic sector in the Gulf Coast region. The wide array of retail store fronts lining the region's small town avenues and big city highways, corporate big box chains and mom and pop operations selling everything from used cars to dry cleaning, motel rooms to fast food, are superficially not so different than the commercial landscape gracing any other part of the United States. Yet the history of retail business development across the region cannot be separated from the Gulf Coast's more prominent sectors of commercial fisheries, tourism, and oil and gas. The fortunes of retailing have followed regional trends of economic expansion and decline, loss and recovery from disasters, and continuity and transition in coastal residents' livelihoods and the population of coastal counties and parishes. Accordingly, the retailing sector and its workers and business owners were not spared the consequences of the BP oil spill; rather, the social and economic effects of the disaster on retailers have been extensive, but also vary widely depending on the business, its location, and its customer base.

Retail business sector includes many different kinds of businesses. For our purposes, retailers are businesses that sell final goods and services directly to consumers and that cannot be grouped neatly within any other economic sector under consideration in this report. For example, commercial fishermen and seafood docks that sell direct to the public are excluded because commercial fisheries are treated separately, but the region's hotels and motels, which serve both the oil and gas and tourism sectors, are included here. Within the retail sector, we have grouped businesses around four sub-sector typologies: (1) *Discretionary*-nail salons, florists, hair salons, video stores, gift shops, liquor stores, coffee shops, antique dealers, secondhand stores/pawn shops, and dry cleaners / alteration / tailor's shops; (2) *Necessities*-grocery stores, "mom and pop" food stores, meat markets, bakeries, convenience stores and gas stations, hardware and auto parts stores, office supply and furniture stores, laundromats, computer stores, and appliance retailers; (3) *Hospitality*-hotels / motels, restaurants, beach and tourist souvenir shops, car rental businesses, and bars; and (4) *Big Ticket*-new and used car dealers, boat dealers, jewelers, travel agents, and realtors (Table 5.1).

Table 5.1. Typology of Retail Business Sub-sectors as Presented in this Report

Discretionary retailers	Necessities retailers	Hospitality retailers	Big Ticket retailers
Nail salons, Hair salons, Florists, Video stores, Gift shops, Liquor stores, Coffee shops, Antique dealers, Secondhand stores / pawn shops, Dry cleaners / alteration / tailor's shops	Grocery stores, Bakeries, Computers, Laundromats, Meat markets, Appliances "Mom and pop" food stores, Convenience stores / gas stations, Hardware / auto parts, Office supply / furniture	Hotels / motels, Restaurants, Beach / souvenir shops, Car rental businesses, Bars	New / used car dealers, Boat dealers, Jewelers, Travel agents, Realtors

Employing community-based social science methodologies to understand retailers' experiences with the spill yields several important findings. Retailers provide a general measure of economic activity and social connections in a community, acting as a sort of "barometer" of overall socioeconomic conditions in Gulf Coast communities. The diversity of retailers in specific communities and the various social groups and economic sectors they do business with give details about social and economic difference within particular communities and differential impacts of the oil spill on those people and the retailers they patronize. Qualitative research with retailers provides information that is not collected or shared in standard economic reporting of data such as county-wide sales tax revenues. In a given community, what social groups and economic sectors are retail businesses most dependent on? After the oil spill, are those retail businesses seeing a shift in whom they do business with? Are some retailers seeing disproportionate increases or declines in business, and if so, to what parts of their customer base? Do retail business conditions change over time and between places, and if so, what does that say about the social and economic effects of the BP oil spill on Gulf Coast communities?

The economic impacts of the BP oil spill on retailers have become an especially important question for several reasons. Regional economic recovery from the spill is being measured in considerable part through sales tax receipts, largely the result of retail business activity, and assessments of spending at hospitality retailers (Schmidt 2011; Robertson 2011; APRC 2011a, 2011b). Primarily serving the tourism industry, one of the Gulf Coast's largest economic drivers, hospitality retailers have to date received the majority of claims money through the Gulf Coast Claims Facility (GCCF)⁹ (GCCF 2012). Employees and the self-employed in retailing sectors have received the largest share of GCCF payments to individuals, slightly more than 2/3rds of that total. At public meetings on the claims process, retailers have been frequently held up by commercial fishermen and other critics of the process as not directly affected by the oil spill and, thus, less deserving of claims money. The results presented here demonstrate that many Gulf Coast retailing businesses were impacted socially and economically by the BP oil spill and continue to be impacted, however much those impacts may vary by retail business sector, by community, and among individual retailers.

¹⁵ \$1.60 billion had been paid by GCCF as of March 14, 2012 to individuals in the food, beverage and lodging and retail, sales and service sectors out of a total \$2.32 billion to all individuals. \$1.82 billion was paid by GCCF on that date to businesses in those same sectors out of \$3.77 billion paid to all businesses, for an overall total of \$3.42 billion paid to the food, beverage and lodging and retail, sales and service sectors out of \$6.09 billion paid to all sectors.

Officials in the claims process, BP, and coastal residents continue to argue over the extent and limitations of the spill's effects, and over what distinguishes a direct impact from an indirect one using different conceptions of impact, recovery, causality, liability, and distributional justice (Goldberg 2010; GCCF 2011; Robertson 2011) This research speaks to those concerns with retailers' own understandings of when and how they were affected by the spill, how they distinguished (if at all) the direct effects of the spill from indirect ones, and how they distinguished the spill's consequences from unassociated economic trends affecting their businesses. Ethnographic research with retailers also provides insight into the prevailing social and economic conditions in the communities where they do business and how retailers understand their customers were impacted by the spill and its continuing aftermath.

5.2. METHODOLOGY: THE DROP-IN VISIT

The research team gathered information from retailers primarily through the use of "drop-in" visits, during which the researcher would explain the study to the retailer and record any observations the individual made about his or her business. To achieve both breadth and depth, researchers determined the most important types of retailers and the minimum number of such businesses to visit in each community and attempted drop-in visits with several retailers in each of those categories in every study area and, where feasible, with every retailer in each category in each study area. For those retailing businesses more numerous than could be feasibly visited by the research team, convenience and snowball sampling were used to select a subset of those retailers. The research team prioritized drop-in visits with retailers serving ethnic groups and enclaves most directly affected by the spill or owned and operated by people in those groups. Retailers with strong ties to other economic sectors affected by the oil spill, such as motels serving oil and gas and tourist clients and marine hardware stores serving commercial fisheries, were also prioritized for drop-ins.

The format for drop-in visits was open-ended and sought to quickly assess prevailing business patterns at that retailer before the oil spill and following the spill. Ethnographers sought from business owners and employees examples that illustrated how their business had changed, if at all, following the spill and to what causes they ascribed those patterns. While basic drop-in visits lasted between five and 15 minutes, when participants chose to speak at length, the researchers would continue the conversation for as much as an hour or more, expanding into the general themes of inquiry of the study on economic and social change in study communities and following up on participants' statements about their particular business' conditions and those of their customers.

5.3. A BRIEF HISTORY OF RETAILING DEVELOPMENT ALONG THE GULF COAST

The history of retail business development along the Gulf Coast parallels that of its primary industries. Marked underdevelopment of retailing, exemplified by company stores and scrip payment, was common in the late 19th and early 20th centuries in the agricultural and fisheries sectors (Woodman 1997; Davis 2010). This gave way in the post-World War II decades as industrialization, rising incomes, the in-migration of population, and urbanization (Beard 1969) brought new chain grocery stores and shopping centers to every large town and city. At the same time, established retail centers like downtown New Orleans declined as retailing decentralized into booming suburbs (Shulman 1994; Lewis 2003; Hirsch 2005). New motels, gas stations, and eateries grew up alongside an expanding highway system, competing for regional consumers' growing discretionary spending with retailers like jewelers, hair salons and florists in their hometowns.

Natural disasters like hurricanes Betsy in 1965 and Camille in 1969 closed or relocated specific retailers in affected areas like Saint Bernard Parish and the Mississippi Gulf Coast but sustained economic growth saw the overall mix of retail businesses return to those places fairly quickly. The 1970s oil boom increased the purchasing power of many workers throughout the Gulf Coast, improving retailers' business performance, but the 1980s oil bust depressed the regional economy and did great harm to retailers, especially in highly oil-dependent communities like Morgan City, Lafayette, and Houma. The revival of offshore exploration and the move to deepwater production in the 1990s and 2000s saw a new wave of retail construction and strong sales in Louisiana's oil patch, evidenced by major new commercial developments completed in these years in Houma, Galliano, Marrero, and elsewhere. Following the regional recession of the 1980s, tourism-driven development in the casino gambling and construction sectors accelerated retail spending in coastal Mississippi in the 1990s and 2000s. In southern Alabama, Baldwin County saw an increase in tourism and real estate development in Gulf Shores and Orange Beach after 1980, with many beach properties getting a facelift following Hurricane Frederic in 1979, while economic development in southern Mobile County remained dependent on commercial fisheries, seafood processing, and shipyards. Retail development followed the two coastal Alabama counties' divergent economic development trends with more high-end, tourism-oriented retailing in Baldwin and more modest development in Mobile, especially in the rural south of the county.

Following nationwide trends, national and regional chains expanded their presence along the Gulf Coast through big box developments, especially in retailing necessities, while small, locally-owned-and-operated shops continued to dominate the discretionary sector, and big ticket and hospitality retailers showed mixed patterns, as in the coexistence of national chain motels with independents and the articulation of local car dealers and realtors with multi-national manufacturers and finance companies. Retail business development tracked the establishment and evolution of ethnic enclaves and groups along the Gulf Coast. Asian-American enclaves in New Orleans East, the west bank of Jefferson Parish, East Biloxi, Mobile and Bayou La Batre established in the 1970s and 1980s were soon accompanied by clusters of Asian groceries, music and video stores, restaurants, travel agencies, jewelers, bars and billiard halls, and marine hardware stores serving an Asian-American customer base employed primarily in commercial fisheries and seafood processing. Those retail clusters, and others in rural commercial fishing-

dependent communities in Louisiana, Mississippi, and Alabama where various proportions of Cajuns, Vietnamese, Native Americans, African Americans, Croatians, Anglos, Cambodians, Laotians and Isleños predominated, were negatively affected by the sharp economic downturn in the shrimp industry after 2001 due to rising fuel costs and collapsing shrimp prices (Marks 2012).

The storms of 2004, 2005 and 2008 were by far the most important transitional events mentioned by the retailers who participated in this study. In 2004, Hurricane Ivan did great damage to coastal Alabama. Hurricane Katrina was the defining event for retailers in New Orleans East, Saint Bernard and Plaquemines parishes, and coastal Mississippi and Alabama, where that storm's damage was most severe. Hurricane Rita in 2005 and Gustav and Ike in 2008 were similarly disruptive for communities and their retailers in Lower Terrebonne Parish and the coastal area of southwest Louisiana and east Texas. Almost all retailers in these communities suffered significant damage to their property from wind and/or water and their reopening, for those that did eventually reopen, was often one, two, or even three years after the storm. Reopenings were often accompanied by a relocation away from the coast or into a smaller building to serve the less numerous clientele who returned and rebuilt. With the relocating population, retailers shifted from lower Plaquemines and eastern Saint Bernard parishes to Belle Chasse and Chalmette; from New Orleans East to the Westbank or out of state; from south Terrebonne to Houma; from Biloxi and Gulfport to D'Iberville; from southern Mobile County into Irvington, Tillman's Corner and Mobile; from Port Arthur into Groves, Nederland, or the Houston area. New retail patterns came with the changing ethnic composition of the Gulf Coast following Katrina. Hispanic groceries, convenience stores, *carnicerias*, bars and *taquerias* opened in recovering communities where work in shipyards and reconstruction attracted greater numbers of Hispanic workers after 2005. In the years after the storm many Vietnamese business owners moved away from severely damaged ethnic enclave communities and divested from commercial fisheries to operate small retail businesses, especially nail salons and dry cleaning / tailoring shops, in suburban shopping centers throughout the Gulf Coast.

Even as Katrina did great harm to many coastal retailers and the communities they served, the surge of post-Katrina recovery and reconstruction spending temporarily boosted retail sales in coastal parishes and counties above pre-storm levels (Mississippi Department of Revenue 2011; Louisiana Department of Revenue 2011). In coastal Mississippi total gross taxable sales¹⁰ increased by 73% in Hancock County, 54% in Harrison and nearly 60% in Jackson between FY2005, ending just before Katrina, and FY2007, the first full fiscal year after the storm (Mississippi Department of Revenue 2011). The reconstruction boom peaked in FY2007, however, and a decline in tourism-related to rising energy prices, falling housing prices and economic recession led to falling total taxable gross sales in all three coastal Mississippi counties in FY2008 and FY2009 (Figure 5.1). Louisiana's coastal parishes also saw a rising volume of commerce in the years after Katrina, in part related to storm recovery spending (Figure 5.2), although for five of the six parishes included in this study, total gross taxable sales peaked not in FY2007 but in FY2008 or 2009. These differences were driven in part by southeast Louisiana's greater involvement in the offshore oil and gas industry which benefitted from very high prices in 2008 and, possibly, by recovery spending from hurricanes Gustav and Ike in 2008. Nonetheless, in coastal Mississippi and Louisiana, the overall trend in retailing was downward from mid-2008 to the oil spill in April 2010.

10 Gross taxable sales includes not only retail but also wholesale sales.

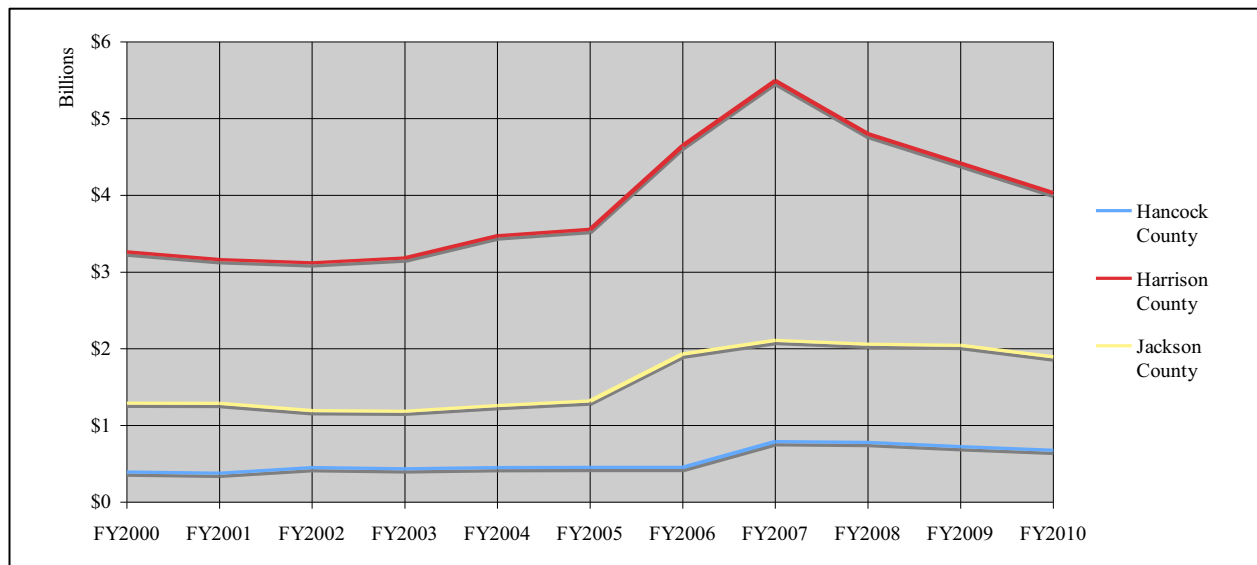


Figure 5.1. Total gross taxable sales reported for coastal Mississippi counties, FY 2000-10
Source: Mississippi Department of Revenue 2011

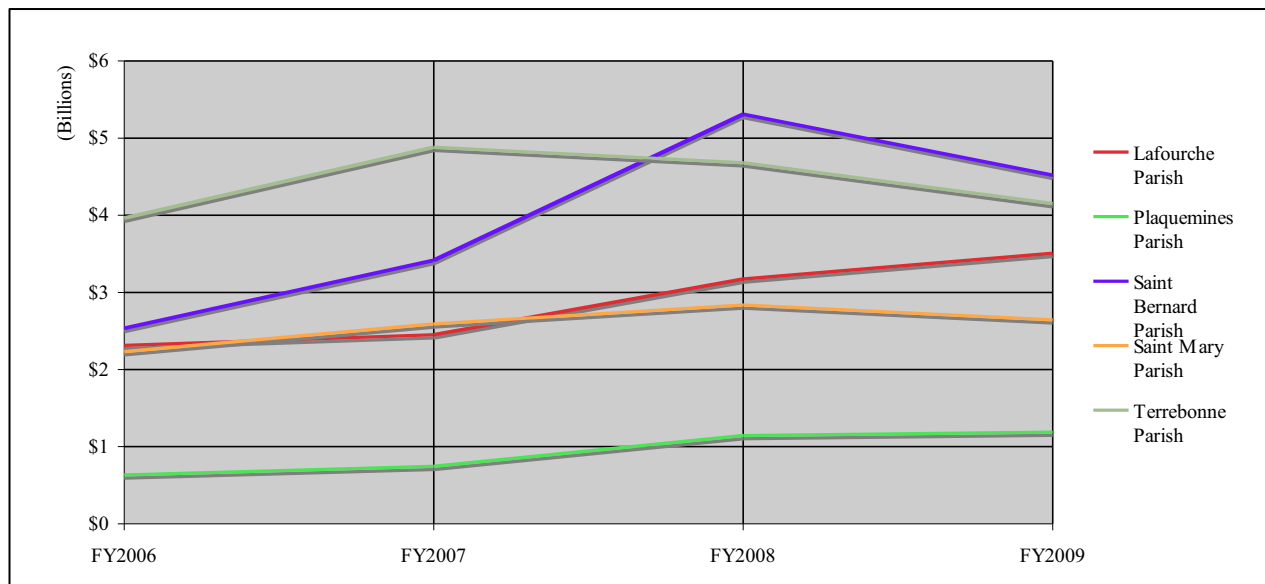


Figure 5.2. Total gross taxable sales reported for selected coastal Louisiana parishes, FY 2006-09
Source: Louisiana Department of Revenue 2011

5.4. SOCIAL AND ECONOMIC EFFECTS OF THE BP OIL SPILL ON RETAILERS IN 2010

The consequences of the *Deepwater Horizon* oil spill varied greatly between different kinds of retailers across the Gulf Coast and changed considerably over time, from the peak of the spill and drilling moratorium in the summer of 2010 through the end of the year, to 2011 and into the summer as a new commercial fishing and tourism season opened and offshore oil activity increased. Sectoral, geographical, and chronological diversity marks retailers' experiences with the spill more than any single pattern. This diversity can be understood as an effect of retailers picking up on the differential impacts of the spill on particular social groups and economic activities in the places they operate, combined with social and economic changes unrelated to the spill occurring in the region and nation.

Monthly data on total gross taxable sales, incorporating both wholesale and retail sales, was obtained from the three coastal Mississippi counties and Terrebonne Parish, Louisiana, from December 2008 to January 2012 in the former cases, through August 2011 in the latter.¹¹ This data shows a generally declining trend in total sales in 2009, punctuated by a spike in sales in the four months following the *Deepwater Horizon* disaster when major clean-up efforts were ongoing, and a slower rate of decline or modest recovery in late 2010 and 2011 (Figures 5.3 and 5.4). Much of the post-spill jump in sales is attributable to an increase in lumber and building supplies and contractor services spending tied to the clean-up, especially in Mississippi where summer 2010 saw such spending rise temporarily by nearly half before resuming a slower decline after August, 2010 (Figure 5.5). Terrebonne Parish, while it also witnessed a small boost to contractor and building spending during the clean-up, experienced a modest but sustained increase through 2011 (Figure 5.6).

¹¹ Total gross taxable sales data was requested from all parishes and counties in all study areas for this project but was only successfully obtained from the above-listed jurisdictions.

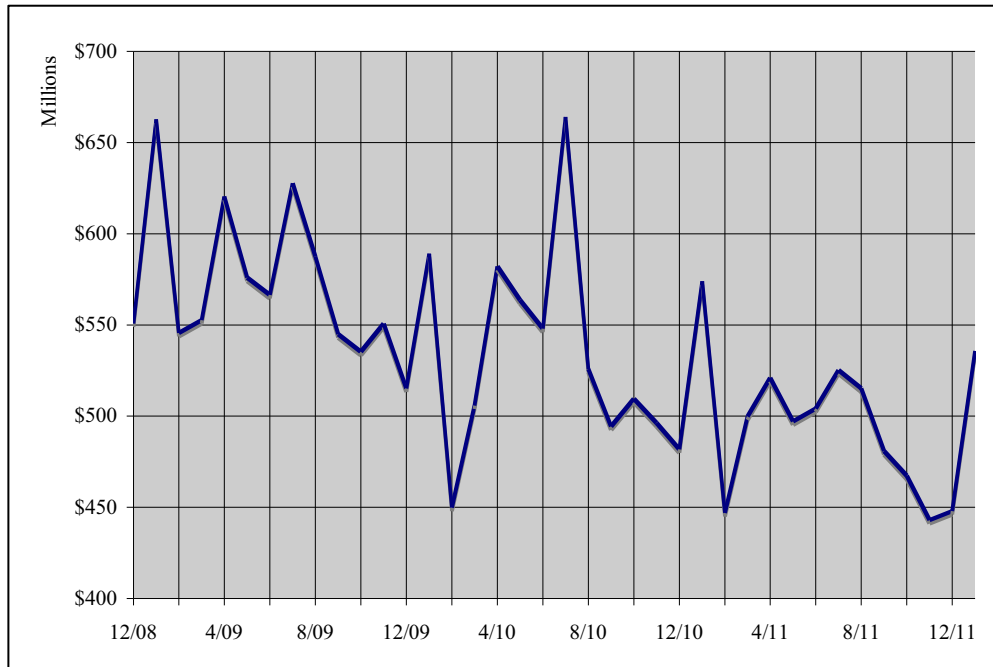


Figure 5.3. Monthly total gross taxable sales for Hancock, Harrison, and Jackson counties, Mississippi, Dec 2008–Jan 2012.
Source: Mississippi Department of Revenue 2012

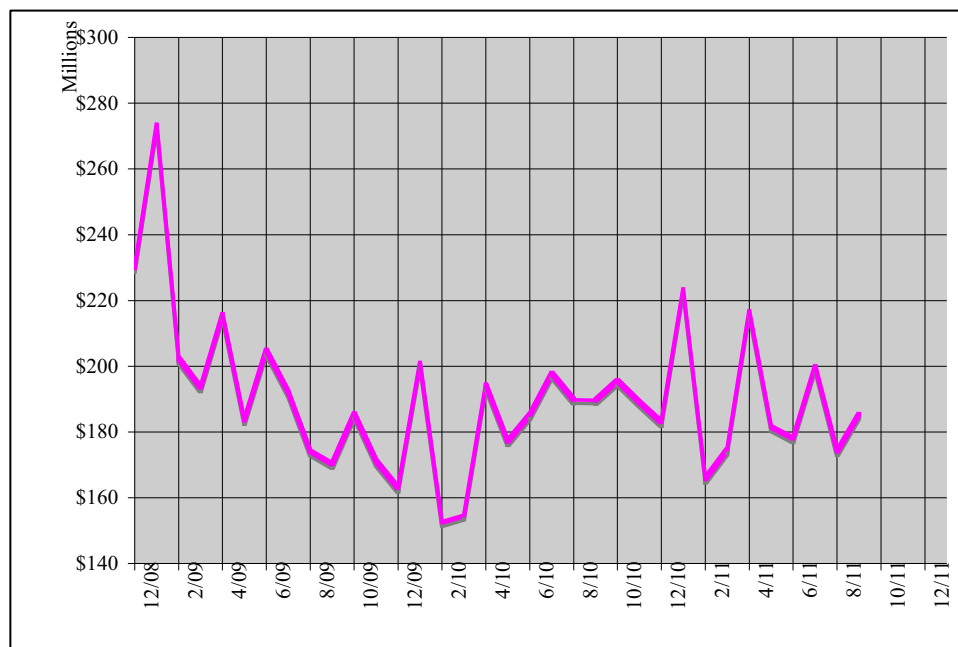


Figure 5.4. Monthly total gross taxable sales for Terrebonne Parish, Louisiana, Dec, 2008 – Aug 2011.
Source: Terrebonne Parish Consolidated Government Sales and Use Department 2011

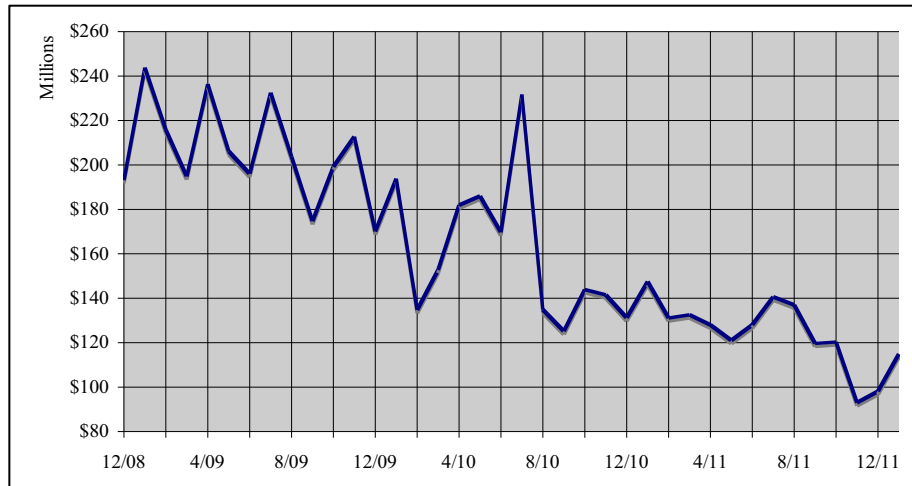


Figure 5.5. Monthly total gross taxable lumber and building supplies and contractor sales for Hancock, Harrison, and Jackson Counties, Mississippi, Dec 2008 – Jan 2012.
Source: Mississippi Department of Revenue 2012

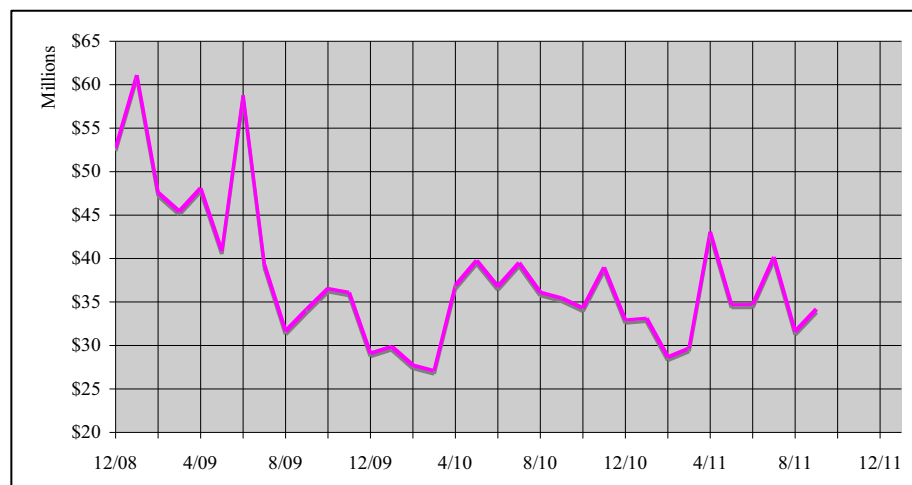


Figure 5.6. Monthly total gross taxable lumber and building supplies and contractor sales for Terrebonne Parish, Louisiana, Dec 2008 – Aug 2011.
Source: Terrebonne Parish Consolidated Government Sales and Use Department 2011

Ethnographic data coincides generally with the trends picked up in sales data, but provides a greater degree of resolution on how specific kinds of retailers and their customers fared after the spill. In the months following the explosion of the *Deepwater Horizon*, grocers, restaurants and convenience stores located near centers of cleanup work like Lower Plaquemines Parish, Grand Isle and Cocodrie gained business supplying the needs of cleanup workers either through walk-ins or sub-contracts with BP contractors for fuel, box lunches, and other goods and services. However, retailers in the broader Gulf Coast region did not gain much from cleanup work because that effort was primarily supplied through outside contractors, not local businesses. As one store owner in Plaquemines Parish explained, “Since BP was feeding everybody and getting their supplies from sub-contractors, we were just left with the crumbs, mostly business

off beer and fuel” (BR163 2011). In part due to criticism over the prevalence of contractors in supplying cleanup efforts, as the cleanup efforts went on, more work was offered to local retailers, such as in supplying box lunches for cleanup workers. Yet, some business owners chose not to take this work due to strict contract requirements and the small amounts of work available to individual businesses, and all retailers involved in catering to cleanup workers indicated this work had largely dried up by November 2010.

Among the retailers who did draw considerable business from the cleanup across much of the Gulf Coast were hotels and motels that filled with thousands of cleanup workers in summer 2010. Many motels were able to temporarily offset their loss of tourist and oilfield clients due to the spill, moratorium, and suspension by providing housing for the cleanup (Bayles 2011). Following the capping of the well and the marked reduction in the number of cleanup workers by winter 2010-11, motels largely lost that source of clients while experiencing a normal seasonal tourist slowdown compounded by a weak national economy. Motels near offshore oil and gas ports, which historically relied on offshore workers for most of their business, lost exploration workers following to the drilling moratorium and suspension in summer 2010 but sustained some oil and gas business through the year with offshore production workers not sidelined by the moratorium, suspension, or reduction in drilling permits. These motels normally experience a decline in offshore clients during the winter when offshore work slows down, so while the loss of many offshore workers in 2010 was harmful to business, offshore-oriented motels expected and were able to accommodate the seasonal slowdown experienced in late 2010 and early 2011.

Another factor in hotel and motel operators’ ability to survive the loss to traditional clients in 2010 was the claims process. By the end of 2010 the GCCF began delivering substantial amounts of money to motels and other hospitality retailers, especially after rules limiting claims based on geographic proximity to the spill were relaxed in October by the GCCF following strong criticism by State of Florida officials and the tourism industry in that state (GCCF 2010).

Boat dealers and marine hardware stores did strong business in May and June 2010 serving the demand for engines, used boats, and safety equipment created by the Vessels Of Opportunity (VOO) program, part of the spill response effort. Used boat dealers and boat repair shops did better in summer 2010 than dealers in new recreational boats who lost their normal business to the spill. Despite the standing down of the vast majority of VOO boats by the fall, the VOO program helped marine equipment retailers survive the winter of 2010-11 in the face of the hit to tourism and greatly reduced fishing activities brought on by the closure of a huge area of federal and state waters to commercial and recreational fishing in the summer. Another countervailing factor that supported marine equipment retailers despite the fishery closures of 2010 was business with fishermen reinvesting profits from the VOO program. Many fishermen reinvested the income they earned with VOO in the summer into boat repairs, upgrades, and new purchases with those retailers.

Jewelers reported widely varying business conditions in 2010. Those that observed a decline in sales said business fell off in summer 2010 and remained down thereafter, while other jewelers found no change in their business at any time after the spill. Jewelers reporting a decline in business were in towns with many offshore oil workers and in fishing communities, but jewelers with a similar clientele in other communities had no losses following the spill.

That cleanup workers, VOO participants, and claims recipients spent their earnings on expensive new cars is one of the most often repeated stories emerging from the spill. New and used car dealers who participated in this study did report a temporary spike in sales in summer 2010, a spike they attributed to oil spill-related claims payments and clean-up earnings, but like with other retailers, new and used car dealers reported the temporary increase in sales had ceased by the fall and winter of 2010. Used car dealers reported a drop in business following the winding down of the cleanup and an increase in customers making late payments or having cars repossessed. Automotive gross taxable sales data gives some support to these assertions. Auto sales in the three coastal Mississippi counties recovered and surpassed their 2009 average level after the oil spill, following a temporary decline in late 2010¹², then experienced a slight decline in winter 2010-11 before rebounding again in the spring and summer of 2011 (Figure 5.7). In Terrebonne Parish, automotive sales jumped markedly right after the spill to nearly double the low level they attained in winter 2009, subsequently falling back nearer to their 2008-2011 average by December 2010 (Figure 5.8).

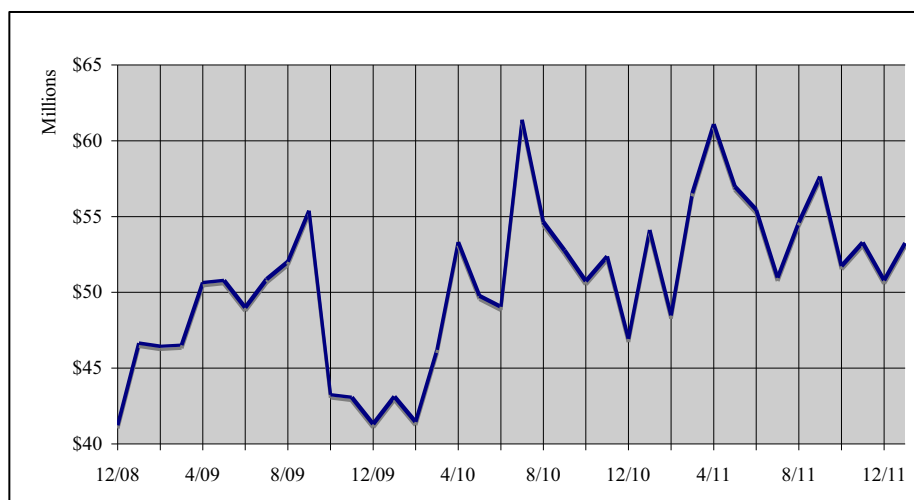


Figure 5.7. Monthly total gross taxable automotive sales for Hancock, Harrison, and Jackson counties, Mississippi, Dec 2008 – Jan 2012.
Source: Mississippi Department of Revenue 2012

12 The “Cash for Clunkers” or Car Allowance Rebate System incentive program of July-August 2009 (Bunkley 2009) ended before the 2010 BP oil spill, although its temporary effect on auto sales may be captured in the spike in sales recorded in Mississippi counties in August and September 2009 and the fall-off in sales those counties and Terrebonne in late 2009.

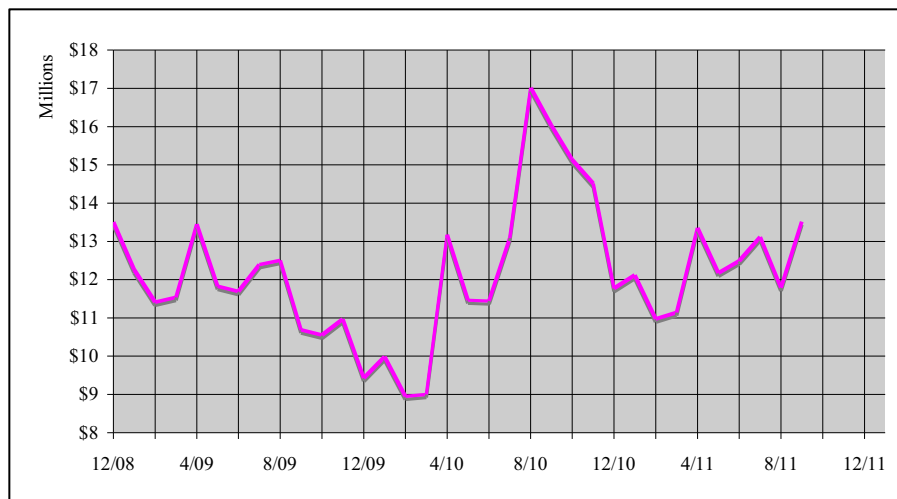


Figure 5.8. Monthly total gross taxable automotive sales for Terrebonne Parish, Louisiana, Dec 2008 – Aug 2011.
Source: Terrebonne Parish Consolidated Government Sales and Use Department 2011

Discretionary and necessities retailers had widely varying experiences following the oil spill. In both retailing sub-sectors, a considerable number of retailers reported no noticeable change in their business in 2010 or 2011 compared to prior patterns. A large number also reported significant, sometimes massive, declines in their business after the *Deepwater Horizon* spill. The most important factors common to retailers experiencing little or no effect from the spill were neither their proximity to the spill or the coast, nor their offering a particular good or service, but the composition of their customer base and what share of those customers' business they enjoyed. Retailers selling primarily to customers employed in offshore oil and related industries like shipbuilding and fabrication, to tourism workers and directly to tourists, and especially to those employed in commercial fisheries and seafood processing – all sectors whose workers were directly impacted by the spill and its consequences – experienced larger losses, more consistently, than those with a more diversified customer base or concentrated in other economic sectors. In communities whose economies suffered large negative effects from the spill, businesses that sold to wealthier customers or very poor customers saw smaller losses, or no change in business at all, while those with middle-class clients saw greater business declines.

Even in the superficially innocuous and unrelated field of nail salons, a business done almost exclusively by Vietnamese-American women on the Gulf Coast and marked by segmentation among shops according to socioeconomic class, race and ethnicity, and employment sector, these differential effects were observed. In towns like Morgan City and Houma, across the New Orleans Metro Area, and along the Gulf Coast of Mississippi and Alabama, nail shops with a wealthier, majority-white customer base in suburban, high-end shopping centers were less likely to report business declines over any period since the spill than those shops serving white, African American, and Asian American middle-class customers. Especially hard-hit were nail shops serving customers who worked in nearby seafood processing plants and shipyards, like a number on the Westbank in suburban Jefferson Parish who attributed the change to reduced commercial seafood landings and seafood processing in the area and the looming closure of Avondale Shipyard (unrelated to the *Deepwater Horizon* and moratorium,

this shipyard builds vessels primarily for the U.S. military). Nail shops in Gulf Coast Mississippi associated their losses in 2010 with the near-total loss of tourist customers, their primary client base.

Nail shop owners who said they were significantly affected reported declines in customers and income between 25-50% compared to before the oil spill, the migration of steady customers out of the region, and the lengthening of average time between visits by their remaining customers. The most common consequences for those business owners were, apart from reduced income, cutting between one-third and one-half of their employees and increasing their own hours in the shop. Across the diversity of small independent discretionary and hospitality retailers like bars, florists, hair salons, liquor stores and video stores, those reporting the greatest and most sustained negative economic impacts from the oil spill also reported the strongest dependence on customers employed in heavily impacted economic sectors.

Grocers and other necessities retailers reported similar experiences to nail salons and other discretionary retailers. Many grocers reported no significant impact from the spill or attributed any decline in 2010-11 to the general state of the economy, but a significant number with specific ties to certain heavily affected social groups and economic sectors reported large negative changes to their business. Grocery stores in Lafourche and Terrebonne parishes that did much business supplying offshore rigs lost much of this trade in 2010. Grocers who sold large amounts of provisions to commercial fishermen said they had lost much of that business when fishermen did not go out to sea in 2010. Food stores in communities like Amelia, Louisiana and Bayou La Batre, Alabama, who did much of their business with welders and fitters working in nearby shipyards and fabrication yards, noted a decline in business in 2010 following the oil spill, moratorium, and drilling suspension, although some also noted they began seeing this decline in 2009 coincident with a slowdown in shipbuilding that began that year (See Shipyard/Fabrication section for more on the post-Katrina boom and 2009 decline in the shipyard sector). Grocers who had little competition in serving those highly-affected groups were the most seriously impacted, such as solitary Asian grocers serving Vietnamese and Cambodian commercial fishermen and Filipino offshore workers. Hispanic food stores that sell primarily to Mexicans and Central Americans experienced declines as growing numbers left the region following several high profile immigration raids and declining employment opportunities in shipbuilding after 2009, fisheries closures in mid-2010 following the spill, and the closing out of most oil spill cleanup work in late 2010.

5.5. SOCIAL AND ECONOMIC EFFECTS OF THE BP OIL SPILL ON RETAILERS IN 2011

The normal seasonal downturn of offshore oil and gas, fisheries, and tourism activity meant that retailers who reported improving conditions in 2011 after a difficult 2010 generally waited through a long, slow winter and spring before seeing stronger sales. And, for some retailers, 2011 was worse for business than 2010 was, especially for retailers with strong ties to commercial fisheries and oil and gas customers who have yet to return to pre-spill conditions (GNO, Inc. 2012). Retailers described a wide and diverging range of conditions and directions of change from the beginning of 2011 to July 30. While some retailers reported improvement over 2010, others found no change or even further decline in their sales. In April and May of 2011 a number of businesses, from nail salons to grocers to florists and others across the region, began

seeing a shift in the amount of traffic in their stores, but the direction of this shift was not consistent. Some retailers reported an increase in business, most often related by owners to rebounding tourism with the coming summer, preparations for the new commercial fishing season, optimism that offshore oil and gas activity would pick up during the spring and summer of 2011 and preparations for that, or greater consumer confidence that the local economy was improving. Others reported a further decline in business around this time, which was attributed variously to customers' fears over the national economy, local people running down their savings following a year of limited earnings after the spill, the loss of oilfield workers who had left the region to take jobs elsewhere, or the slow progress of the claims process and the exhaustion of emergency claims money by its recipients. Local journalism echoed these ambiguous trends, reporting continuing slow retail sales but generally fair or improving conditions (Bayles 2012a, 2012b).

Retailers that reported little or no change in 2011 can be grouped into two categories: those that felt little or no impact in 2010 and continued reporting no change, and those who were impacted but saw no improvement the following year. Businesses were or were not affected by the spill in 2011 for the same reasons given in 2010. Retailers who reported no effects on their business from the oil spill or strong and rapid recovery of business were those with a more diversified customer base, with wealthier clients, and who did business primarily with customers outside the commercial fisheries, oil and gas, and tourism sectors. Businesses that had experienced little or no recovery or saw further declines in 2011 related those declines to the lack of recovery among their customers. For instance, grocers reported their commercial fishermen customers had not gone back out to sea yet or were only working sporadically due to poor catches and limited profits. In spring 2011, commercial fisheries-dependent grocers in Louisiana, Alabama, and Mississippi reported sales remained below pre-spill levels by one-third, with some grocers still seeing as much as 75% less business than their norm. Auto parts stores and car repair shops said local people of limited means did not have money to keep up their vehicles like before the spill. Florists and nail salons conveyed that customers did not spend as much money with them because they had no surplus income from shipyard and seafood work that remained stagnant.

Retailers who noted a significant rebound in business by mid-2011 accounted for this change as the result of broader regional economic recovery and specific improvements in their customers' economic conditions. In coastal Mississippi, the new tourist season in summer 2011 contributed to better sales among hospitality retailers, but opinions among retailers as to the magnitude of improvement were notably mixed; few considered their tourist-related business to have recovered to pre-spill levels. In communities whose economies are dominated by shipyard and fabrication, grocers and other necessities retailers saw small but significant improvement in the first half of 2011 related to the acquisition of several large marine construction projects by local yards.

Two ethnographic conversations with retail business owners in 2011 convey the range of conditions retailers are facing with the ongoing effects of the oil spill and other ongoing trends bearing on their business. In June 2011, a Vietnamese-American nail salon owner, formerly a shipyard welder and grocery store worker, in an urban community on the west bank of Jefferson Parish, Louisiana, said his business was down about 50% compared to before the oil spill. He attributed the decline to three distinct reasons: first and most important, the overall down economy, the second the BP spill, and the third and least important, competition among a growing number of nail salons opened in recent years:

Normally on a Friday like this we'd be full of customers and I wouldn't have time to talk with you like this but look at how it is now [only one customer was in the shop at the time, the owner's wife the only other worker] I used to have another employee before the oil spill but I let her go afterwards. She moved away to Dallas. I'd say BP is responsible for 50-60% of my business decline. The people who worked in the seafood plants or in shipyards or in fishing are losing their jobs because of the oil spill, so people don't have money to get their nails done. That's true especially among the Vietnamese community here, but all the people living in this neighborhood are linked to the seafood economy, either to fishing or processing plants or shipyards, so the spill affected everybody, but especially the Vietnamese who've been heavily affected (BM551 2011).

A Cajun sporting goods entrepreneur and former oilfield worker in south Louisiana said in January 2012 that his business had declined in 2010 due to the oil spill. He attributed this decline as much to the deepwater drilling moratorium and suspension drying up oilfield workers' discretionary spending power as to direct effects of the spill restricting access to the Gulf. BP clean-up purchases from the business and economic loss payments to customers helped this business get through 2010. Recovering oil and gas activity was reflected in more hunting sales during the busy winter months of late 2011, when deer and duck seasons were open in south Louisiana:

BM630: [Around] here, people really love their fishing and hunting. A 'Coonass' will go without but when hunting season comes around, he's going to go hunting, if he's got money to spend or not, he's gonna go! So we didn't see much difference in our sales for hunting season last year [2010] and this Christmas [2011] has been good, *really good*, it's because things are kind've coming back now [in the oilfield]. They're going back to work now, they're letting them drill again, so it's like it's coming back to us, they have that money and they're spending it on hunting – your shotguns, your decoys, clothes, like that.

Researcher: So, how were your fishing sales last year and the year before, in 2010? Did the oil spill affect things?

BM630: Yes, when the spill happened, well, they closed all the waters around here. You see, we're kind've to the west of where it happened, but we were right on the edge, and they closed all our waters and the marinas, they were taken over by the clean-up so you couldn't go fishing [in summer 2010]. That hurt us because, like this oilman's fishing rodeo, they'd buy guns, boots, rods and reels, ice chests [for their raffle] from us but that year they had to cancel the rodeo because nobody could go fishing. Now, BP bought from me, and they paid me too! They bought all kinds of stuff from me, and that helped. BP bought a lot from here *and they paid me*. And I got [claims payment] money from BP – I don't have anything bad to say about them, they paid me twice what I claimed were my losses.

What hurt us more than the oil spill, I'll tell you, it was the '*merit*-orium' [moratorium/suspension] that they did. You know, before 2010, down here it was like we were bulletproof. 2006, 2007, 2008, 2009, we did real well. 2005 was amazing here because of Katrina in New Orleans. All those people, they lost their guns, their boats, everything, so

we were getting orders from them – they’d call and leave a credit card number and say ‘hold it in the store, I’m coming down to get it right now’ – we’d have special orders like that, things were selling that fast. Because they lost everything they had and we were the closest sporting goods to New Orleans then. In 2010, we had a kind’ve slow Christmas for hunting season because those oilfield guys, they didn’t have the same amount of money they’d normally have. But this year, it’s been coming back to normal, and they’re going out again. And we had a good duck season last winter and this winter, that was good too. We had more effect from the moratorium than from the spill on our business (BM630 2012).

5.6. SUMMARY

Retail businesses, despite their unremarkable appearance in relation to the Gulf Coast region’s characteristic economic structure, developed in close relation to the region’s more distinctive seafood, energy, and travel industries. Retailers were and remain affected by the BP oil spill of 2010, although from April 2010 to summer 2011 different retailers’ experiences demonstrated strongly contrasting patterns of change. More than geographical proximity to the spill or the products sold, the composition of a retailer’s customer base had the strongest influence on whether retailers were affected by the spill and for how long. Retailers highly dependent on customers directly impacted by the spill, moratorium, and suspension were the most heavily impacted economically for the longest period of time.

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CHAPTER SIX: NON-GOVERNMENTAL ORGANIZATIONS AND THE DISASTER

Bethany Rogers and Diane Austin

As noted throughout this volume, the *Deepwater Horizon* disaster had significant effects on individuals, households, and communities. For the non-profit institutions and organizations operating within the region, the effects were both acute and chronic, obvious and subtle. Many of these effects were still unfolding at the time of this study, and many will only be understood in retrospect, as staff and members reflect on how the event affected both their immediate, day-to-day operations and the nature and extent of those operations over time. This chapter focuses on the non-governmental organizations (NGOs) that played a role in disaster response during the months that oil was gushing into the Gulf and in the first year afterward. Since then, some of these groups have become involved in activities and programs that emerged from the disaster, including the ongoing claims process (see Chapter 7, this volume) and environmental remediation. Such ongoing activities will be addressed in future reports.

The April 20th blowout of the Macondo well initiated an array of responses by local, state, and federal government officials. Within six days of the incident, the U.S. Department of Homeland Security and the Department of the Interior began a joint investigation of the *Deepwater Horizon* explosion and sinking, and the associated loss of life, to determine the events, decisions, and actions related to the disaster. The joint investigation was conducted by the U.S. Coast Guard (USCG) and the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE).

The explosion and subsequent release of oil into the Gulf was unprecedented in the United States (see Volume I). Given the depth of the water in which the well was drilled and the magnitude of the release, the *Deepwater Horizon* disaster presented a major technical challenge. For the federal government, given the global visibility of the disaster, especially in light of proposals to expand offshore drilling beyond the Gulf of Mexico, it also presented a serious political challenge. The federal government, through agencies and departments as varied as the USCG, the National Park Service, and the Small Business Administration, responded to the disaster (see The White House n.d.). However, due to laws such as the Oil Pollution Act of 1990 (OPA 90) which govern federal response to oil spills and the lack of a presidential major disaster declaration, the Federal Emergency Management Agency (FEMA) had no significant role¹³ in providing assistance to individuals and businesses. That role was assumed by state and local governments, by BP and its surrogates, and by NGOs.

This event occurred in an active hurricane region where the government and NGO disaster response apparatus is extensive and well-practiced, particularly following the 2005 and 2008 hurricanes. While this experience was an advantage, in many respects this disaster was unlike a major hurricane. The speed with which it unfolded and its duration were atypical. At least from the perspective of those unfamiliar with what was taking place at the Macondo well, in contrast to a hurricane and the warnings that precede its landfall, the disaster began with no warning. Then, unlike storms that move across the region over a period of days, the release of oil into the Gulf continued for months and no one could predict when the leak would be stopped.

13 Early in the response, Homeland Security Secretary Janet Napolitano announced plans to send senior FEMA officials to Louisiana to oversee the BP claims process, but that announcement was met with local concern (Shaban 2010).

The structure of the response to this disaster was also different—most officials had not experienced a disaster in which a private entity played such a central and key role. A review of Perry's (1991) list of six generic functions carried out in all disasters – warnings, evacuation, sheltering, emergency medical care, search and rescue, and protection of property – makes it clear how different this disaster was.

With regard to disaster response and recovery, the relationship of the federal government to state and local governments and the NGO community had to be defined. A key responsibility of local governments is to protect citizens and property. The spill continued for months after the explosion and no one knew where or when the oil would come ashore, especially because the explosion occurred just before hurricane season began and continued well into the season. Thus, no one could be certain where and how to direct recovery resources to address a constantly shifting and indefinitely prolonged crisis. Even while federal and state officials were directing operations, local governments were trying various options like installing booms to keep oil out of bayous and other waterways. In addition, local officials had to modify existing operations and make personnel and other resources available to manage the increased workload resulting from the spill. For example, emergency response directors had to update their hurricane plans to take into account the possibility that oil would come ashore during a storm event. Even when government offices were able to hire new employees, those people had to be oriented and trained, requiring time and energy from staff who were already facing greater-than-usual workloads. The disaster became an international spectacle, and, because local officials generally play a key role in informing Gulf residents about hazards, they also had regular interactions with reporters, editors, and others trying to find out what was happening. As time passed, local governments also played a role in providing employment services and small business support. Nevertheless, much of the responsibility for providing direct services to residents affected by the spill fell on NGOs.

It is not surprising that much of the social work carried out in response to the explosion and spill was done by NGOs. The end of the 20th Century witnessed a broad shift in the organization of many social programs as the federal government passed to the states the responsibility for activities such as job assessment, training, and placement and family support programs. As part of this shift the states, in turn, “have typically devolved the task to their counties, and the counties in turn have contracted for-profit and nonprofit organizations to deliver ... reform and, in some cases, to serve as managing contractor for the entire effort” (Kettl 2000:492). Here, an NGO is defined as an independent (non-governmental), not-for-profit, professionalized organization whose aim is to promote common goals at the local, regional, national, or international level (see Martens 2002 for an elaborate discussion about defining nongovernmental organizations at the national and international level).

In general, NGOs and volunteers play major roles in disaster relief in the United States and abroad, and their involvement has drawn both admiration and critique. Dynes et al. (1981) have identified two kinds of needs or demands that must be addressed in disaster response, those that result directly from the event and those that result from the efforts to respond to it, what they term a “mass assault” by individuals and organizations responding to the disaster (Dynes et al. 1981:48). One problem that frequently surfaces in post-disaster response is that volunteers, even those with potentially useful skills and resources, often prove not to be helpful when no one is making critical decisions about who will supervise them and where, how, and when they will be used. Without such decision making, by NGOs or governments, large numbers of volunteers become another disaster management problem.

This chapter explores the effects of the disaster and its aftermath on NGOs, highlighting key issues such as how the context of a post-Katrina Gulf Coast exacerbated or mitigated those effects. The chapter focuses on NGOs that provided disaster relief and/or social services to residents of the study communities and their response to the *Deepwater Horizon* disaster. The chapter first introduces these organizations and assesses the growth of region's NGO network after the 2005 Gulf Coast hurricanes. The structures put in place after the storms, but prior to the oil disaster, to provide NGOs with organizational, financial, and other support shaped NGO responses to the spill. The chapter ends with a discussion of issues that NGOs faced in responding to the *Deepwater Horizon* disaster and their implications for future responses to oil spills or other major environmental disasters.

6.1 INTRODUCTION TO THE SOCIAL SERVICE NGOS IN THE GULF COAST REGION

Although the Gulf Coast region is vulnerable to tropical storms and hurricanes (see Volume I), it had relatively few disaster preparation or response non-profits organizations prior to hurricanes Katrina and Rita in 2005 (Fagnoni 2006). The extensive damage wrought by the storms, the widespread media coverage of them, and concerns about the process of rebuilding drew considerable attention to the region. For example, arguing that Katrina “raised basic social science questions and created an urgent need for social science knowledge to inform public action” (Calhoun and Erikson 2006), the Social Science Research Council established a Task Force on Katrina and Rebuilding the Gulf Coast to help connect social scientists working on Hurricane Katrina and its aftermath to one another and to policymakers. One product of that task force was the *Hurricane Katrina Research Bibliography* which, as of July of that year, included 99 pages of references covering topics ranging from children and schools to health and healthcare (Erikson and Peek 2011).

Among the issues explored by both researchers and activists after Katrina was the condition of the social services sector in the region at the time of the storms. The Hauser Center for Nonprofit Organizations of the Urban Institute devoted an issue in its Emerging Issues in Philanthropy Seminar Series to the topic (Boris and Steuerle 2006). In the introduction to his contribution to that volume, Steven Rathgeb Smith, director of the Nancy Bell Evans Center on Nonprofits and Philanthropy at the University of Washington, observed, “The tragedy wrought by Hurricane Katrina has exposed weaknesses in the social safety net and in the ability of social welfare agencies to respond to profound human and economic devastation” (Smith 2006:5). Smith concluded that, compared to other U.S. states of similar size, Alabama, Louisiana, and Mississippi had an underdeveloped and underfunded NGO sector with lower rates of government support, less philanthropic giving, and lower overall numbers of NGOs. He also concluded that, compared to other regions, the Gulf Coast had a weaker network of community- and regionally-based social service non-profit agencies and corresponding infrastructure, including government support, community-based foundations, volunteer intake organizations, and other supplementary institutions and avenues of fiscal support (Smith 2006). Assessments by Smith and by researchers at the Urban Institute (Auer and Lampkin 2006) indicate that large multiservice agencies affiliated with national organizations had been significant providers of social services in the region before the 2005 storms and that churches had historically been significant providers of local social services; the latter emerged as important responders after hurricanes Katrina and Rita as well.

Gulf Coast residents, too, assessed the post-Katrina disaster response. In part because so many viewed the government's response to be slow and inadequate, many perceived the volunteer and non-profit sector as the region's recovery impetus, despite its relative weakness (Lawrence et al. 2007; Simo and Bies 2007; Smith 2006). Because of the extent of the need and response, as well as the duration of the recovery process, a larger NGO network emerged in the Gulf region in the immediate years after the 2005 storms. Consequently, when the *Deepwater Horizon* oil rig exploded in April 2010, a more sophisticated NGO network was in place to help address the disaster recovery needs of Gulf Coast residents and communities.

Several types of NGOs provided key services in the aftermath of the 2010 disaster (Table 6.1). Multi-service non-profit agencies like Catholic Charities, Boat People SOS, and the Greater New Orleans Foundation provided many resources and coordinated the distribution of others. Numerous smaller community-based NGOs, including individual churches and temples, also played a role in delivering aid and providing referrals to, and operating programs for, larger agencies. Disaster recovery and volunteer organizations that came to the region following the 2005 storms and were still there in the summer of 2010 shifted to address the new crisis. Although their capacity to respond to the spill was often limited, they were present in some of the most dramatically impacted communities. In addition, an assortment of specialized regional NGOs responded to particular recovery needs of coastal residents after the spill. These included legal aid organizations offering claims assistance, medical NGOs providing health screenings and monitoring, and economic development NGOs offering business planning services and loans. Environmental NGOs were responders to the 2010 oil spill and these groups played a role in the disaster as media intermediaries and "watchdogs" of the uncapped well, the dispersal of the oil in the Gulf, and the progress of the clean-up. Because Gulf Coast commercial fishing communities were heavily impacted by the spill, fishermen's associations served as important conduits for information on the situation on the water and as advocates for recovery funding and programming supporting the seafood industry and fisheries-dependent communities. Non-profits that serve the region's Southeast Asian and Latino populations, who constitute a significant portion of its commercial fishing and seafood processing workforce, were significant in delivering aid, advocating for affected people, and providing translation and counseling to residents (see Chapter 2, this volume). Nevertheless, many Gulf Coast residents impacted by the spill believed their concerns surrounding the spill were inadequately addressed. Thus, independent activism about the spill emerged in the spring of 2010, generated by local, regional, and national figures attempting to direct media attention, services, and compensation to those impacted by the spill, centering prominently on issues of public health.

Table 6.1. Organizations Active in Research Study Communities by NGO Type

Coalition Groups

Community Action
Greater New Orleans Disaster Recovery Partnership (GNODRP)
Steps Coalition, Biloxi, MS

Community and Regional Foundations

Baton Rouge Area Foundation
Community Foundation of Acadiana
Community Foundation of South Alabama
Greater New Orleans Foundation
Gulf Coast Fund

Community-Based NGOs

Back Bay Mission
Bayou Interfaith Shared Community Organizing (BISCO)
Community Center of Saint Bernard
Dulac Community Center
Hope Community and Development Agency, Biloxi, MS
Mercy Housing and Development
Saint Bernard Battered Women's Program
Saint Bernard Project's Center for Wellness and Mental Health
Second Harvest Food Bank
Zion Travelers, Braithwaite, LA

Environmental and Environmental Justice NGOs (National, Regional, and Local)

Advocates for Environmental Human Rights
Audubon Institute, New Orleans, LA
Bayou Grace Community Services
Coastal Women for Change
Deep South Center for Environmental Justice, Dillard University
Guardians of the Gulf
Global Green
Gulf Restoration Network, New Orleans, LA
Lake Pontchartrain Basin Foundation, Metairie, LA
Louisiana Bayoukeepers, Barataria, LA
Louisiana Bucket Brigade, New Orleans, LA
Louisiana Environmental Action Network (LEAN), Baton Rouge, LA
Mobile Baykeepers, Mobile, AL
Moving Forward Gulf Coast
National Resource Defense Council (NRDC), Washington D.C. & temporary office in Buras, LA
Sierra Club
Turkey Creek
Waterkeepers Alliance, Mobile, AL

Fishing and Seafood Associations

Association of Family Fishermen
Fishermen and Concerned Citizens Association
Gulf Organized Fisheries in Solidarity and Hope (GO FISH), New Orleans, LA
Ladies of Lafourche Shrimpers, Cut Off

Louisiana Oystermen Association, Pointe a La Hache
Louisiana Shrimp Association
Mississippi Coalition for Vietnamese American Fisherfolk and Families
Southeast Asian Fisherfolk Association
United Commercial Fishermen's Association, Baton Rouge, LA

Grassroots Advocacy Organizations

Bridge the Gulf
Emergency Committee to Stop the Oil Disaster
Project Gulf Impact
Public Laboratory
Coastal Heritage Society of Louisiana
Women of Coastal Heritage Society

Legal Service NGOs

Mississippi Justice Center
Louisiana Justice Institute
Southeast Legal Services

Long-Term Disaster Recovery and Volunteer Organizations

Gulf Coast Oil Spill Volunteers
Hands-On
Lutheran Disaster Services
Mennonite Disaster Services
National Recovery Network (NRN)
Operation Hope
Red Cross
United Way

Medical NGOs

Daughters of Charity, Mobile
Providence Outreach Guadalupe Center & Mobile Medical Center, Mobile
Saint Anna's Episcopal Church Mobile Medical Center, New Orleans

Minority, Immigrant, Refugee NGOs

Asian-Americans for Change, Biloxi, MS
Boat People SOS, Bayou La Batre, AL and Biloxi, MS
Coastal Communities Consulting, New Orleans, LA
Mary Queen of Vietnam Community Development Corporation, New Orleans, LA
Mississippi Immigrants' Rights Alliance, Biloxi, MS
United Louisiana Vietnamese American Fisherfolk VAYLA, New Orleans East

Multi-Service NGOs

Catholic Social Services – MS/AL
Catholic Charities Archdiocese of New Orleans (CCANO)
Catholic Charities Archdiocese Houma-Thibodaux

Typically, the NGO sector does not provide medical or public health services, but where mental and physical health were included in the work of NGO spill responders, they are discussed in this chapter. Native Americans constitute a sizeable portion of the population of several coastal communities, especially in south Louisiana. The region's state recognized tribes are represented by organizations recognized as non-profits (501C3) by the U.S. Internal Revenue Code (see Chapter 4, Volume I), but only those organizations that were explicitly established to provide social services for tribal communities, such as the United Houma Nation's Vocational Rehabilitation Program, are included in this chapter.

The Gulf region has had an active environmental justice movement for several decades, but this movement has tended to focus on communities outside the coastal zone, particularly those in the infamous "cancer alley" located along the Mississippi River and adjacent areas where intensive industrial development has taken place (e.g., Lerner 2005). The Louisiana towns of Homer, Convent, Norco and Mossville, for example, all have faced threats from industrial expansion and pollution and, in the 1990s, protests organized by residents against proposed facilities played a role in defining the national environmental justice movement (Bullard 2005). NGOs such as the Louisiana Environmental Action Network and the Louisiana Bucket Brigade as well as university centers like the Deep South Center for Environmental Justice at Dillard University have typically been oriented toward the "downstream" impacts of petroleum refineries and associated chemical plants rather than the "upstream" activities of exploration and production. The *Deepwater Horizon* disaster led several of Louisiana's environmental justice organizations to focus more attention on coastal communities; their activities including the provision of supplies, conducting surveys among residents, independent environmental sampling, and organizing forums and workshops to share information.

The NGOs discussed in this chapter have particular histories, are organized in different ways, work at various scales – local, regional, and national – and embody a range of organizational missions. The specific issues these NGOs faced during and after the oil spill derive in part from those contexts, but NGOs also shared the common experience of severe restrictions on their ability to garner resources and offer needed recovery programming for a disaster unfamiliar to their experience in an uncertain funding environment. At the same time, those limitations led in some cases to the emergence of new kinds of non-profit organizations and approaches to handling community needs after disasters. Gulf Coast NGOs' experiences have important implications for groups responding to disasters of similar scale and magnitude.

6.2 THE STORMS OF 2005 AND A NEW REGIONAL NGO NETWORK

As noted above, hurricanes Katrina and Rita had a profound effect on the NGO network of the Gulf Coast region. Study participants described the region's recovery, as "volunteer" or "non-profit" driven. Following the property loss and population displacement from the hurricanes, some local governments made major shifts in the types of services they provided residents, and, in some cases, NGOs served to "fill the gap" where governments were not directing resources. At the same time, loss of staff and damages to facilities and equipment forced other NGOs to shut down completely and others to drastically curtail services (Simo and Bies 2007, Smith 2006, Tuhus 2006). Those organizations that managed to function in the immediate wake of the storms struggled to locate clients, identify needs, and dispense services (Smith 2006). In light of these challenges for existing NGOs, a number of non-profits were established or expanded to bolster the region's recovery.

When the Federal Emergency Management Agency (FEMA), the U.S. federal government's disaster response coordination agency, mobilizes in response to a disaster anywhere in the United States, it accesses a network of about 40 national disaster response and long-term recovery groups, requesting their supplemental services for everything from food distribution to medical assistance to business recovery planning (Fagnoni 2006). This network of NGOs works under the organizational umbrella of the Voluntary Organizations Active in Disaster (VOAD), and both FEMA and state disaster agencies have direct points of contact with VOAD to request relief and recovery services. Due to the extensive physical damage wrought by the 2005 storms, as well as the struggle to repopulate communities and rebuild businesses, FEMA and state governments requested help from a number of long-term recovery organizations (Fagnoni 2006). Some organizations, such as Operation Hope, an emergency financial recovery organization, and Mennonite Disaster Service, a faith-based long-term disaster recovery non-profit with the administrative and volunteer capacity to help rebuild homes, established new operation centers in Gulf Coast communities struck hard by the storms. The arrival of these groups and other long-term recovery non-profits quickly expanded the number of organizations offering disaster aid to communities along the Gulf, at the same time that existing VOAD organizations, such as Catholic Charities and Catholic Social Services, expanded their operations. Some of these larger multi-service NGOs provided direct recovery assistance such as food or rental subsidies, but also helped families develop recovery plans focused on longer-term recovery needs including mental health treatment and job training and placement.

In addition to disaster response organizations, other organizations established or expanded their presence in the region after Katrina. Boat People SOS is an international organization established over 30 years ago in San Diego, California to provide social services to Vietnamese immigrants in the United States. In 2005, working with other NGOs, Boat People SOS spearheaded the Katrina Aid Today (KAT) program, establishing for the first time branches along the Gulf Coast in Bayou La Batre, Alabama and Biloxi, Mississippi in order to provide Asian fishing communities in those areas the assistance, translation services, and legal counsel necessary to navigate recovery and mitigation processes after Hurricane Katrina (BPSOS n.d., Norman 2006). Some chapters or service centers of national NGOs had a regional presence before the storm and, with the backing of their national organizations, expanded outreach efforts. For example, Seedco Financial increased its offering of small business lending and training programs in southeast Louisiana. In 2008, Seedco established the Fisheries Assistance Center,

the state's first business resource center for the commercial fishing industry (Alexander-Bloch 2012, Seedco n.d.).

In the wake of the 2005 storms, especially Hurricane Katrina, national non-profits also directed funding to the region, and many community-based organizations received unsolicited funding, administrative help, or volunteer labor to bolster their programming and outreach. A number of local non-profits received grants from foundations and national charitable organizations targeting the region (Tuhus 2006). Following Katrina, Bayou Grace Community Services, a faith-based community development organization in Terrebonne Parish, Louisiana, was established with directed funding from major faith-based donors such as the Evangelical Lutheran Church in America (Bayou Grace n.d.). Other faith-based NGOs already operating in southern Louisiana parishes included Bayou Interfaith Shared Community Organizing (BISCO) and the Dulac Community Center (BISCO n.d., Dulac Community Center n.d.; see also Chapter 9, Volume I). Many of these community-based organizations were "re-granted" funds from larger organizations such as churches, large multi-service NGOs, and corporate foundations directing donations to the region, and some local NGOs were dedicated monies from national organizations that received federal funds, permitting them to expand their recovery operations (Auer and Lampkin 2006, Lawrence et al. 2007).

Other local social service NGOs were established after the storms to fulfill community recovery needs. Some non-profits were founded by residents or recovery volunteers moved by the need to start or sustain effective recovery programming. In New Orleans East, for example, the Vietnamese Catholic community founded Mary Queen of Vietnam Community Development Corporation, Inc. (MQVN CDC) in 2005 to engender participatory neighborhood planning and rebuilding. Focusing its efforts in New Orleans East, one of the most flood-damaged portions of the city, MQVN CDC has also advocated for accessible health care, affordable housing, business incubation, and cultural programming (Faciane 2007, Nolan 2006). In Saint Bernard Parish, Louisiana, Liz McCartney and Zack Rosenbug first arrived in the parish as volunteers in the winter of 2006. They found the demands for gutting, renovation, and re-construction of flood-damaged homes in the area so great that they started one of the region's largest rebuilding non-profits, which also grew to include a mental health facility to address the accompanying emotional issues of displacement and loss in the community (Faciane 2006). Also in Saint Bernard Parish following Hurricane Katrina, two temporary volunteers established the Community Center of Saint Bernard (CCSTB) to provide essential services, such as laundry facilities, a clothing bank, a computer center with internet access, and a food pantry, to poor and working-class residents. The CCSTB advocated to reinstate the parish's food stamp program and, at the time of this study, housed that program, as well as provided space for neighborhood gatherings, performances, and support groups (CCSTB n.d.).

6.3 IMPLICATIONS OF 2005 GULF COAST STORMS ON THE REGION'S NGO NETWORK

The expanded capacity and increased numbers of non-profits following hurricanes Katrina and Rita produced a new NGO arena along the Gulf Coast. The growth in agencies and services raised additional issues - competition for long-term funding, an increase in re-granting and the political power of regional foundations, new NGO alliances and collaborations, better housing and intake procedures for volunteers, and more sophisticated organization and outreach. These shifts in the regional NGO landscape shaped how those NGOs were poised and equipped to respond to the 2010 disaster.

Study participants almost universally agreed that the influx of people and organizations broadened both ideas and specific services within the region. Fieldwork data indicate that, in some communities, social services like affordable housing and food assistance were put in place through the NGO incentives and programming. According to a regional NGO director,

It [Katrina] brought a lot of new people and ideas into the area that hadn't been here before the storms. There were the organizations dedicated to providing housing and food. Just the basic human rights stuff.... And some people in the government around here didn't want these things. The mayor here, he never wanted the homeless shelter down here and now, since the old one has burnt down, he still hasn't replaced it (PP514 2010).

Many Gulf Coast NGOs received funding from foundations or government agencies in the immediate wake of the storms. Not only did many national foundations dedicate monies to a range of recovery and rebuilding initiatives, but many of them expedited their funding processes (Tuhus 2006). In a national environmental magazine, Anne Rolfes, the Executive Director of the Louisiana Bucket Brigade, explained that "it was a rare event before Katrina that a funder would call and say we have money we want to give you without us having pursued them" (quoted in Tuhus 2006:15). After Katrina, several foundations offered unsolicited funding to Rolfes and the Bucket Brigade (Tuhus 2006). This, according to study participants, held true for a number of regional NGOs.

During this post-storm funding surge, many NGOs were under duress. In many cases, organizations were short-staffed and working space or equipment had been severely damaged or destroyed (Smith 2006). Client contact networks were disrupted because of dislocation and loss of communication services. NGO directors noted it had been difficult to successfully carry out organizational missions as they struggled to re-establish their client base and programming in the aftermath of the disasters. With the influx of outside money and expertise and the restoration of public services, NGOs were able to gradually re-establish a foothold in the communities they served (Wallace 2010).

By 2007-2008, just as many Gulf Coast NGOs were reaching full administrative and programming capacity, the funding channels available to them after the storms shrank because of the economic recession and what some termed “disaster fatigue” among philanthropists (see also Rogers 2010; Wallace 2010). As a result, some non-profits along the Gulf Coast closed their doors, while the majority had to respond creatively to dramatic losses in revenue (NCCS n.d.; Wallace 2010). Gulf Coast NGOs benefitted from increased funding for several years after the storms, but by 2010, as one disaster assistance expert noted, “when you actually have very effective and efficient organizations, the money has basically dried up” (quoted in Wallace 2010: 14).

Corresponding to the shrinkage of resources, particularly with the number of charitable organizations growing and the funding pool diminishing, conflict over funding and “turf” emerged among some NGOs several years after the Gulf Coast storms (Renz 2009). Reports by the Foundation Center indicate that the bulk of philanthropic giving for Gulf Coast hurricane recovery happened by the summer of 2007 (Lawrence et al. 2007; Renz 2009) and most private and corporate giving had been focused on immediate recovery needs like emergency shelter, food, and housing reconstruction (Lawrence et al. 2007; Moore 2006). As NGO programming shifted to longer-term recovery, the objectives of donors and NGOs become more difficult to reconcile with projects that were increasingly costly to carry out, resulting in conflict among non-profits, foundations, and donors over how to dedicate available resources (Moore 2006).

The majority of foundations that funneled money to the Gulf Coast to aid in reconstruction and redevelopment after the Gulf Coast storms were located outside the region (BondGraham 2011; Lawrence et al. 2007). Many regionally-based foundations, however, were allocated funding by national foundations, so they served as funding intermediaries in a process commonly referred to as “re-granting” (Lawrence et al. 2007; Renz 2009). Regional and community-based foundations became significant political players in the Gulf Coast NGO network several years after the storms because they became the principal funding source for programs related to longer-term regional recovery, particularly as other sources ran dry (BondGraham 2011; Renz 2009). Some NGO leaders who participated in this study indicated that it was difficult for grassroots and advocacy organizations to access funding dollars from foundations dedicated to larger and longer-term recovery projects.

While in some cases diminished funding increased competition among NGOs, in others it promoted new types of collaboration among regional non-profits. The increase in NGO numbers and capacity regionally meant organizations were encouraged to develop specialized missions to address particular recovery needs (Smith 2006). On the one hand, this often translated into a more restricted funding and resource pool for an organization, but, on the other, it also resulted in a number of organizations offering related, but complementary, services for communities. In combination with more sophisticated NGO networks in the region, this resulted in new partnerships, coalitions, and shared workspaces (Wallace 2010). One non-profit leader in southern Mississippi described this process of collaboration and consolidation post-Katrina:

There was a desire to work together on the part of a lot of groups after Katrina. This ended up in a lot of the infrastructure of various groups being consolidated. The groups in our office used to have separate offices, but we came together in one building after Katrina. The goal is to have people from the different communities work together but to preserve local identity as well (PP446 2010).

A number of non-profit coalitions were formed in the region after the storms to provide space and convene volunteer and community organizations in order to minimize organizational and expenses and, more profoundly, to facilitate coordination and collaboration for garnering grant monies and donations and for maximizing outreach efforts.

Another shift in the Gulf Coast NGO arena after the 2005 storms was the arrival of a significant temporary volunteer labor force. Alongside an array of professionals, tens of thousands of volunteers without specialized skills came to offer their services in the early years after the storms (Wallace 2010). In order to capitalize on this labor, a volunteer intake and housing infrastructure was created or reconstructed. Few non-profits had volunteer intake capabilities prior to the 2005 storms, so NGOs quickly expanded that aspect of their operations, and several volunteer-centered organizations were established in the region. These volunteer organizations became critical to the region's post-storm recovery because, without them, many NGOs would have been unable to use the volunteer labor and in-kind donations they were offered. Volunteer organizations were particularly important for smaller NGOs that had no intake capacity or that only had intermittent, project-based needs for volunteer help (Wallace 2010). Participants in this study noted that some non-profits teamed up with churches and used their facilities as housing and gathering spaces or, in other instances, local governments permitted volunteer groups to use trailer camps or schools to stage project-based outreach efforts.

The influx of funding and volunteer professional support offered to non-profits after the storms shaped how some NGOs went about their operations (Wallace 2010). Some study participants noted that these NGOs became important points of contact and information for the media in the wake of the storms. Colleagues advised executive directors and NGO management staff how to handle these demands and capitalize on opportunities to get their organization's message to larger audiences. The Executive Director of a newly-established rebuilding NGO in Louisiana discussed this topic: "There was so much media with Katrina that with help and practice we learned how to be intentional with our message" (BR028 2011). Many NGO leaders were coached on the value of social media for connecting with potential clients, since many were displaced and phone service was slow to be restored, as well as with funders or supporters of their work.

6.4 THE 2010 OIL SPILL AND THE NGO RESPONSE

When the *Deepwater Horizon* exploded in April 2010, a number of circumstances shaped how NGOs responded to the disaster. Perhaps most significantly, this was a new kind of disaster for regional NGOs, for which they had no template for how to respond. How could they respond to a situation that demanded responders with specialized skills and certifications? How could they deliver needed services to address indefinite impacts? Because the responsible party was a major international corporation, there were limited avenues for NGOs to obtain funding to provide social services and environmental restoration programming after the spill (see Section 6.5 below). Statewide, the number of tax-exempt organizations in Alabama, Louisiana, and Mississippi had continued to grow since the storms (Table 6.2) However, study participants reported that, in the months prior to the spill, the number of NGOs in the region had dropped because of a variety of factors including the withdrawal of some NGOs that had established temporary operations after the 2005 Gulf Coast storms and the economic recession which had led to lower rates of philanthropic giving (Rogers Field notes, 2011). As a result, the spill posed

serious challenges to regional NGOs. This section provides examples of some of the social service providers and environmental justice organizations that responded to the oil spill, and particularly those that targeted fishers and fishing communities, to illustrate how these organizations addressed the demands and unique circumstances of the 2010 oil spill (see also Chapter 8).

Table 6.2. Registered Tax-Exempt Organizations in Alabama, Louisiana, and Mississippi 2004-2011*

Year	Alabama	Louisiana	Mississippi
2004	18,301	18,721	10,860
2005	18,425	18,776	11,003
2006	18,820	19,140	11,285
2007	19,451	19,519	11,698
2008	19,783	19,391	12,280
2009	21,201	20,070	12,815
2010	22,007	20,789	13,738
2011	20,373	18,388	12,632

*Data compiled through the National Center for Charitable Statistics online data analysis table wizard. These statistics indicate the total number of organizations in each state by year that filed form 990 through the Internal Revenue Service.

The explosion of the *Deepwater Horizon* and resulting release of oil into the Gulf had affected people across the study area, but many in the NGO community, especially those outside coastal communities, initially failed to see a connection between their work and the disaster. The closing prayer at one NGO networking meeting held shortly after the spill ended with a special plea for fishermen, seafood processing workers, and seafood restaurant staff (DA Field notes, 2010), illustrating the early tendency of many to assume the spill's impacts would be restricted and, therefore, of little consequence for those outside the seafood industry. Representatives of coastal NGOs, however, were persistent in their efforts to raise awareness within such networks, and coalitions such as the Equity and Inclusion campaign, which became established after the 2005 storms, soon began drafting policy statements related to the disaster (Equity and Inclusion Campaign n.d.).

Commercial fishing was, perhaps, the economic sector most immediately and significantly impacted by the 2010 spill (see Chapter 2). Many fishing families were in need of immediate relief and case management assistance to develop long-term recovery plans. Fishermen's associations played an important role during and after the spill and will continue to be active in policy processes, gathering and sharing information, and advocating for fishers. Groups such as Louisiana Oystermen Association of Pointe a la Hache, Louisiana and the Ladies of Lafourche Shrimpers in Cut Off, Louisiana provided direct services for their members, helping raise money for fishermen and their families. In addition, new coalitions, such as GO FISH (Gulf Organized Fisheries in Solidarity & Hope) formed after the spill "to advocate for the rights of fishermen, restoring the fisheries, and preserving fishing community culture" (GO FISH n.d.).

The Seedco Financial Southeast Louisiana Fisheries Center in Plaquemines Parish, which touts itself as "the first comprehensive one-stop facility for technical, business and financial assistance for fisheries in the United States" is an example of a social service NGO explicitly dedicated to helping fishers recover from the hurricanes of 2005 and 2008 and then the 2010 oil

spill (Seedco n.d.). The Fisheries Center offers business loans and financial literacy training for fisheries-related business owners in the region, but, in the fall of 2010, fishers began looking to the center for claims assistance. Technical guidance on the Gulf Coast Claims Facility (GCCF) claims process was the most significant form of aid offered to fishing families by the Fisheries Center through most of 2011.¹⁴ At the end of 2011, the Fisheries Center relocated to a new space in Belle Chasse that will be shared by other NGOs and government agencies, such as Southeast Legal Services, Oxfam, and the Louisiana Small Business Development Council (Alexander-Bloch 2012).

Other NGOs, especially those serving minority and ethnic populations, came to serve fishers in their recovery from the spill simply because their communities are made up primarily of fishing families. Boat People SOS grew to offer services to other immigrant and refugee populations including Cambodians, Laotians, and Hispanics. These refugee and immigrant communities constitute a significant portion of workers in both the commercial fishing and seafood processing industries along the Gulf. Boat People SOS provided crucial translation services and clinics to help fishers enlist in the Vessels of Opportunity (VOO) program (see Chapter 3, Volume I), and to inform seafood workers how to fill out claims forms (Phan 2010). Similarly, at the time of the study, many of MQVN CDC's clients were fishermen, and the organization offered bilingual legal and technical assistance with the GCCF claims process and administered legal clinics for fishers impacted by the spill, some in partnership with Boat People SOS (Alexander-Bloch 2010). Other non-profits that provided assistance specifically to fishers from the region's minority and ethnic groups after the spill include Asian Americans for Change, based in Ocean Springs, Mississippi; the Immigrants' Rights Alliance also out of Biloxi; Coastal Communities Consulting out of Gretna, Louisiana; the Dulac Community Center in Dulac, Louisiana; and the United Houma Nation Vocational Rehabilitation Program in Houma, Louisiana.

Other Gulf Coast community-based NGOs served fishing families. Within the study area, examples from southern Louisiana include Bayou Grace Community Services in Chauvin, Bayou Interfaith Shared Community Organizing (BISCO) in Thibodaux, and the Community Center of Saint Bernard Parish (CCSTB). Alabama residents were served by the South Bay Communities Alliance in Coden. The NGOs that constitute the STEPS Coalition in Biloxi, Mississippi, a coalition that developed post-Katrina, also serve families who work in the commercial fishing industry. STEPS provided outreach to impacted families after the spill by sponsoring resource and claims fairs and bringing together representatives from BP, GCCF, and the federal government during a claims assistance open house (Brunt 2010, Coleman 2010).¹⁵

Regional multi-service agencies played prominent roles in post-spill social service work. In Louisiana, Catholic Charities Archdiocese of New Orleans (CCANO) was the biggest player in coordinating and offering recovery services to affected communities. This faith-based non-profit had a case management system in place and a considerable endowment (Green et al. 2011), allowing CCANO to set up oil spill relief centers in five southeast Louisiana fishing

14 A number of legal aid NGOs in Louisiana, Mississippi, and Alabama were funded by BP to offer legal counsel to GCCF applicants on the technicalities and bureaucratic procedures of the claims process.

15 A significant activist movement emerged after the spill, constituted by national and local figures advocating for long-term monitoring and recovery concerns. While much of this activism was centered on issues of public health and environmental sustainability, some of it was geared toward social services. Cultural societies, such as the Coastal Heritage Society of Louisiana (CHSL) in Plaquemines Parish, founded by women residents in the parish, helped fishers fill out forms for their BP claims, collected toys and school supplies for impacted families, and maintained a webpage with updates on rainfall and water quality testing during the oil spill clean-up (CHSL n.d., Dalton-Beninato 2010).

communities by May 2010. The organization also campaigned for oil spill recovery funding, approaching BP, the State of Louisiana, federal agencies, local governments, and its member and donor network. In May 2010, CCANO, along with the Greater New Orleans Second Harvest Food Bank, was directly awarded monies by BP to offer emergency food and food vouchers, direct financial assistance, and crisis counseling to fishing communities (Alexander-Bloch 2011). In August, CCANO became the fiscal agent for a \$6.7 million dollar grant from BP to the State of Louisiana for mental health services (Nolan 2010). Catholic Charities then re-granted to community-based NGOs, including MQVN CDC, the Saint Bernard Project's Center for Wellness and Mental Health, Bayou Grace Community Services, and Boat People SOS. In September 2011, the Baton Rouge Area Foundation offered Catholic Charities \$15 million dollars to expand their Spirit of Hope programming, including mental health and case management (Hammer 2011b; see also Chapter 1).¹⁶

Because the oil spilled in the Gulf directly affected fish habitats in the Gulf and in coastal and inland waters, fishers' concerns overlapped with those of environmental organizations and activists. As the spill grew from a local event into one of national and international consequence, environmental NGOs were among the disaster responders. For example, Gulf Restoration Network (GRN), a local nonprofit which had advocated for the natural resources of the Gulf Coast region since 1994, dedicated staff time and resources to monitoring environmental conditions in the Gulf and to corresponding with media to provide an independent perspective on the spill (Favre 2011, GRN 2010). GRN used a variety of media to share the findings of their monitoring work with a national audience (GRN n.d.a, GRN n.d.b). GRN also served as a prominent "go-to" organization for the media, as well as scientists and celebrities, who looked to the non-profit for information and access to impacted areas and people. Like other local organizations, GRN had to bring on additional staff and expand its operations in 2010 to meet the demand for monitoring and for the media trips to impacted areas to interview residents and spokespeople. In 2011, GRN turned its attention to wetlands restoration and remediation as part of longer-term recovery concerns, and the documentation and media generated by the non-profit since the spill began to be integrated into its advocacy work (Favre 2011).

After the spill, a number of national NGOs without a prior presence in the Gulf Coast established temporary operations in the region. Some of the national NGOs concentrated on the use of media to generate their own advocacy campaigns. Groups such as the Natural Resources Defense Council (NRDC) viewed the spill as an opportunity to address oil and gas issues and ocean and marine conservation in the Gulf and other regions. The NRDC established the Gulf Resource Center in Buras, Louisiana, initially intended to be a computer and communications resource center for media, other NGOs, and local residents (Lehner 2010). The non-profit used the Center to collect stories and distribute them to a national audience, sustaining a full-time presence in Lower Plaquemines until early 2011; several other national NGOs and press with temporary operations in the Gulf left the region soon after the well was capped in 2010.

16 Following the 2010 spill, the Gulf Coast Restoration and Protection Foundation, a Baton Rouge Area Foundation (BRAAF) affiliate, received \$100 million dollars from BP to support Gulf Coast rig workers who were affected by the six-month federal drilling suspension after the *Deepwater Horizon* explosion (see Chapter 1). In the fall of 2011, BRAAF was permitted to direct the BP funds that were not paid to workers toward regional recovery. The foundation directly allotted \$15 million in programming dollars to Catholic Charities Archdiocese of New Orleans (CCANO), by far the most significant grant awarded in that round of giving (Hammer 2011b). At the time of this study, the BRAAF funds were under scrutiny by Feinberg and the GCCF because they claimed the foundation had not properly compensated oil field workers who filed for compensation for lost wages under the foundation or GCCF (Hammer 2011a).

Throughout 2011, one staff member who was based in Buras remained responsible for blogging about the spill (Kistner n.d.).

Several grassroots environmental NGOs that turned their attention to the spill emerged as significant advocates for coastal communities, using new technologies and media to monitor the impacts of the spill. In the months after the *Deepwater Horizon* exploded, mobile oil-tracking applications were developed and launched and new media was upheld as a way for locals to monitor the disaster. As an example, the Louisiana Bucket Brigade partnered with students from Tulane University to utilize a crisis mapping system that was originally developed by Kenyan bloggers to monitor post-election violence. The objective of the Louisiana Bucket Brigade in developing the Oil Spill Crisis Map was to give Gulf Coast residents a means to report spill impacts on their lives. The Public Laboratory for Open Technology and Science, a grassroots community research initiative, came about through a civic science project called Grassroots Mapping, which was the first effort at developing a complete aerial map of the oil spill through “do-it-yourself” satellite imagery using balloons and kites (Public Laboratory n.d.).

NGOs of all sizes found themselves devoting significant time and energy responding to the media. Many local people became skeptical not only of reporters but of documentary filmmakers and others who claimed to be coming into the region to hear firsthand accounts but were perceived as hearing and reporting only the parts of stories that fit their preconceived notions. Leaders of community-based NGOs, and especially those working with Native Americans, noted that they received very specific requests from people wanting to see oiled beaches and wildlife and “traditional” fishermen. Responding to efforts to portray the fishing and petroleum industries in conflict with one another, some local organizations developed campaigns aimed at educating others, especially those outside the region, about the co-existence of fishing and oil within families, communities, and the Gulf. For example, Bridge the Gulf (2010), a “citizen journalism and new-media initiative,” was developed after Hurricane Katrina to help Gulf Coast residents who believed their stories had been “overlooked or misrepresented... convey their stories and their vision for a just, healthy and sustainable future.” The group launched its website in the summer of 2010, and that became a site where residents could express their concerns about the spill. One September 11, 2010 post by Cherri Foytlin captured the sentiment of many. Foytlin, along with grassroots NGOs and Gulf Coast activists, organized rallies, marches, and other events to draw attention to the spill and the failure of BP and the government to respond effectively to the disaster (Bridge the Gulf 2010, Dirty Cajuns 2010):

The story never told about south Louisiana is that the fishermen, crabbers, oystermen and oil workers are the same. Many of our fishermen work the season doing what they love, then go back to the oil fields to make a living. All of us live to serve, and be served, from the Gulf of Mexico. You won’t find an oil worker who doesn’t love the bayou, and you won’t find a fisherman who doesn’t profit - in some way, from the oil field (Foytlin 2010).

NGOs addressed a range of issues facing fishers and fishing communities following the oil spill. These organizations’ responses were affected by the nature of the disaster, limited funding channels, and the existing regional NGO structure. These circumstances and the responses by national, regional, and local non-profits to this disaster have important implications for effective NGO response to oil spills and similar disasters, but they also speak more broadly to issues of disaster recovery and preparation, which will be explored in the following section.

6.5. ONGOING ISSUES FOR NGO RESPONDERS TO THE 2010 SPILL AND THEIR IMPLICATIONS

The NGO response to the 2010 oil spill has important implications for non-profits and grassroots organizations, as well as government agencies and for-profit entities responding to similar disasters. This section examines the challenges NGOs faced in responding to the spill and how they circumvented some of these issues. The section first examines how the nature of this disaster made it hard to mobilize volunteer labor, develop effective programming, and garner funding. Second, it discusses characteristics common to fishing communities generating issues NGOs had to address. The final section outlines ways NGOs successfully responded to the spill, building on their post-Katrina and Rita experiences, developing new tactics and alliances, and using new technologies.

6.5.1. Oil Spills and Issues of Mobilization and Funding

The Gulf oil spill was a new kind of disaster for the region. Gulf Coast communities endure hurricanes regularly, and federal and state agencies have developed elaborate systems of hurricane disaster response. NGOs have developed a corresponding network for responding to storms. With the 2010 oil spill, NGOs were called upon by residents and onlookers to provide relief, but organizations were unsure what help would be effective because the duration and scope of the disaster were unknown. As one volunteer explained, “People can go through a hurricane every other day and be happy. An oil spill, we don’t ever want to go through again. After a hurricane, you come back and you know what you faced. But after an oil spill, you don’t” (DA418 2011). The ongoing uncertainty associated with the spill created stress for non-profit leaders too. According to one director:

I was part of scheduling some community meetings with some fishermen. At that point in time we were really anticipating that we were gonna’ have fishermen that were gonna’ really not be able to work long term, you know, because right after the spill they opened the fisheries in Lafourche and Terrebonne for just a couple a weeks. Early, ahead of everything else, to give people an opportunity while they could before all the oil started coming in closer to the coast. But then after that anything offshore closed and it was a game of opening and closing. So you know, you may have started the day and the season was open and then by the time you got in the afternoon, that’s a common thing fishermen would tell us, is when they would get in in the afternoon, Wildlife and Fisheries is waiting for them and telling them the water were closed and they had to dump their catch. So [it created] a lot of frustration and that was the hardest thing for us, just trying to stay on top of what is happening in the communities (DA597 2011).

Throughout this study, NGO leaders reported that it was difficult to assess the damage from the spill, and, as a result, it was hard for them to generate concern from parties not directly impacted by the disaster, including coastal residents not as severely affected.

A related challenge some NGO leaders noted was that, following Katrina, the media put “a face” to the disaster, but after the spill it was much more difficult to convey who needed assistance to recover. The indefinite impacts of the disaster made it difficult for NGOs, not only to generate lasting concern and support, but also to determine an effective course of action.

In addition to these issues, the oil spill posed challenges for NGOs because it precluded the volunteer involvement in clean-up operations. As one environmental NGO leader explained,

This was a unique environmental disaster. First of all you needed HAZWOPER [Hazardous Waste Operations and Emergency Response] certification. Not only was it required, but it was necessary because people can get very ill handling oil and that dispersant. But of course that meant that volunteers had really limited access. The same was true for those wanting to help with saving wildlife. You have to have specialized skills to not hurt the animals or yourself” (BR174 2011).

These circumstances dictated a different level of involvement from voluntary organizations after the spill than after other kinds of disaster. After the 2005 storms, volunteers were a major force in rebuilding the Gulf Coast. These volunteers, even without specialized skills, accomplished significant rebuilding projects like gutting houses or restoring public parks, work that kept voluntary organizations engaged in storm recovery for years. While the rise in “voluntourism” on the Gulf posed challenges for NGOs with no intake capabilities, its net result was positive.

Following the spill, however, study participants indicated Gulf Coast NGOs of all sizes were challenged to accommodate volunteer groups requesting opportunities to serve in the region (see also Reid 2010). Given the proximity to the 2005 and 2008 storms, and the connections forged across the United States with regional non-profits through prior volunteerism, several NGOs reported that they were inundated with calls and emails from would-be volunteers. Responding to media images of oiled birds, many people wanted only to participate in direct cleanup efforts. Others, especially those with prior relationships in the region, provided short-term NGO staffing and helped with coastal restoration projects such as wetland planting and oyster reef building, in place of spill clean-up.

Compensation for loss due to the oil spill is governed by the Oil Pollution Act of 1990 (OPA 90). OPA 90 defines three kinds of damages for which private claimants can seek compensation: damage to real or personal property; loss of subsistence use of natural resources; and the loss of profits and earning capacity (see Section 2.4.2, Volume I). For individuals and businesses, the principal means for recouping losses and receiving aid was through the claims process (see Chapter 7). Governments, too, can seek compensation under OPA 90 for the loss of government revenues and the increased cost of public services, but there is no mechanism for non-profit organizations to receive compensation under the OPA. NGOs were hampered by their inability to generate sufficient funds to meet the demand for services after the spill. In addition, because the NGOs were not experienced working with a disaster characterized by indefinite impacts, it was at times difficult for them to determine what kind of services to provide. In many cases, residents in fishing communities wanted immediate relief in the form of food, food stamps, rent or mortgage assistance. Other than those few NGOs able to garner external funding to provide direct assistance, the most common service most provided was claims assistance.

Because of significant gaps in who was compensated by the claims process, a number of NGO leaders who participated in this study argued that it was important for them to begin shifting their aid and programming away from disaster relief and claims counseling to programming to address the long-term impacts of the oil spill, such as comprehensive mental health services or job training. And yet these leaders also indicated to researchers in late 2011 that some affected residents were still seeking immediate financial relief and claims assistance, particularly consultation concerning final payments. One NGO leader working closely with Gulf Coast fishers explained: “We’re looking into diversification of our future programming and strategies for bolstering the commercial fishing industry in the region, but people are still worried about the immediate future and they’re not able to think about the long-term future of their businesses” (BR259 2011). Addressing the immediate impacts to and longer-terms recovery needs of communities impacted by the spill will remain a major programmatic challenge for Gulf Coast NGOs for years to come.

While the elusive nature of the disaster posed particular problems for NGOs, at the same time, there was one major responsible party – BP – and this had significant bearing on the related issue of limited NGO funding after the disaster. In conversations with study researchers, some NGO directors indicated that the funders they approached for assistance were of the view that BP should be footing the bill for any needed emergency aid and long-term programming in the region. Potential donors who contributed to hurricane relief were reluctant to provide funds to Gulf Coast NGOs to pay for corporate wrongdoing. “For storms, we have help. For BP, nobody wants to get involved. They think BP should pay,” explained a community volunteer in Terrebonne Parish, Louisiana (DA418 2011). In addition, a leader of a multi-service agency explained how, following disasters such as hurricanes, the allocation of funds for social services is outlined explicitly in the Stafford Act, establishing a mechanism to help non-profit organizations respond as needed, but “(t)here is no such mechanism in place for human recovery under OPA, and this is a massive structural policy issue” (BR077 2011).

Several NGO leaders who participated in this study indicated that the disaster also posed additional challenges for soliciting donations or applying for grants. The elusive nature of the disaster made it difficult for NGOs to garner support for their recovery efforts, but so also did the unknown impacts. As one supervisor of a community center in Saint Bernard Parish, Louisiana shared, “Our needs are indefinite and funders don’t like to support such services, because they can’t see or show that their dollars are creating documented change” (BR066 2011). NGO leaders also pointed out many Gulf Coast residents in need after the spill worked in the commercial fishing industry, ranging on average from 20 to 60 years old, and were mostly men. Such a group is not targeted for funding by major donors that other groups, such as are the elderly, disabled, or children. Thus, the demographics of the affected population presented another hurdle for non-profits trying to garner funding for post-spill recovery.

In the midst of the ongoing uncertainty and competition for resources, criticism was bound to surface. Some local NGOs were critical of the influx of certain national NGOs in the region after the spill, viewing their temporary presence as motivated by the opportunity to become involved in a major national event and as diverting funds away from the local organizations that were bearing much of the responsibility to respond to community needs. Because some of the largest sums for this disaster came through national philanthropic organizations, established national NGOs had existing relationships in place to receive gifts from these foundations. The leader of a local environmental NGO conveyed her frustration at this dynamic, arguing the dollars dedicated to national NGOs with temporary operations would not

achieve capacity building or programming with lasting impact for the Gulf. Only a few NGOs emerged as principal grantees and fundraisers in this disaster, and some of those who did spent much of their time in Washington, D.C. on media trips, not working directly with affected residents. Some of those NGOs were reported to have reallocated some of their funds directly to people most impacted by the spill, working through smaller NGOs or community leaders to distribute the monies. However, often the money re-granted down to community non-profits from foundations was insufficient to cover the additional staff time needed to effectively distribute the funds. For some small organizations, funders' requirements to collect and share data on recipients and meet daunting reporting requirements prevented those non-profits from applying for or accepting funds.

6.5.2. Special Challenges Serving Gulf Coast Fishing Communities

A number of NGOs on the Gulf Coast primarily serve minority, immigrant, or refugee communities who make up a significant portion of commercial fishers and the seafood processing workforce in the Gulf. Leaders of these organizations reported there was a large need for their translation and technical services to navigate the VOO program and the claims process. Hispanic workers, who typically work in processing plants, needed help to generate the proper accounting to file loss claims through GCCF, a need further complicated by the fact that many workers were on guestworker or temporary work visas and some are paid cash. Organizations working with Southeast Asian residents who fish or work in seafood plants noted their clients needed help securing their right to enroll in the VOO program and developing the necessary paperwork to file spill claims. A few non-profit leaders indicated that Asian fishers and seafood workers commonly became victims of fraud by translators and lawyers, so their organizations served as safe sources of counsel on legal and economic rights. Several of non-profit employees serving refugee and immigrant groups noted increased demand for English and computer classes and citizenship training programs following the spill. As one leader explained:

Lots of people in the area who have been in the seafood industry their whole life are starting to realize how volatile the industry is. People saw this after Katrina too, but then they got complacent after having a few good seasons, but now people are seeing that this may have much more long-term consequences and so there is much more interest in English classes. People also saw how important it is to know English in the process of dealing with the government and other groups after the oil spill (PP400 2010).

Issues of cultural difference and access also related to NGO struggles to provide mental health services to affected coastal residents after the spill. Talking about the fishing families he serves, an NGO leader working in southern Alabama explained, "Parents go out for a month or two on the boats, but now everyone is stuck in the house all day and the bills are piling up so it makes for a tense situation.... We've been working with clinics in town, but there is a huge stigma in the Asian community about speaking about mental health" (PP400 2010). Study participants noted the need for agency employees to "be culturally sensitive to notice these things taking place," how their clients "just won't come out and tell you about it" (PP407 2010).

Concerns about accessing mental health services were not restricted to minority communities. NGO workers explained that, as a rule, it had been very hard for fishermen to seek mental health assistance for themselves or their families after the spill. As one NGO director offered, “There are lots of men who are used to being productive and to having a job and now they are drinking. They feel like they’re less of a man because they can’t help their families” (PP514 2010). NGOs providing mental health services attempted to develop programming that provided emotional support in ways that would be comfortable and accessible, such as employing community members as “peer counselors,” hosting community dinners, and developing programmatic relationships with medical institutions, sometimes viewed as a more legitimate venue for getting help with stress-related concerns. Some community leaders with intimate understandings of their communities, however, argued that the crux of this issue lay in the difference between handing out disaster aid and offering ways for people of coastal communities, who pride themselves on their ability to subsist, to provide for themselves. A local church leader in Lower Plaquemines Parish insisted, “A Red Cross truck bringing in food each day and thinking it solved locals’ problems insulted the self-sufficient, independent people; it was dehumanizing” (CW247 2011). Similar views prompted a few NGO leaders to advocate for temporary work or job creation in coastal communities as the most effective means to address mental health concerns after the spill.

6.5.3. Post-Spill NGO Successes

Despite the challenges NGOs faced in mobilizing in the wake of the oil spill, non-profit organizations responded creatively to the disaster. Within a few months, many NGOs had an established client base and were effectively reaching out to residents affected by the spill. One NGO leader working with the Asian community in Alabama was asked about the difference in his organization’s response to the oil spill compared to Katrina. He responded: “I think the response to the oil spill has been a bit better. The important thing is this time the organizations that were operating in the area knew there was an Asian community here. So the Alabama Department of Human Resources got in touch with us and we opened up a food stamp office here and they also contacted us for help with translation work” (PP400 2010).

Some Gulf Coast NGOs also had ongoing relationships with organizational advisers, volunteers, and donors to seek assistance after the spill. One participant used the services of Asian-American bar associations to hold legal aid clinics for the claims process. These associations volunteered their services after the storms of 2005 to help Asian-American homeowners resolve building disputes, so the NGO benefitted from relationships built during the aftermath of those storms. A legal aid program director who partnered with several community-based and multi-service agencies to provide claims assistance noted how the accumulated experience of this non-profit and its collaborators benefitted clients because of parallels in filing storm damage claims with government agencies and relief organizations and the oil spill claims process:

We do have a specific GCCF contact that we touch base with on a regular basis...but more than back door channels, I’d say it’s our experience that is helping clients. We’ve done this for months now and we can tell what the problems are. We know the types of information they want, the buzz words. This is actually similar to some of the lessons we

learned with Katrina, which was figuring out the buzz words that disaster relief organizations need to hear to compensate claimants (BR108 2011).

The predominance of a few NGOs in providing recovery services after the spill prompted other non-profits to develop creative means for supporting affected communities. The use of digital and media technologies was the principal arena within which non-profit groups exercised independence and innovation to gain support for their efforts. Smaller, community-based NGOs used social media to drive discussions about impacts of the oil spill on their communities. The use of platforms such as Facebook and Twitter not only created a discussion forum with a feedback loop, they also encouraged extended networks of support for their efforts to develop outside of the Gulf Coast region. Some smaller NGOs developed public relations tactics and new media outlets and were able to provide impacted residents some monitoring of environmental conditions and guidance on available social services. Data collected during this study indicate, however, that these smaller NGOs were typically not able to attract major funding through these outlets.

Non-profits of all sizes and with various missions used digital technologies, from social media to blogs to computer mapping, to “put a face” on the disaster - convey to a larger audience how people’s lives and the region’s environment were affected. Due to the elusive nature of the disaster, these new kinds of technologies emerged as valuable tools for making the impacts of the spill better understood.

6.6 SUMMARY

This chapter has examined the NGO response to the 2010 oil spill. When compared to other regions in the United States, the Gulf Coast has been characterized by an under-developed NGO network (Smith 2006). The destruction and displacement along the Gulf Coast caused by hurricanes Katrina and Rita in 2005, however, attracted an unprecedented number of NGOs and philanthropic dollars in the region, and a more sophisticated NGO network emerged. Despite the growth in the region’s non-profit landscape, at the time of the *Deepwater Horizon* explosion, NGOs were struggling with a significant funding downturn. The unique circumstances of the disaster permitted a small number of non-profit organizations to emerge as social service providers and environmental responders.

The dynamics that emerged after the 2010 oil spill among impacted communities, non-profits, and potential funders, including BP and federal agencies, have important implications for disaster preparation and response in the Gulf and the rest of the country. Structural issues complicated the work of NGOs to provide social services, namely funding restrictions under OPA 90 as opposed to the Stafford Act. Other programming and organizational issues non-profit organizations faced in the response to this disaster included disaster monitoring and damage assessment, volunteer intake, equitable allocation of aid, and the development of programs to address both immediate and long-term needs.

Regional and community characteristics help determine the types of NGOs needed to respond to disasters and the kind of services they should provide. Some NGO successes after the oil spill point to promising courses of action for groups responding to similar disasters. Successful efforts after the spill built upon post-Katrina and Rita experiences and structures, but non-profits also used digital and media technologies and creative institutional alliances to cross-

cut the boundaries that have traditionally shaped non-profit responses to major social and environmental disasters.

The *Deepwater Horizon* disaster was divisive in many ways, but it also fostered new alliances. As the region prepares to address significant questions regarding its future, particularly coastal restoration and the use of the fines associated with this disaster, long-standing conflicts, such as between environmental organizations and fishers, are likely to re-emerge. Further study will be needed to more fully understand the effects of this disaster on NGOs.

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CHAPTER SEVEN: THE CLAIMS PROCESS

Brian Marks

The numerous processes for claiming and receiving compensation for economic and medical damages from the *Deepwater Horizon* oil spill represent one of the largest socioeconomic impacts of the spill. These claims processes have unintended and complex consequences and, in this sense, were similar to other major processes and programs that emerged in the wake of the spill such as the Vessels of Opportunity (VOO) program, grant making through NGOs, marketing campaigns promoting tourism and seafood consumption, and the reworking of offshore drilling and permitting regulations. Intended to mitigate harms stemming from the spill, the claims processes have generated negative as well as positive socioeconomic effects, and will continue to have mixed consequences for years to come. These claims processes have had strongly divergent effects depending on the claims program, the specific iteration of rapidly-evolving claims processes claimants dealt with, the economic sector of the claimants and where they lived, and how claimants, lawyers, claims adjusters, and administrators negotiated these processes.

Beyond their economic effects on claimants, localities, and business sectors, the post-spill claims processes have also generated social impacts, affecting claimants' level of trust in government and the legal system and increasing their frustration and stress. Claims processes have also affected social relationships beyond those directly involved in making or responding to claims, contributing to tensions between employees and employers and among neighbors. These tensions center on how fairly claims payments were distributed and on differing accounts of who was and was not affected by the spill.

These socioeconomic impacts result not only from the legal framework of the Oil Pollution Act of 1990 (OPA 90), other relevant laws, and the prevailing political situation following the BP spill; they also result from the historical and geographical context of the Gulf Coast. This context includes differentials of power between individuals and groups and residents' differing moral economies, that is, their conceptions of distributive justice, honesty and fraud, and hard work and indolence. Such differences existed before the spill and were brought to bear in how residents interpreted their experience of the claims process and compared it to their neighbors' experiences.

This chapter section addresses only some claims processes covering spill damages to individuals and businesses – the BP claims process from April 2010 through August 23rd of that year and the Gulf Coast Claims Facility (GCCF) or 'Feinberg process' from that date through March 2nd, 2012. It does not address the transitional claims process between March and June, 2012 which yielded the Deepwater Horizon Claims Center (DHCC) for Economic and Property Claims and the Deepwater Horizon Medical Benefits Claims Administrator (collectively and colloquially known as 'the settlement' or 'the court-appointed process') which inherited and expanded upon the GCCF's duties on June 4th, 2012. It also does not discuss the \$100 million Rig Worker Assistance Fund (covered in Section 1.1 of Volume I) and rental property claims under the BP, GCCF, and DHCC processes. This is due to limited ethnographic data collected from claimants in these processes. Finally, this section does not address economic claims from state and local governments for lost tax revenues and increased social services spending or civil and criminal penalties resulting from the spill. Again, this is due to the limited data collected to date from local governments regarding their claims with BP. The framework for damage claims

for public trust natural resources under the Natural Resources Damage Assessment (NRDA) is outlined in Section 2.4.2 of Volume I of this report.

The chapter provides an historical narrative of the claims processes as they unfolded from April 2010 up to early 2012, incorporating data from three sources. The first is publically available statistical data from the GCCF on claims, claimants, and payments. The second data source is secondary materials such as journalistic articles on claims and analytical materials generated by claims facilities, NGOs, and government bodies. The last source is ethnographic, drawn from contacts made by fieldworkers for this study with Gulf Coast residents, a great many of whom shared information about their experiences with the claims processes, and those of their neighbors.

The information presented here cannot, and does not, address the legal validity or economic sufficiency of any claim or group of claims. What this ethnographic assessment of the claims process does provide, however, is an understanding of how the claims process worked that goes beyond the aggregate numbers released by claims administrators and the stories of claimants as captured in media reports. Ethnography speaks to several patterns of socioeconomic effects encountered in coastal communities related to claims processes. Claimants experience diverging outcomes in experience diverging outcomes in dealing with their claims. Claimants make various decisions about what actions to take. Multiple, clashing narratives circulate through Gulf Coast communities over the propriety of not only claims administrators' and adjustors' actions, but also how moral or deserving they and their neighbors are in getting what colloquially became known as "BP money."

7.1. THE INITIAL BP CLAIMS PROCESS (TO 8/23/10)

Shortly after the sinking of the *Deepwater Horizon*, BP initiated a claims process for affected parties under the requirements of the Oil Pollution Act of 1990. This initial process, run by BP with a number of sub-contracted adjuster firms that staffed offices around the Gulf Coast, ran until August 23, 2010. Over this period it paid \$399 million to 127,000 claimants and 27,000 other filed claims were still pending (CNN 2010). The BP claims process had ramped up abruptly after the disaster. Claims workers were hired and trained hurriedly to begin processing claims and writing checks in May 2010. One former claims employee described to fieldworkers:

I got hired, let's see, right after it happened ... I got a call from them and started working right away. It was so chaotic. I had one day's training on this computer program [to process claims] and the next day I had to train 70 people on how to use it. And we were working seven days a week, 10 to 12 hours a day, for months. I think I had maybe two weeks off from May 2010 to early 2011 (BM634 2012).

By May 26, BP reported receiving 25,000 claims and paying \$29 million to 12,000 claimants, denying no claimant by that date (Anderson 2010). Claimants could get up to \$5,000 a month through the process, and were not required to waive their right to sue for future damages. Commercial fishermen, shut down by area closures resulting from the spill, made up a major part of the claimants during the BP process (WDSU-TV 2010), as claims offices began regularizing what became monthly payments as the spill stretched through the summer of 2010.

At first, in those first few weeks, we'd just go driving around down the bayou and if we'd find a group of fishermen we'd write them a check – write them a \$5,000 check. We were authorized to write up to \$5,000 checks to individuals. You'd get paid, under BP, every month and you had to come back [to the office] and show your losses every month and you'd get paid. At first we were just handing out checks to people - to fishermen only - but by, say, June-July, we were more organized and it was less crazy. We were processing their claims every month (BM634 2012).

Feelings on the initial BP claims process varied considerably among claimants with whom fieldworkers spoken during this study. Some commercial fishermen with smaller individual claims were paid \$4,000 to 5,000 a month for two to six months and reported that adjusters were more flexible in the kind and completeness of documentation they accepted than under the subsequent GCCF process, which was more strict and required more complete paperwork (BM443b 2011; BM462a 2011; BM 464 2011; BM465b 2011; PP949 2011; PP860 2011). Some claimants still faced serious challenges in proving their claims during the BP claims process, with one reporting he had to make a scene in a claims office before being paid for two months' losses (PP910 2011). Business owners with large claims, however, had problems with the initial BP process and subsequent processes (BM484 2011; DA427b 2010). This was conveyed by one Louisiana public agency official mediating between seafood businesses and claims adjusters in mid-2010:

We were the piloter for the large claims process because we have the largest concentration of processors, ice houses, and docks. We worked with [three claims adjusters], a BP subcontractor with that program. We worked with the state. They had the same problem. The BP rep and [companies #1 and #2], they had big issues. They had an account and said they sent a check to a processor. I sent a text message to the processor. He hadn't received anything. I passed the text message around and showed them. They lit into [the one responsible for sending the checks]. With the large claims [program], it was underwriter roulette. If the underwriter understands what we do down here, that fisheries is a unique sector, then there are no problems. If they don't, then... They went into a stall tactic. "We can't find your paperwork." That creates anger. You gave them your private information and they can't find it (DA427b 2010)?

A similar sentiment was expressed by the former GCCF claims adjuster:

It was your big companies, your \$250,000, \$500,000 in income, those claims, I never saw them get paid, it was like they couldn't get paid. There was something wrong with how our formulas worked, if you were a business above this size, it just didn't work right and you couldn't get paid it seemed. This was your seafood processors, your other kinds of companies in seafood. I had this one lady ... a big oyster processor, one of the biggest in the state. And she had all her paperwork together, she had a claim and we fought and fought with the attorneys who got brought in [by GCCF] but we never could get her paid. Her claim just sat on the computer, we watched it for six months, just stuck with the forensic accountants, 'pending review' (BM634 2012).

7.2. THE TRANSITION TO THE GULF COAST CLAIMS FACILITY AND SIX-MONTH EMERGENCY ADVANCE PAYMENTS (TO 11/22/10)

A June 16, 2010 agreement between the Obama administration and BP (New Orleans *Times-Picayune* 2010) led to BP establishing a \$20 billion fund and transitioning its claims program to a new entity that would become the Gulf Coast Claims Facility (GCCF). This was headed by Kenneth Feinberg, a New York attorney with experience administering major compensatory funds including the 9/11 fund and the Agent Orange settlement, and as acting as the Wall Street ‘Pay Czar’ after the 2008 financial bailout (Feinberg 2012). In its first three months of operation, the GCCF accepted claims for Emergency Advance Payments (EAPs), also known as “six month emergency payments,” receiving 455,203 claims by the filing deadline of November 22. Of the more than 500,000 EAP claims eventually received by GCCF, only about one-third were ever paid, resulting in just over \$2.5 billion in payments to all claimants. The large majority of these were issued before the end of 2010 (see Section 7.3 below). More than four times the number of claimants filed for EAPs than made claims to BP’s program, but of those claimants, a much smaller percentage received any claims payment from GCCF.

The overall payout of GCCF EAPs was about eight times larger than the amount paid during BP’s claims process. The reasons for these differences are several. While claimants from all economic sectors could equally make claims to BP and the GCCF, Feinberg publicized the Facility’s openness to consider claims from sectors like tourism, restaurants and retailing in addition to commercial fisheries. This served to expand the number and diversity of claimants. However, according to many study participants, much more documentation was required by the GCCF’s adjusters than under BP’s management of the claims process. Also, rather than coming month-to-month, EAPs were [on average] larger checks paid in advance for the next six months of projected losses. The flood of new claimants from disparate economic sectors and localities, the more stringent paperwork requirements, and the method of calculating losses based on comparing May–December 2010 income to income in those same months in 2008 and 2009, meant many EAP claims were denied or held up due to incomplete documentation.

GCCF Administrator Feinberg made several important decisions in the Facility’s first three months. On its first day, Feinberg announced fully-documented individual claimants would have EAP checks mailed to them from GCCF within 48 hours, and business within seven days. This created unrealized expectations of quick action among many claimants (GCCF 2010a; Feinberg 2012). One month later, as the GCCF process continued ramping up along with criticism of delays in processing claims, GCCF made two more public announcements. On September 23rd, Feinberg declared VOO earnings would not be deducted from fishermen’s EAP payments, increasing those claimants’ possible claims payouts. In the same release, the GCCF claimed it refused “...to accept over 4,000 bogus claims for ‘subsistence’ with handwritten and ‘fill-in-the-blank’ letters attached and no additional supporting documentation” (GCCF 2010b). Loss of subsistence use of natural resources claims, one of the recoverable categories of damages under OPA 90, are those due to seafood or other natural resources that claimants harvested not for sale but for personal or family consumption, as gifts, or to barter, and could no longer harvest due to the oil spill. There was a surge in subsistence claims to GCCF in the fall of 2010, many arriving with form letters signed by local government officials and little else to substantiate them. GCCF declared these claims ‘bogus,’ but the informal and unmonetized nature of subsistence harvest meant few, if any, written records existed to document subsistence claims. In 2010, GCCF had not yet developed an affidavit-based process to authenticate subsistence

claims and it was overwhelmed by the flood of emergency claims of all kinds in 2010. At this time, almost all subsistence claims, regardless of their provenance, were delayed or denied and GCCF continued to deny them throughout its existence. A former GCCF claims adjuster recalled:

What happened when Feinberg took over was that he opened up the claims to anybody, and then what *really* got things out of control is when he did the subsistence – saying ‘if you lived off the land’ you should file a claim - and we had just *thousands* of people coming through ... We were going through thousands of claimants every day in those offices during the ‘subsistence days’. You had people lined up for the whole block to file claims (BM634 2012).

On September 25, the GCCF announced it was accelerating claims processing to keep up with the enormous number of EAP claims coming in and to get payments out by the 23rd of November, the deadline to file for EAPs (GCCF 2010c). On October 4th, GCCF declared geographic proximity to the oil spill would no longer affect a claimant’s eligibility to collect for economic damages (GCCF 2010d), a challenge many claimants in Florida, Texas and inland parishes and counties faced before that date. On November 22nd the GCCF released a report it commissioned from Harvard Law School Professor John Goldberg on liability for economic loss under OPA 90. The report narrowly construed the ability to recover damages to claimants who can prove their right and ability to put property or resources to commercial use had been hindered by an oil spill (Goldberg 2010).

Respondents frequently reported several issues in their dealings with the GCCF. One of the more prevalent was the claimed loss of their documents by the Facility, sometimes three or four times (PP954 2011; BM441 2011; BM443 2011; PP564 2011; DA427b 2010). Numerous people conveyed to fieldworkers their concern that claims adjusters made multiple, new requests for additional financial documents, stretching over weeks and months (AG402b 2011; BM519a 2011; BM531 2011; BM555 2011; BM560d 2011). Two seafood businesses in Louisiana, one a shrimp buyer (BM479a 2011), the other a crab and oyster processor (BM560d 2011), expressed concern about GCCF requests for financial data on fishermen they buy from. In one of these cases, a private investigator working for GCCF was observed on the premises requesting trip ticket data for certain fishermen from the seafood buyer, causing the person concern over releasing those fishermen’s data without their consent. Claimants in Texas and western Louisiana reported being denied, or their payments reduced or delayed from GCCF, because their ZIP codes were considered too far from the spill to qualify (Alliance for Justice 2011:21; BM576 2011). One Port Arthur, TX shrimp boat owner and captain said in July, 2011:

Last year I didn’t go out [shrimping] until August; we couldn’t go out before because Louisiana was closed and people here [in Texas] are still having problems getting money from GCCF because they were saying ‘you’re from Texas,’ looking at your ZIP code and we are considered more distant [from the oil spill] but we spend much of our time working in Louisiana, even in Mississippi and Alabama because we follow the shrimp. We catch 80-90% of our shrimp in Louisiana because that’s where the lakes and marshes are that the shrimp come from (BM602 2011).

Business claimants whose businesses opened just before the oil spill described being denied for lacking documentation of past years' revenues when no such documents existed (BM514 2011; PP433 2010; Prakash Field notes, 2011). Some individual claimants, especially those in commercial fisheries and seafood processing, explained their claims to GCCF were denied or much smaller than their real losses because they were paid in cash, income unreported on their tax returns and thus inadmissible in the claims process (AG448 2011; BM462a 2011). A south Louisiana local government official said:

[Commercial fishermen] didn't pay taxes so they can't apply for unemployment. BP said, 'Show us your [income] records.' Guys here don't have no records. Go to a guy you're fishing with, you think he's going to give you a paper saying he paid you \$20,000 (CW488 2011)?

The former claims adjuster said:

The people who really got screwed were the deckhands and the [seafood] processing plant workers. You see, they get paid a lot of cash, right? And it's really hard to track cash, to document cash, and we couldn't show a loss for them. Now, we'd work with them in the office, we'd tweak their claim, you can always make the numbers work somehow, but we had some fishermen who we couldn't show a loss for, relative to their 2008 or 2009 numbers. And they didn't get anything, they got nothing. For the deckhands, it's their captains that pay their taxes, but their tax returns didn't show this supplemental pay that they paid their deckhands, so I'd tell the captains, 'you know, if you say this [that you pay your deckhand cash], then it's coming out of your claims check,' then they wouldn't do that and we couldn't pay the deckhand (BM634 2012).

Other fishermen, despite paying taxes on all their income, faced obstacles in processing their claims because of limited record-keeping (BM460d 2011). One non-profit claims preparer said in June 2011: "It's not uncommon for a fisher to come to me with a garbage bag full of receipts" to process into spreadsheets of profit and loss statements to present to GCCF. Even these efforts were not always successful because "[the] documentation goal posts are always changing ... making the process very frustrating" (BR189 2011).

Claimants explained how their expectations about the claims process affected their decision about when and how to return to work after the spill. Some fishermen considered possible deductions from their GCCF payments sufficient reason to delay returning to the water for months because they considered any income earned would count against their claims (DA461c 2010; BM407 2011). Their concerns turned out to be warranted, as fishing income in 2010 counted as mitigation of losses against EAP claims. By contrast, commercial fishermen who stopped fishing to participate in the VOO program would not have those earnings deducted from their EAP payments. However, during the height of the VOO program in summer 2010, no one knew that VOO earnings would not be deducted because GCCF Administrator Feinberg did not announce this until September 23rd, 2010, after the VOO had already shrunk markedly (GCCF 2010b).

Gulf Coast residents' knowledge of the 1989 *Exxon Valdez* spill's consequences affected some resident's decisions about how they handled the claims process in this spill. One Biloxi, Mississippi shrimp explained his decision to settle with the GCCF for a final payment stemmed

from the twenty-year wait Alaskans faced in getting a settlement. He didn't want to contest his unsatisfactory GCCF claim with the help of a law firm because of how long it took *Exxon Valdez* plaintiffs to get paid (PP773 2011). This sentiment was echoed by a commercial fishing deckhand who said, despite being frustrated about being asked by the GCCF five times for more documentation and having his Quick Pay settlement dropped from \$5,000 to \$3,800, he would not sue BP because in Alaska "a lot of people there didn't get paid until years after. Some even died before they got any money" (PP806 2011). Others took from the Alaska precedent the opposite lesson, finding reasons to not take a final payment with GCCF. One claimant in the commercial seafood industry cited conversations with Alaskan fishermen who came to the Gulf Coast during the spill to provide response training as reason to reject the GCCF's formula for compensating for two years of seafood business losses. This respondent said the Alaskans warned him the effects of *Valdez* were not apparent until years after the event (PP911 2011). The *Exxon Valdez* spill was employed by one law firm representative in a public meeting for commercial fishing claimants. He argued that Alaskans' past experience with spills showed Gulf shrimpers could get fairly compensated through the GCCF, but must organize and negotiate with the GCCF through his firm (PP652 2011).

7.3. THE GCCF, NOVEMBER 2010 TO MARCH 2012

Following the deadline for filing Emergency Advance Payments on November 23rd 2010, the GCCF began taking claims for full review final payments. Taking a final payment required recipients to waive their rights to sue BP for further damages or to receive future claims payments, in contrast to interim payments that were paid quarterly and for which no waivers were required. On December 13th, GCCF announced another payment option, Quick Pay Final Payments. 'Quick Pays' meant anyone granted an EAP could, with minimal additional paperwork, get a final payment of \$5,000 for individuals and \$25,000 for businesses in return for signing a covenant not to sue (Alliance for Justice 2011:53). The GCCF's failure to pay subsistence use claims drew new attention in December 2010 when a local NGO published a white paper on subsistence use outlining a draft methodology for processing such claims and held a press conference with subsistence claimants (United Vietnamese American Fisherfolks and MQVN CDC 2010). As of December 14, 2010, only 5 of 36,179 loss of subsistence use claims filed with GCCF had been paid. This, and local news coverage of the subsistence issue in the Vietnamese-American community, led to subsistence claimants appearing before a U.S. Senate subcommittee hearing on the GCCF on January 27, 2011 (Alliance for Justice 2011:55).

Feinberg's presence at a series of raucous public meetings along the Gulf Coast in January and February of 2011, negative press reports, and legal filings and rulings all slammed the GCCF in early 2011. On February 2, Federal Judge Carl Barbier issued a ruling that Feinberg was not independent of BP. That same day, Louisiana and Mississippi officials went to court to prevent the GCCF from requiring waivers from final payment recipients.

On January 31, a report solicited by GCCF from Dr. John W. Tunnell on Gulf of Mexico fisheries recovery was released by the Facility (Tunnell 2011). Tunnell's report was ambivalent in its conclusions about when the Gulf's fisheries would recover, but its contents were cited by GCCF in its announcement on February 2 that final payment compensation to commercial fisheries (other than oysters) would be based on a recovery period of three years (GCCF 2011a). On February 18, 2011, the GCCF (GCCF 2011b) released its Final Rules and Final Payment

Methodology based on the GCCF's interpretation of the Tunnell report. The Final Rules set multipliers for payments to shrimpers, crabbers, and finfishermen at double their documented 2010 losses, four times those losses for oystermen (Alliance for Justice 2011:53).

A flood of final and interim claims were filed with the GCCF in late 2010 and early 2011, more than 200,000 by the end of January 2011. The number would ultimately reach nearly 400,000 by the time the GCCF was replaced in March 2012 (Table 7.1). Final and interim (or Phase II) claims would eventually result in an additional \$3.5 billion being issued by the GCCF and a higher overall rate of payment than with Phase I claims, just over 60%. However, the success of final and interim claimants differed significantly depending on the kind of claims they filed.

Table 7.1. General Data on GCCF Claims Over Time and By Type

Date	9/21/10	10/27/10	11/22/10	12/14/10	1/29/11	2/16/12	3/14/12
Overall Claims							
# of claimants	66,931	293,350	423,973	466,074	484,437	572,270	575,469
% of claimants paid	35.0	29.7	29.2	35.7	34.8	38.5	38.5
Amount paid to all unique claimants (\$ millions)	293.8	1,576	1,944	2,469	3,323	5,996	6,088
% of claimants represented by counsel	N/A	2.2%	2.3%	2.8%	2.8%	15.7%	16.3%
Phase I Claims							
# of claims	65,903	311,871	455,203	502,114	No data	No data	No data
% of claims paid	35.6	27.9	27.2	33.2	N/A	N/A	N/A
Amount paid to all claimants (\$ millions)	293.8	1,576	1,944	2,469	2,565	2,584	2,584
Phase II Claims							
Total # of claimants	6,137	8,886	28,469	71,968	218,833	378,595	383,348
% of claimants paid	0	0	0	0	37.4	60.3	60.2
Amount paid to all claimants (\$ millions)	0	0	0	0	758.0	3,412	3,504
Quick Pay Final Claims							
% of Phase II claimants	No data	No data	No data	No data	38.5	31.2	30.8
% of claimants paid	No data	No data	No data	No data	95.6	98.3	98.4
Full Review Final Claims							
% of Phase II claimants	No data	No data	No data	No data	40.8	37.5	37.9
% of claimants paid	No data	No data	No data	No data	0.0	42.1	42.0
Interim Claims							
% of Phase II claimants	No data	No data	No data	No data	18.9	31.3	31.3
% of claimants paid	No data	No data	No data	No data	0.0	26.7	26.7

Source: GCCF n.d.

More than 98% of Quick Pay claimants, representing 30.8% of all Phase II claimants, were paid. However, only 42% of those with Full Review Final Claims, the largest body of claimants, were paid. Interim claimants, whose proportion in the GCCF's pool of claimants rose over time to nearly 1/3 of all claimants, were the least successful in getting paid. Just over 25% got at least one interim payment before the GCCF closed. Growing frustrations with the claims process among those still dealing with the GCCF at the time are evident in the escalating percentage of claimants represented by attorneys; this jumped from under 3% in early 2011 to over 15% by early 2012 (Table 7.1).

GCCF updated its payments methodology on August 16, 2011, introducing a Future Risk Multiple for oyster leaseholders that varied geographically depending on how much damage certain oyster beds suffered (GCCF 2011c). On August 22, the one year anniversary of the GCCF, the Facility announced it had processed 97% of claims filed, had paid some \$5 billion to claimants, and none of its 1,126 claims judgments appealed to the U.S. Coast Guard had been overturned (GCCF 2011d). The GCCF's methodology would be updated again on November 30, 2011, when the Facility announced all commercial fishermen (but not charter boat fishermen) would henceforth get four times their 2010 losses in final payments. Fishermen who'd already accepted final payments would not be retroactively paid more (GCCF 2011e). In late 2011 and early 2012, the GCCF was involved in a legal controversy between lawyers for the Plaintiff's Steering Committee (PSC), the Louisiana Governor and Louisiana Attorney General over a holdback fund to compensate PSC lawyers out of GCCF payments and BP payments to governments. Feinberg briefly halted GCCF payments on January 3, 2012 before receiving clarification on the holdback payments, which eventually were decided to include 6% of private GCCF claimants' payments made after January 30, 2011 (Mowbray and Hammer 2012). Following the announcement of the twin settlements between BP and the PSC on March 2, 2012, the GCCF stood down on March 8, replaced by a transitional claims process to the new DHCC and medical claims facilities.

GCCF claims and payments were filed according to economic sector, category of damages claimed, and location, allowing for further analysis of the distribution of claims and flows of money. Table 7.2 presents the sectoral distribution of GCCF's paid Lost Earnings or Profits claims. The largest number of claims, indeed the large majority of all paid claims, were paid to individuals and businesses in the food, beverage and lodging, and retail, sales and service industries, as was the considerable majority of GCCF payment dollars. However, paid fishing and seafood processing claims got larger payments on average than other sectors. Echoing the concerns fieldworkers heard from seafood processors in 2010 and 2011 about being systematically underpaid on their claims (BM484 2011; BM621 2011), average paid claims amounts in the seafood processing and distribution sector jumped 50% between early 2011 and 2012, reflecting higher payments by GCCF to these firms late in the Facility's tenure, during a time when other economic sectors saw average payments remain flat.

Table 7.3 arrays statistics on the number of claims submitted, the total amount paid, and the percentage of submitted claims that were paid by GCCF for five kinds of damages recoverable by individuals and businesses under OPA 90. These data show that the vast majority of claims submitted were for lost earnings or profits, and that this damage category was the most likely to be compensated for by GCCF. By contrast, effectively no one was able to collect on the second-most common damage claim to GCCF, the loss of subsistence use of natural resources. Of at least 36,179 subsistence use claims filed with GCCF, only 102 had been paid before the Facility closed, paying all subsistence claimants just a quarter million dollars. Low rates of

payment were also seen in removal and cleanup costs claims, real or personal property claims, and physical injury/death claims, although a small number of very high payments to injury/death claimants were made by 2012 resulting in total payments of nearly \$200 million in this category.

Table 7.2. Paid GCCF Lost Earnings or Profits Claims by Sector

Date	9/21/10	10/27/10	11/22/10	12/14/10	1/29/11	2/16/12	3/14/12
Fishing Industry							
Total # of paid claims	7,269	14,768	16,155	17,572	21,915	30,441	30,560
Total amount paid (\$ millions)	119.4	447.0	473.5	500.3	572.3	740.5	744.6
Average amount paid per paid claim	16,431	30,266	29,311	28,469	26,114	24,324	24,366
Food, Beverage and Lodging Industry							
Total # of paid claims	7,413	36,677	52,019	69,293	106,401	159,123	159,825
Total amount paid (\$ millions)	74.5	445.7	565.0	735.8	966.4	1,576	1,593
Average amount paid per paid claim	10,047	12,152	10,862	10,618	9,083	9,903	9,964
Retail, Sales and Service Industry							
Total # of paid claims	1,806	19,479	36,780	56,848	90,712	121,753	122,307
Total amount paid (\$ millions)	30.4	391.5	573.4	845.4	1,218	1,872	1,889
Average amount paid per paid claim	16,807	20,097	15,590	14,872	13,426	15,372	15,446
Seafood Processing and Distribution Industry							
Total # of paid claims	2,456	4,533	5,067	5,596	7,268	10,957	11,003
Total amount paid (\$ millions)	33.0	111.7	123.4	139.5	169.3	343.6	355.8
Average amount paid per paid claim	13,428	24,634	24,349	24,934	23,289	31,356	32,340
Tourism and Recreation Industry							
Total # of paid claims	399	1,353	1,914	2,732	4,143	8,970	9,025
Total amount paid (\$ millions)	5.5	34.3	42.5	54.4	71.9	144.9	148.5
Average amount paid per paid claim	13,693	25,325	22,219	19,909	17,354	16,159	16,458

Source: GCCF n.d.

Tables 7.3 and 7.4 address the geographic distribution of GCCF claims and payments. Table 7.4 displays the number of claims claiming loss in each of the five Gulf Coast states, the percentage of claims paid claiming loss in that state, and the total amount paid to those claimants. The data show that, on a statewide basis, after initially leading the number of claims and amount of payments, Louisiana eventually was overtaken by Florida as the state with the most claims and the highest amount of GCCF payments. Florida also has the highest likelihood, all other things being equal, that a claim for loss in that state would be paid. By contrast, claims

in Mississippi, and especially Texas, were particularly difficult to get paid, although GCCF sent hundreds of millions of dollars to each of the Gulf states.

Table 7.3. GCCF Claims and Payments by Damage Category

Date	9/21/10	10/27/10	11/22/10	12/14/10	1/29/11	2/16/12	3/14/12
Removal and Clean Up Costs							
Total # of submitted claims	638	2,360	3,226	3,747	No data	No data	No data
# of claims paid	0	0	0	0	69	122	122
% of claims paid	0.0	0.0	0.0	0.0	N/A	N/A	N/A
Total amount paid (\$ millions)	0	0	0	0	0.78	2.65	2.65
Real or Personal Property Claims							
Total # of submitted claims	2,705	6,622	9,612	11,917	No data	No data	No data
# of claims paid	2	54	96	157	228	376	378
% of claims paid	0.1	0.8	1.0	1.3	N/A	N/A	N/A
Total amount paid (\$ millions)	0.04	0.30	0.76	1.47	1.93	5.78	6.40
Lost Earnings or Profits Claims							
Total # of submitted claims	60,647	284,666	431,447	511,931	No data	No data	No data
# of claims paid	23,448	87,107	123,817	166,306	250,247	397,404	399,765
% of claims paid	38.7	30.6	28.7	32.5	N/A	N/A	N/A
Total amount paid (\$ millions)	293.8	1,575	1,944	2,467	3,320	5,795	5,880
Loss of Subsistence Use of Natural Resources Claims							
Total # of submitted claims	7,041	20,218	30,447	36,179	No data	No data	No data
# of claims paid	5	5	5	5	15	97	102
% of claims paid	0.1	0.0	0.0	0.0	N/A	N/A	N/A
Total amount paid (\$ millions)	0.01	0.01	0.01	0.01	0.08	0.24	0.25
Physical Injury / Death Claims							
Total # of submitted claims	1,009	6,871	8,940	10,308	No data	No data	No data
# of claims paid	3	4	18	49	69	137	140
% of claims paid	0.3	0.1	0.2	0.5	N/A	N/A	N/A
Total amount paid (\$ millions)	0.001	0.003	0.01	0.06	0.16	192.1	198.4

Source: GCCF n.d.

Table 7.5 gives greater spatial resolution to the geographical distribution of GCCF claims and claims money, focusing on the five counties and parishes detailed in this report's community descriptions (see Volume I). In addition to listing the number of paid claims and total amount paid by GCCF to all claimants in these jurisdictions, the per capita amount of GCCF money paid in each place was derived by dividing the total amount paid by the parish or county population reported in the 2010 Census. Mobile County, Alabama, saw the largest amount of GCCF claims paid and highest total amount paid, but also the smallest amount paid per capita. Many oil spill claimants in this majority-urban county were concentrated in its rural, southern part in and

around Bayou Le Batre. All three examined Louisiana parishes are home to many commercial fishermen and seafood processors, helping to explain their high average paid claim amount, and this can be seen particularly in Plaquemines, a parish with a small population heavily dependent on seafood production. Plaquemines had the highest per capita GCCF claims income of any locality among the study areas, more than four times the second-highest, Harrison County, Mississippi.

Table 7.4. GCCF Claims and Payments by Gulf Coast States Where Losses Were Claimed

Date	9/21/10	10/27/10	11/22/10	12/14/10	1/29/11	2/16/12	3/14/12
Louisiana							
Total # of claims claiming loss in state	N/A	58,081	101,649	131,709	166,749	250,077	252,172
% of claims paid claiming loss in state	N/A	48.4	43.1	44.0	53.3	48.6	48.4
Total amount paid to claims claiming loss in state (\$ millions)	N/A	567.0	705.3	861.1	1,122	1,731	1,745
Mississippi							
Total # of claims claiming loss in state	N/A	18,194	28,821	35,192	43,125	76,657	77,935
% of claims paid claiming loss in state	N/A	40.5	37.7	38.9	48.7	42.5	42.0
Total amount paid to claims claiming loss in state (\$ millions)	N/A	133.2	164.6	202.9	267.8	437.3	446.0
Alabama							
Total # of claims claiming loss in state	N/A	26,331	39,771	52,255	67,115	109,497	110,535
% of claims paid claiming loss in state	N/A	62.8	53.7	50.8	58.4	52.3	52.1
Total amount paid to claims claiming loss in state (\$ millions)	N/A	307.3	364.3	433.9	586.3	966.6	984.7
Florida							
Total # of claims claiming loss in state	N/A	54,456	94,962	127,969	163,908	322,773	327,570
% of claims paid claiming loss in state	N/A	61.6	48.7	51.8	60.3	54.5	54.2
Total amount paid to claims claiming loss in state (\$ millions)	N/A	530.7	668.3	919.1	1,275	2,451	2,496
Texas							
Total # of claims claiming loss in state	N/A	2,619	3,943	5,229	5,549	12,858	13,715
% of claims paid claiming loss in state	N/A	49.0	36.7	32.7	36.4	32.5	30.9
Total amount paid to claims claiming loss in state (\$ millions)	N/A	32.9	36.6	44.2	61.7	233.0	238.4

Source: GCCF n.d.

Table 7.5. Data on GCCF Claims and Payments Parishes and Counties Detailed in This Report

Date	9/21/10	10/27/10	11/22/10	12/14/10	1/29/11	2/16/12	3/14/12
Mobile County, Alabama							
Total amount paid (\$ millions)	20.2	108.3	138.1	175.7	180.9	383.6	388.1
Total number of claims paid	1,842	6,081	8,969	12,063	12,224	26,159	26,296
Average amount paid per claim	10,871	17,802	15,402	14,561	14,796	14,665	14,758
Amount paid per capita in the county	48	262	334	425	438	929	940
Harrison County, Mississippi							
Total amount paid (\$ millions)	14.1	85.9	107.4	133.5	138.6	296.3	303.9
Total number of claims paid	1,124	5,353	7,867	9,822	9,936	23,843	23,982
Average amount paid per claim	12,544	16,050	13,655	13,595	13,954	12,429	12,673
Amount paid per capita in the county	75	459	574	714	741	1,584	1,624
Plaquemines Parish, Louisiana							
Total amount paid (\$ millions)	27.9	81.7	86.0	90.2	91.8	152.2	153.7
Total number of claims paid	645	1,808	2,081	2,348	2,376	4,318	4,365
Average amount paid per claim	43,190	45,161	41,326	38,406	38,628	35,258	35,212
Amount paid per capita in the parish	1,209	3,544	3,732	3,914	3,983	6,607	6,671
Lafourche Parish, Louisiana							
Total amount paid (\$ millions)	7.1	41.7	46.5	52.3	53.4	96.6	97.2
Total number of claims paid	522	1,425	1,758	2,133	2,170	4,175	4,197
Average amount paid per claim	13,568	29,293	26,462	24,532	24,585	23,140	23,158
Amount paid per capita in the parish	74	433	483	543	554	1,003	1,009
Terrebonne Parish, Louisiana							
Total amount paid (\$ millions)	14.8	66.9	74.0	83.6	88.4	170.2	173.7
Total number of claims paid	1,183	2,520	3,045	3,696	3,771	7,233	7,299
Average amount paid per claim	12,528	26,531	24,300	22,614	23,433	23,526	23,792
Amount paid per capita in the parish	132	598	661	747	790	1,521	1,552

Source: GCCF n.d.

7.4. THE CONTESTED MORAL ECONOMY OF THE CLAIMS PROCESS

Apart from the issues claimants faced and the money claims payments brought to Gulf Coast communities, the most salient socioeconomic impact of the claims process is its effect on social relationships. This effect is expressed in diverging, sometimes clashing, moral economies –how people interpret the just or unjust distribution of resources, the worthiness of claims of harm, and the causation of their own and others’ socioeconomic condition. The claims process brought to light the moral economic sensibilities of residents, how appropriate they judged their treatment in the claims process compared to that of their neighbors. Very often, these discussions revolved around who was deserving or undeserving of claims money – who got too little, who got too much, and on what the speaker based his or her evaluation. One narrative emerging from ethnographic fieldwork is the destructive moral consequence of recovery from recent hurricanes. One respondent in South Louisiana explained that people learned they had to exaggerate their claims in order to get anything out of post-hurricane relief efforts and that they had now carried this over to the oil spill: “The hurricanes taught our people to lie” (DA460b 2011). In Bayou Le Batre, Alabama, a seafood processor, reported that people became dependent on government handouts following Hurricane Katrina such that some were “just keeping their fingers crossed waiting for a disaster to happen” (PP565 2011). Some respondents offered a variant on this narrative of government dependence, echoing messages from contemporary national politics about welfare dependency. For example, a crab buyer (BM597 2011) and a sporting goods dealer (BM630 2011) expressed this view, questioning others’ claims of harm from the spill and emphasizing their own self-reliance by contrast:

You see, that oil spill, it didn’t hurt the Gulf, the Gulf is so big – Look, you see me, when I was young and went to Grand Isle, you could walk and see all the ‘tar balls’ all over the beach – you’d have to clean your feet from all that tar that would get on them, and you’d have to throw away your clothes after playing on the beach. And with all that, it didn’t hurt anything back then, I never got sick from it, so how did this [2010 spill] hurt the Gulf? You see these people on the TV, ‘oh, I got hurt,’ ‘oh, I’m sick,’ that just wants some money, that’s what’s wrong with this country – The guy who never did anything is just take-take-take, but the guy like me, that put-put-put, they want to take away my Social Security and tell me I gotta work longer, to 67 – you can’t run a country like that where the guy who puts in don’t get and the other one gets for nothing (BM630 2011).

The ones who are affected are the processors like me, I haven’t been compensated for my losses. I lost \$100,000 last year and I’ve got \$80,000 in inventory that I can’t sell because it cost me more than I can sell it for now, plus people aren’t buying crab. A fisherman can wave his arms and get money but the processors can’t get anything. I’ve got a guy who works a boat I own and he got \$60,000 but he’s at home smoking crack, I can’t get my money from him ... Instead of giving money to people they should do an SBA loan with low interest, the worst thing to do is give people money, that’s what’s wrong with America. They gave the fishermen money last year and I couldn’t get no crabs because nobody was working. I was the only crab dock still working here, BP paid the other crab docks so they all shut down but I kept going (BM597 2011).

Several people noted the differential financial consequences of the claims process (and the VOO program) led to not only greater socioeconomic differences between people in their community, but a breakdown in amicable social relations based on similar socioeconomic status. Again, some saw the hurricanes of the 2000s as precursors to this trend. A resident of Lafourche Parish, Louisiana, argued that the lack of government response to the spill, like with the hurricanes, meant people in the community had to fight each other to get resources, make claims, and obtain work, saying they “made us fight amongst ourselves. For me, this is absolutely unforgivable” (AG415c 2011). A Cambodian-American shrimper, on being asked what the social effect of the spill was, said:

The social effect was that some people got work with BP and made a lot of money and others didn’t, whereas before the spill people were together and would cooperate like in the [2009] shrimp strike, now people will say, ‘well you got BP money and I didn’t,’ so they’re further divided. Fishermen are always so divided against themselves, we need a strong leader to get behind, to be united (BM499 2011).

In Abbeville, Louisiana, a fisheries agent saw a similar process of social estrangement and withdrawal resulting from the wide disparities in VOO and claims income among commercial fishermen:

The spill caused some of our community leaders - we have some leaders in the Vietnamese communities that are very outgoing and very proud – withdraw from leadership. Some people got compensated very well, others too well, and others didn’t [get compensated], for whatever reason their paperwork would never go through or what have you. So they didn’t get compensation and this caused some people to withdraw, to stop talking with each other, some people couldn’t face their family when they could see others making three to five thousand dollars daily with VOO and they couldn’t get any income. It caused friction between people, people weren’t united like they otherwise might have been. I saw fishermen withdraw, it changed people, they were almost scared to talk or to see you where before they were proud, open people (BM598 2011).

Time and time again, fieldworkers asking about claims were told stories of people in similar economic circumstances receiving very different amounts through the claims process, or people in socially subordinate positions getting more in claims than their superiors, be it boat captains getting less than deckhands or businesses getting less than employees (BM407 2011; BM479a 2011; BM597 2011; Prakash Field notes, 10/15/10). Tied in with narratives of fraudulent and undeserving claims and wide differences seemingly without merit among similar claims, new ‘dually’ trucks and sports cars, four-wheelers, travel, and trips to casinos became evidence for some residents of their neighbors’ nefarious oil spill claims (PP780 2011; DA461c 2010; BM613b 2011). This fieldworker observed a drunken scuffle at a church fair in late 2011, after which one of the fair attendees explained the fracas by saying one of the fighters was “... a spillionaire. He was an oyster fisherman. He’s got a Trans-Am now, I see it go up and down the bayou. Before long it’ll be on blocks or wrecked or he’ll run out of money to drive it” (BM613b 2011).

One of the major narratives the moral economy of the claims process turns on the idea of deserving economic sectors versus underserving ones. Some commercial fishermen repeatedly decried land-based businesses and workers for getting larger claims than they had (Prakash Field notes, 11/24/10, 5/19/11; PP773 2011; PP779 2011; PP844 2011; BM465b 2011; PP948 2011), singling out service sector businesses like nail salons, hairdressers, and laundromats, as well as tourism-oriented workers, including Bourbon Street strippers whose supposed oil spill claims earnings became almost legendary among fishermen and seafood businessmen. A south Louisiana crab buyer put the argument succinctly: “How can whores who dance on a pole, nails people - people who do nails, you know? - and people up in Baton Rouge be getting money if people in Lafayette [with a seafood business] can’t” (BM576 2011)? At the same time, seafood processors and buyers and marine suppliers and boat builders often decried commercial fishermen who expressed dissatisfaction with the claims process as greedy, complaining too much, and overreacting to the spill, pointing out that many didn’t pay their taxes (Prakash Field notes, 11/10/2010; PP616 2011). For their part, owners of nail salons and other retailing businesses, many of whom had all their claims denied or only received minimal amounts (BM485a 2011; BM555 2011; BM543 2011; BM483a 2011; BM441 2011; PP843 2011), were more defensive, explaining how they felt they had been affected despite not being directly tied to the Gulf and expressing concern that BP passed their business over because they were not seafood-related (PP843 2011).

As noted in the introduction to this chapter, the claims process related to the *Deepwater Horizon* disaster continues to evolve and unfold. Those who “settled” their claims in one way or another and those who gave up trying are no longer direct participants in the process. Others have elected to enter the third phase, transferring their claims to the Deepwater Horizon Claims Center (DHCC) for Economic and Property Claims and the Deepwater Horizon Medical Benefits Claims Administrator, or else participating in the upcoming litigation against BP et al. in 2013. The indirect effects of the ongoing uncertainty, expectations of payments, and actual payouts will touch all who live and work in the communities and industries affected by the disaster and will require further study.

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CHAPTER EIGHT: ETHNIC GROUPS AND THE SPILL

Preetam Prakash

8.1. INTRODUCTION

Many of the impacts of the 2010 BP oil spill affected residents of the Gulf Coast because of their geographic location (Volume I) or their participation in particular economic sectors (Chapters 1 through 5, this volume), but certain impacts were unique to certain ethnic groups and ethnic enclaves, or intensified by ethnic affiliation. There is an extensive literature on ethnic identity, inter-ethnic relations, and ethnic enclaves both in the United States and in many other areas of the world. A number of scholars have also examined the implications of minority ethnic group affiliation in the aftermath of natural and man-made disasters across the United States and other world regions. This chapter draws on this previous research in analyzing some of the major impacts of the BP oil spill on members of minority ethnic groups along the Gulf Coast.

Ethnicity as a concept has been continually examined and reinterpreted since its widespread diffusion as an academic and popular concept in the 19th century. In the 19th and early part of the 20th century, biological conceptions of race were often conflated with ethnicity, and ethnic traits or characteristics were often treated as a set of pre-determined, inherent attributes that are distributed consistently across a given population (Aguilar 2005; Cross 1978; Jenkins 1996; Kirk-Greene 1980; Mason 1996). In the latter part of the 20th and in the early 21st century, scholars across a variety of disciplines redefined ethnicity in ways which emphasized its active, social construction (Barth 1969; Bond and Gibson 2002; Erikson 1993; Geertz 1973; Greene 1996; Rodriguez 2000). Over the past few decades, ethnicity has come to be commonly understood among anthropologists, sociologists, geographers, historians, and other social scientists as based in forms of identification and differentiation which generally take a shared place of origin as their primary reference and which are continually negotiated and constructed in relation to broader social contexts (Erikson 1993, Gabbert 2001). According to more recent understandings, ethnicity is highly fluid and constituted by a range of performative and embodied possibilities which are situationally deployed or elicited (Anthias 1998; Fong and Chang 2004; Rodriguez 2000). Thus, individuals classified as belonging to one ethnic group may exhibit highly disparate sociocultural traits and behaviors across contexts. Taking this understanding of ethnicity as a starting point, it is necessary to recognize that the Gulf Coast study communities present unique social and economic contexts with respect to other U.S. regions. Furthermore, as described in Volume I of this report, the formation, representation, and enactment of ethnicity can vary significantly across study communities themselves, which have disparate histories of ethnic migration, settlement, and relations.

Shared histories of migration and settlement often play important roles in creating bonds and networks and can factor significantly into conceptualizations and experiences of ethnicity and ethnic identity. However, while a recent history of migration frequently results in a group being labeled “ethnic,” not all minority ethnic groups are recent migrants. Nor does a shared history of migration always play a role in ethnic identity. For example, Native American groups along the Gulf Coast certainly cannot be considered recent migrants and may not conceive of their place of origin as existing anywhere other than where they currently reside. Rather, for

many Native Americans shared histories of inhabiting a particular area rather than a shared history of migration serve as the basis for ethnic identity. However, most scholars and residents of the region would consider Native Americans to be members of minority ethnic groups. Indeed, while all Native Americans might be grouped into a single category for purposes of certain educational and social policies, they comprise a wide variety of groups of varying sizes (see Section 4.4 of Volume I).

When shared histories of migration and ties to “elsewhere” do factor into ethnic identity, these can vary significantly in terms of their degree of specificity, the strength of links between migrant groups and their places of origin, and the persistence of such connections over time. For instance, many African Americans along the Gulf Coast, as in other areas of the country, identify with a shared narrative of slavery-driven migration to the United States. However, for the most part, due to practices of slave traders who purposefully severed the slaves’ ties with their communities of origin, African Americans do not trace their place of origin to one specific country or region or maintain economic or other types of links with such places. Furthermore, African American settlement along the Gulf Coast has involved many different waves of migration over a long period of time.

It is also important to note that the persistence of ethnic identification may be shaped and constrained by various factors, perhaps most obviously phenotype and language. While members of some ethnic groups may not wish to actively identify with their group, they may nevertheless continue to be so identified due to their appearance or other characteristics. In the United States, phenotypically “white” individuals may find it much easier to choose for themselves whether or not they wish to be identified as members of a particular ethnic group and to rid themselves more quickly of unwanted associations than individuals who are dark-skinned or have facial features or body types associated with non-whites (Topp 2003). Thus, a continuing relationship to “elsewhere” may not always be a matter of choice, but rather something which is imposed on individuals and groups by the biases and norms of the broader society.

Of course, the term “minority” is highly relative and dependent on the context and scale being considered. Ethnicity operates on many different scales, and groups that are perceived as minorities on one scale might not be regarded as such on another. For example, while Cajuns and African Americans in the Gulf Coast region may in fact constitute majorities in certain ethnic “enclave” neighborhoods and areas, they are minorities on a regional and national level, and their minority status on these scales has had considerable impacts on their historical experiences in coastal communities (Dyson 2006; Levitt and Whitaker 2009). Thus, to consider the experiences of members of different ethnic groups following the BP spill and in other post-disaster contexts and situations, this chapter will attend to the varying levels on which ethnicity is represented, experienced, and perceived. Ethnic enclaves commonly entail the physical concentration of individuals of a particular ethnicity and coincidentally, certain forms of economic specialization, the performance and reproduction of specific cultural forms, and the maintenance and reproduction of native language (Kaplan and Wei 2006). More recently there has also been an increased concentration on articulating the concept of “ethnic enclave” in ways that transcend traditional ideas of communities rooted in a particular locality to describe broader communities which span larger geographic areas, or “virtual” communities which are linked by the internet or other modern media forms. Such use of technology and the growing ease and accessibility of transportation for at least some segments of the world’s population have led many scholars to focus on what they perceive as the increased fluidity, and geographically dispersed nature of ethnic identity (Massey 1998; Sassen 1990; Smith 2001).

8.2. PREVIOUS RESEARCH ON ETHNIC ENCLAVES, ETHNIC ORGANIZATION, AND DISASTER

Before the 1960s, many sociologists and anthropologists utilized assimilation theory to discuss the interactions of migrant and minority groups with broader society (Gleason 1980). This approach generally considered ethnic enclaves as temporary creations which facilitated the entry of first generation migrants into a new country or other geographic context, such as a new city or region, but which would cease to exist with successful assimilation into the dominant culture (Dunn 1998). Since the 1960s, in some areas of the United States as well as other Western countries, there has come to be more tolerance for the continued persistence of ethnic enclaves beyond the first generation, and more of an emphasis in the academic literature on the potentially positive aspects of ethnic enclaves, including the support they provide to elderly community members, their role in cultural reproduction, and their functions as sites of economic and political mobilization and the assertion of minority rights (cf. Valtonen 2002).

At the same time, some scholars have more recently begun to analyze the potential downsides of these ostensibly positive aspects of ethnic enclaves. For example, Chang (2010), questions the differential use of “ethnic enclave” and “ghetto” in discussions about particular ethnic groups. She specifically argues that the use of “ethnic enclave” to describe some Asian American communities can obscure the poverty, low levels of education, and other structural inequalities that these spaces share with “ghettos.” In such situations, notions of “culture” can come to act as a veil that cover up real issues and problems faced by many who live in ethnic enclaves. Ethnic enclaves along the Gulf Coast, like those in other parts of the world, therefore cannot be conceived solely in the relatively positive sense of a “cultural community,” but must also be analyzed with respect to the economic and social realities of the region and individual areas which lead to the creation and maintenance of such enclaves. Disasters and their aftermath can often highlight the structural factors which underlie and are sometimes perpetuated by the formation of enclaves.

The ethnic enclave concept can also easily lead to mistaken conceptions of a given ethnic population as somehow unitary, and neatly tied together by a shared, consistent set of beliefs, economic activities, and social relations. While strong ties do exist on various levels within ethnic enclaves, there are commonly very significant differences in experiences within ethnic minority populations along the Gulf Coast along the lines of gender, age, time of residence in the United States, occupation, income levels, religion, English proficiency, and other factors (Duc Do 1999). Interestingly, strong identifications with particular aspects of ethnic identity can arise even within communities where there exists considerable variation. For example, Vietnamese who have settled along the Gulf Coast were engaged in a wide range of occupations prior to their coming to area and continue to do so following their settlement (see Section 4.5. in Volume I). Despite this diversity, many Vietnamese, as well as residents of study communities more generally, overwhelmingly associate Gulf Coast Vietnamese with commercial fisheries.

In the United States, formal organization around ethnicity dates back to at least the 19th century. However, such organization has become much more widespread, and more socially permissible especially in urban centers, since the 1960s. Various types of ethnic associations have proliferated in many areas of the country. Such associations include cultural organizations, ethnic work-based associations, and groups centered on social justice causes concerning members of particular ethnic groups, and these have accompanied the growing public recognition of many minority ethnic groups in U.S. society (Fox 1996; Halter 2000; Meagher

2000; Rudrappa 2004). All of these kinds of groups exist in the study communities, although not all types exist in every community, nor are all ethnic groups equally represented by such groups.

While individual minority ethnic groups vary considerably across the study areas, certain broad ties, such as religious practices and occupations, incorporate local ethnic communities into broader regional networks. Of course, some individuals who are perceived as being members of a particular ethnic group may in fact have very little interaction with other members of that group and may share very little in common with other group members in terms of occupation, religious beliefs, or migration history. Phenotype, occupation, language, histories of migration and settlement, and religious practices are among the most important factors in the construction and perception of ethnic identity in many study communities

In many of the study communities, strong ties between ethnicity and particular work niches continue to exist, while other areas along the coast these ties have weakened. For example, in coastal Mississippi, Croatian and French Americans used to be very strongly associated with the seafood industry (Schmidt 1995). However, over the course of time, members of these ethnic groups have moved into a variety of other occupations. Today, Croatian and French organizations in the area are largely cultural groups focused on promoting various aspects of each group's history and heritage. However, in other areas of the Gulf, ethnic organizations remain closely tied to advocating for ethnic group members involved in particular forms of work. Recent events, in particular the hurricanes of the mid-2000s, have given rise to more social justice-centered ethnic associations (see also Chapter 6). Following Hurricane Katrina, several groups were formed, or opened offices along the Gulf Coast, particularly in the New Orleans area, which focused on advocating for different minority ethnic groups. Organizations that already existed in coastal areas, for example religious institutions, also sometimes became involved in such efforts. The presence of organizations varied by study community and with respect to different ethnic groups. These groups were differentially positioned and possessed of varying abilities to respond to the impacts of the spill.

Anthropologists, sociologists, public health professionals, and urban planners have addressed iniquities related to ethnic affiliation before, during, and after disasters (Klinenberg 2002; Turner et al. 1980). Researchers have recognized the role that ethnicity can play in how groups and individuals are exposed to unique or heightened negative impacts of both natural and man-made disasters (Been and Gupta 1997; Bolin 1993; Cutter, Boruff, and Shirley 2003; Pastor, Sadd, and Hipp 2001; Peguero 2006). Many of these researchers stress the importance of recognizing and understanding how pre-disaster structural inequalities, such as varying levels of access to education, health-care, and land, can shape post-disaster outcomes. For example, in his analysis of deaths resulting from Chicago's 1995 heat wave, Klinenberg (2002) drew attention to the pre-existing patterns of neighborhood settlement and use, as well as disparities in the availability of services and infrastructure which might have made it more difficult for many African Americans to obtain medical assistance and other help during this period. Similarly, in his research on the impacts of the 2004 Indian Ocean Tsunami on different ethnic groups in eastern Sri Lanka, Amarasiri de Silva (2009) focused on disparities in settlement patterns, political power, and other factors which had strong bearing on the post-tsunami division of humanitarian aid and other resources and services. Other scholars have also drawn links between the existence of ethnic enclaves and vulnerabilities following disasters, arguing, for example, that enclaves are often established on sites that are geographically vulnerable to events such as hurricanes or earthquakes, and that following disasters the segregation of ethnic enclaves can allow powerful groups to more easily divert and monopolize resources (cf. Yeo and Blong 2010).

With respect to ethnic groups composed of recent migrants in particular, researchers have documented how such groups might be at greater risk in disaster contexts due to their unfamiliarity with local methods of disaster preparation, and their lack of knowledge on how to access aid after such events. Yeo and Blong (2010), for example, analyze a historic flood to discuss how the lack of familiarity of recently-arrived Indian migrant farmers with flood prone areas in Fiji may have resulted in greatly increased casualties among this population. Similarly, other scholars have pointed out minority ethnic group members' lack of proficiency in the dominant language as an important issue in other post-disaster contexts and have pointed to the difficulties that this may entail in attaining accurate and timely information about disaster events, following established disaster protocols, and accessing post-disaster services (e.g., Peguero 2006). Some authors have also discussed how inequalities in post-disaster recovery can exacerbate pre-existing ethnic divisions and conflicts (Amarasiri de Silva 2009).

The Gulf Coast region's history of catastrophic hurricanes has also stimulated a substantial literature examining the potentially negative consequences of minority ethnic group affiliation following disasters. Hurricane Katrina, in particular, attracted a great deal of both popular and academic attention to the post-disaster experiences of members of minority ethnic groups. This post-Katrina literature demonstrates how even disasters with very widespread impacts across a region and its overall population can still have unique and disproportionate impacts on members of particular ethnic groups (Delp et al. 2009; Dickerson 2010; Hirsch 2007; Lewis 2009; Walloo 2010). Post-Katrina research in the area spans a range of ethnic groups, and includes topics such as the post Katrina migration and settlement, labor conditions, and differential access to resources (Allen 2007; Sharkey 2007; Vinck 2009; Vu et al 2009). The post-Katrina literature also discusses aspects of historically entrenched regional and local systems of ethnic and racial relations and analyzes the consequences they had on the experiences of members of different ethnic groups after Katrina. However, much of this work focuses on the New Orleans area, and there exists only a relatively small body of research articulating the post-disaster experiences of minority ethnic groups in less populated areas of the Gulf Coast. The following section focuses on the areas away from the urban core.

8.3. OIL SPILL IMPACTS AND RESPONSES

Some of the major challenges and issues faced by minority ethnic groups following the BP oil spill stem from lack of English language proficiency, social and political exclusion in the post-spill cleanup and recovery processes, the disproportionate presence and the particular forms of involvement of some minority ethnic groups in economic sectors and sub-sectors that were especially vulnerable post-spill, and the general disruption and reorganization of ethnicity-based networks. These issues are in many ways interrelated. They were not necessarily of ubiquitous importance across minority ethnic groups and communities. A lack of English language proficiency, for example, was not a particular concern for African Americans or Cajuns following the oil spill.

The situation of minority ethnic communities post-spill should not be considered solely in terms of impacts, but also in terms of responses. For example, some ethnic non-profits which focus on work-related or social justice issues reorganized or expanded their services and networks following the spill, at times playing important roles in advocating for these communities and channeling resources following the spill (see Chapter 6) Members of minority ethnic groups were not simply acted upon following the spill, but actively responded in various ways to the event and its aftermath.

8.3.1. Language and Post-Spill Exclusion

Across study communities, many first-generation immigrants have low levels of English proficiency. In some areas characterized by isolation and lack of educational access, limited English proficiency and low levels of literacy remain challenges for some Native Americans as well (see section 4.4 of Volume I). Following Katrina, one prominent criticism of local, regional, and national government policies and efforts concerned the lack of services and assistance available in languages other than English (Blazer and Murphy 2008).

Various aspects of Gulf Coast society and economy, including the importance of the commercial seafood industry and the more general persistence in the region of various forms of skilled and unskilled manual work, have facilitated the entrance and participation of non-English-speaking or non-English proficient populations into local economies. For example, many Southeast Asians and Hispanics describe how the low level of formal education and English proficiency required by many facets of work in commercial fishing and shipbuilding were important factors motivating their entrance into these occupations (Truong 2010). This lack of formal credentials and English skills serves to constrain employment mobility and advancement among such workers, and contributes to their marked disadvantage in accessing services and assistance following disasters like the oil spill and their ability to participate in activities like cleanup work and retraining.

The translation services and other non-English assistance available after the spill varied across study communities. This was true both with respect to the services and assistance provided in claims offices and by BP contractors as well as by local non-profits. In some study communities, no non-profits provided such services whereas in other communities there were several non-profits providing translation and other services in one or more languages. Immediately after the oil spill, some older Vietnamese, Lao, Thai, and Cambodians found it difficult to participate in the Vessels of Opportunity program since translators were not provided in some study communities (Sahagun 2010). Some Southeast Asian fishermen also reported financial losses during summer 2010 due to being unable to understand announcements concerning water closures. Some Lao, Thai, and Cambodians in the crabbing industry lost traps when water closures were imposed, while some Vietnamese shrimpers were repeatedly fined and/or forced to dump their catch when they accidentally strayed into closed waters. Adding to these difficulties was the fact that fisheries closures were commonly announced via internet even though many fishermen, even those who speak English, lacked the skills or resources to access this medium. While this was an issue for many Gulf fishermen in general following the spill, its effects were heightened for some minority fishermen due to their lack of English proficiency.

Spanish, Vietnamese, and Khmer translators were eventually provided for the VOO program. Similarly, though translation assistance was lacking in BP/GCCF claims offices (Nolan 2010) for months after the *Deepwater Horizon* rig explosion, some offices in study areas provided translation services in Vietnamese and Spanish, and sometimes in Khmer. The availability of such services differed through time, with facilities which offered service in a particular language during summer 2010 sometimes not offering these services at later dates and vice versa (BP 2010; GCCF 2012). Non-profits and other organizations such as the Southeast Louisiana Fisheries Assistance Center also offered translation services in various languages at different times (WWL-TV 2012). However, even after translation services became available in the study areas, some individuals who were not proficient in English expressed dissatisfaction with the services provided, often alleging that translators were not fluent in the language, that they spoke dialects which were not easily comprehensible to the majority of residents, or that they were not familiar with cultural norms and rules. In some study communities Hispanic workers who filed claims, as well as Hispanic business owners and other residents who interacted frequently with Hispanic workers, complained translators employed in claims offices actively attempted to dissuade Hispanics from filing claims, and threatened those filing with reporting their legal status to police or immigration authorities.

Other ethnic groups whose members included large numbers of non-English speakers frequently did not receive translation assistance at BP claims offices. Similar to many first-generation Vietnamese, many older Lao and Cambodians work in the seafood industry or in other occupations such as welding, which require little in the way of English skills. These populations have formed enclave neighborhoods in areas such as New Iberia and Bayou La Batre. However, Lao and Cambodians are not as widely recognized across the region, both in general and in terms of their participation in the seafood industry, and this may have contributed to the inconsistent availability of translation services, even in communities such as Bayou La Batre with large populations of these groups. With translation assistance in Lao and Khmer unavailable in most claims offices, older members of these ethnic groups relied on younger family members fluent in English or did not engage in the process. Eventually, in some areas such as Bayou La Batre, non-profit organizations began to offer translation services and claims assistance in Lao and Khmer.

The activities of law firms and their agents in study communities following the spill presented another source of concern for minority ethnic group members who were not proficient in English. Community residents and activists reported that legal firms sometimes attempted to coerce residents to sign up for post-spill legal representation without providing accurate translations or clearly articulating what might be the benefits of such representation (Robertson and Swartz 2011). Additionally, like many other residents of oil spill-affected areas, minority ethnic group members commonly received notices in the mail from legal firms who claimed they already had power of attorney and rights to a percentage of any settlement. As with other post-spill issues, these situations were more difficult to navigate for individuals who lacked English proficiency.

Issues related to English proficiency continued beyond the immediate post-spill period. They have also had bearing on the ability of some minority ethnic group members, and particularly older members, to participate in workforce training, education, and other programs established for workers dislocated by the spill. Gulf-wide, few post-spill retraining or educational programs were established to target non-English-speaking individuals or offered non-English assistance. The Biloxi-Gulfport area presents one of the few instances where such a program has

been established (WLOX 2012; see below and Chapter 6, Volume I). In a few communities, such as Bayou La Batre, a variety of post-spill services and programs, such as claims and tax preparation assistance, psychological counseling, and translation assistance for retraining programs, were made available to members of some minority ethnic groups following the oil spill, through the offering of services in native languages and through efforts, such as focus groups and door to door visits by community leaders and non-profit workers, to elicit and facilitate the participation of ethnic group members (Elliot and Penaloza 2010). However, even some community leaders and activists themselves pointed out that low levels of formal education and English among many older members of ethnic minority groups would likely constrain them from easily shifting to a new industry and obtaining employment even if they passed through retraining programs. While English as a Second Language (ESL) programs were available in some study communities with large non-English proficient populations, many older minority ethnic group members had become accustomed to working in occupations where little or no English was needed and were reluctant to begin learning a new language later on in life.

Another issue for some minority ethnic groups following the spill was a lack of healthcare assistance addressing spill-related issues in their native languages. Like others who worked on the spill cleanup and VOO program, some members of minority ethnic groups expressed concerns about the inhalation of dispersant and oil fumes and other hazards they might have encountered while working. In many study communities, members of minority ethnic groups, like the broader population, voiced uncertainty about the health consequences of participation in post-spill cleanup work and about a lack of healthcare options to specifically address these concerns. Furthermore, community leaders, activists, mental health professionals, and others who worked closely with Southeast Asians and Hispanics often mentioned the strong “cultural barriers” and stigmas preventing many people from using mental health services, even when such services were available in study communities (Elliot and Penaloza 2010). While a lack of English proficiency added to the difficulties of accessing healthcare, even some members of native English-speaking groups, such as African Americans, expressed similar preoccupations. For many members of minority groups along the Gulf Coast accessing healthcare presents ongoing problems in normal times. However, the sudden, increased need for such services following the oil spill with respect to specific spill-related health issues such as exposure to oil or dispersants made this situation particularly difficult.

8.3.2. Occupation and Post-Spill Vulnerability

Substantial research in the United States and elsewhere has focused on the role and importance of ethnicity-based social networks with respect to labor issues (cf. Bean and Bell Rose 1999). Many anthropological and sociological accounts of such processes in the United States focus on the exploitation of recently-arrived minority ethnic groups as unskilled or semi-skilled labor in low wage, often dangerous work. For example, much of the recent literature on Hispanic migration to the U.S. Southeast is focused on the role that migrants often play at or near the bottom of local agricultural economies. Previous chapters in this volume provide examples of specialization along ethnic lines in many of the economic sectors that are crucial to the study communities. There are ample cases on the Gulf Coast, for example in many seafood plants, which in fact do mirror this broader situation. Southeast Asians and Hispanics constitute a large portion of the seafood processing plant workforce (Moberg and Thomas 1993). Such

employment presented some particular complications following the spill. The seafood plants often utilize temporary laborers who are paid on a piecework basis. These workers almost always move among different plants in an area in search of work, resulting, for many, in a lack of documentation for earnings, which proved problematic for those filing claims with GCCF (see Chapter 2, this volume).

However, in important ways, economic specialization along ethnic lines in study communities differs from these typical accounts. For example, the regional commercial fishing industry, offshore oil and gas, as well as different manufacturing sectors, including shipbuilding, have also allowed the entrance of some minority ethnic groups into relatively higher wage jobs and positions that allow for considerable autonomy (Austin and McGuire 2002; Donato 2004). For example, Donato (2004) discusses how the majority of Hispanic and Lao workers in three south Louisiana communities were semi- and highly-skilled blue collar workers. The Gulf Coast's continued reliance on manufacturing, fishing, and extractive industries such as offshore oil have resulted in a situation where formal language and education requirements are lower than many other U.S. areas and which more easily allow the entrance of newly arrived migrants.

Vietnamese participation in the commercial seafood industry is one good example of the complex interactions between ethnicity and economy along the coast. Many Vietnamese involved in the commercial seafood industry still do piece work for relatively low wages in seafood processing plants. However, a substantial number of Vietnamese have also established themselves as shrimp vessel owners and captains, while others have purchased and operate processing plants, unloading docks, trucking services, and other seafood-related businesses (Schmidt 1995). Like other Gulf Coast fishing vessel captains, Vietnamese shrimp boat captains generally choose their own deckhands, often family members, and schedule their own trips, while Vietnamese seafood plant and unloading dock owners control not only who they hire but also exercise control over production levels and, thus, a measure of control over the price of local seafood.

Many factors have kept many Vietnamese, especially older, first generation migrants, in the regional shrimping industry over time. These include the success of Vietnamese in the industry, resulting in positive feelings toward aspects of this work; the relative autonomy the industry provides, its seasonality which permits annual trips to Vietnam, and the lack of need for English proficiency. In some cases, these factors have also led Vietnamese owners to invest large amounts of capital into larger shrimping vessels, unloading docks, processing plants, and other acquisitions. Aside from these pragmatic reasons for involvement in the industry, many Vietnamese shrimpers also express contentment with the nature of fishing work, a characteristic they share with many groups who make their living on the water. Such concentrated involvement in the fishing industry has allowed Vietnamese participants to establish tight ethnically-based networks which serve to increase access to capital, facilitate the entry of new Vietnamese into the industry, and allow for the establishment of relationships among individuals at different levels of the supply chain. However, the density and extent of this involvement in fishing also proved potentially detrimental to Vietnamese in study communities following the oil spill since financial investment in large shrimp vessels, unloading docks, and other expensive equipment and infrastructure prevent many of them from easily transitioning out of this industry.

While the involvement of Lao, Cambodians, and Thai in the seafood industry is not as large scale or as widely recognized as that of Vietnamese, in some study communities such as Bayou La Batre and Lower Plaquemines Parish, members of these groups have also moved into ownership of fishing vessels, processing plants, and other seafood-related businesses. Similar to

Vietnamese owners, members of these ethnic groups entered and have remained in the commercial seafood industry because of low formal education and English requirements, the possibilities for upward mobility, and in some cases, prior experience as fishermen in their countries of origin. Many members of these groups also found themselves facing difficulties similar to those faced by Vietnamese fishermen and plant owners with respect to recovery, retraining, and possibly transitioning out of the industry after the spill (Sayre 2011).

Another population, the Cajuns of south Louisiana, have a long history of involvement in local seafood, shipbuilding, and offshore oil and gas. With respect to offshore oil and gas, Cajuns started out working menial jobs in this industry at a time when they were widely discriminated against as an ethnic group. However, since the 1950s, Cajuns have risen to occupy high positions in every facet of this industry, from work on the oil rigs to shipyard ownership. Historically, there existed a close relationship between fishing and offshore oil work, with many Cajuns working offshore during the fishing offseason. Many Cajuns in south Louisiana study communities continue to rely on a combination of offshore oil, fishing, and shipyard work (Austin and McGuire 2002). While this combination of occupations may appear strange to many non-locals, it has become an important aspect of work strategies for many Cajuns in south Louisiana parishes as well as an important aspect of local culture as exemplified in the annual Morgan City Shrimp and Petroleum festival. Local Cajuns commonly describe how they, or friends and family members, historically survived downturns in the offshore oil industry by turning to commercial fishing, and vice versa. The aftermath of the oil spill posed a substantial shock by threatening both of these industries at once. While many Cajuns in south Louisiana can commonly draw upon ethnic and family ties to facilitate movement among different facets of the commercial seafood and offshore oil industries, having both these industries experiencing downturns for an uncertain period of time eroded the efficacy of many traditional ethnicity-based networks, and many Cajuns in study communities spoke about the unprecedented nature of this situation. Cajuns positioned at particular levels of these industries were sometimes especially vulnerable. For example, Cajun owners of small and mid-sized shipyards which fabricate for local vessel operators reported especially heavy impacts from the spill and more pronounced difficulties with recovery or with shifting to other types of work than were experienced by the larger companies that had work overseas or could take on large military contracts (see Chapters 1 and 4, this volume).

While many Vietnamese and Cajuns are concentrated in the commercial seafood industry across study communities, the participation of individuals from these and other ethnic groups in various economic sectors often varies considerably across study communities. For example, African Americans participate in very small numbers in the commercial seafood industry along the Mississippi and Alabama Gulf Coast, but African American participation in the oyster industry on the East Bank of Plaquemines Parish is substantial and has a long historical precedent. African American oystermen in this area have historically faced considerable discrimination and marginalization, including struggles over proposed bans on the hand dredges used by many African Americans in the area and the loss of oyster grounds following federal government-mandated freshwater diversions in the 1990s (CW524 2011; Davis 2010). Compared to other oystermen in the area, African Americans run relatively small-scale operations, either operating on smaller leases or oystering for larger leaseholders (Mock 2010). Thus, while fishermen in the Plaquemines area generally suffered heavy losses following the spill, African American oystermen were in a more vulnerable situation. Their relatively small lease holdings meant that they had less ability to move to areas unaffected by the spill, less

lobbying power to attract attention and resources, and generally less financial resources upon which they could draw. Furthermore, as with fishermen across study communities, African American fishermen in this area often rely heavily on subsistence fishing to feed themselves, family, and friends, an ability that was also impacted considerably after the spill. The low levels of formal education which affected fishing communities in other coastal areas also proved a substantial hurdle for African American fishermen from this area who sought retraining or access to other post-spill programs.

Since the 2005 storms, many Hispanics have begun working in larger numbers in the commercial seafood, tourism, and shipbuilding industries, but their participation in these sectors is not widely recognized at a regional level. Unlike other members of minority ethnic groups such as Cajuns and Vietnamese, who have resided along the Gulf Coast for longer periods, Hispanics have not established themselves in management or ownership-level positions in shipbuilding, fishing, or other important coastal sectors that were impacted by the spill. Unlike others who have a long-standing presence in many study communities, the Hispanic presence in many study communities is fairly recent and the Hispanic population is more transitory than many better-established groups, with many people regularly moving in and out. The participation of Hispanics in the seafood industry is also often not readily visible, since the great majority of Hispanics in this industry are workers in the processing plants and not fishermen. Furthermore, the participation of Hispanics in the coastal economy is very diverse and, as with African Americans, residents of study communities do not generally recognize Hispanics as particularly involved with any one line of work. Due to all of these factors, there was little broad recognition in study communities of Hispanics as a group particularly impacted by the spill despite the fact that many Hispanics work in industries that suffered heavy effects.

Some minority ethnic businesses in the region, such as ethnic grocery stores and restaurants, depend to a large degree on ethnic community members, due to their physical location in ethnic enclave neighborhoods or to the types of services and goods they provide, such as international money transfers or foods that are largely consumed by members of a particular minority ethnic group. When ethnic communities suffered heavy economic and social impacts following the spill, the businesses catering to them were, in turn, also affected. Some business owners were themselves not proficient in English. This, combined with their investment in serving a particular clientele, made it difficult for them to diversify their businesses along new lines. Some of these businesses have also come to rely on foreign guestworkers who regularly come to study communities to work in local seafood plants, shipyards, tourism businesses, or other industries. Following the spill, such guestworkers were brought into communities in lower than usual numbers, if at all, and this also had negative impacts on local ethnic businesses.

8.3.3. Disruption and Reorganization of Ethnicity-Based Social Networks

Business owner-client relations were among those ethnicity-based social networks disrupted by the spill. The oil spill also had some impact on the networks that existed between members of some ethnic groups and their places of origin. Many prior studies have examined the dense and complex ties which often persist in these circumstances, and the social and economic importance of such networks for communities in both the sending and receiving countries (Werbner 2002). In the study communities, such networks are more common among Vietnamese, Lao, Cambodians, Hispanics, and other groups who are more recent arrivals to the

region. Members of these ethnic groups commonly visit their countries of origin and often provide remittances and other resources to extended family in these countries. Members of these ethnic groups who reside on the coast also serve as important sources of jobs, information, and support for new arrivals to the area. For example, business owners commonly employ newly-arrived extended family members in their businesses and workers often refer fellow ethnic group members for employment. Following the spill, individuals and families sometimes lacked the funds to make trips to their places of origin, or were too uncertain about the future of their particular industry and the general economic climate in their community. A number of grocery and convenience store owners who provided money transfer services reported that the amount of remittances sent back by coastal residents had decreased dramatically following the spill. In some cases, owners reported that the post-spill period actually saw families in the place of origin sending money to family members living in Gulf Coast study communities. With the poor state of the economy in most coastal economic sectors following the spill, business owners were largely unable to hire new employees and were often forced to lay off existing ones. Likewise, in this economic climate, ethnic social networks often proved less effective for those seeking to obtain work.

The aftermath of Hurricane Katrina saw the widespread dispersal of Southeast Asians and African Americans from many study communities (Bounds 2011; Li et al. 2010). Such out-migration was rarely reported by members of these ethnic groups following the oil spill. Hispanics reported more such movement after the spill, reflecting the more recent settlement of Hispanics in coastal communities and the transient nature of a substantial portion of the Hispanic workforce there. Hispanics in study communities commonly stated that people would ‘go where the work was.’ They reported the destinations of those who had left study communities as including other regions of the United States as well as their places of origin. This out-migration of Hispanics also coincided with what many Hispanics and others have reported as increased anti-immigrant sentiment and stricter law enforcement in the post-spill era. While undocumented immigration spans various ethnic groups, many residents in study communities, as in rest of the country, focus on “illegal” Hispanics. Hispanic business owners and workers alike commented on how increased police and immigration authority presence had made it difficult to search for work and to commute to jobs if work was actually found. While these developments had begun prior to the spill and were not directly connected to it, some Hispanics workers and business owners asserted that this uncertain social and political climate added to the difficulties for Hispanics trying to navigate the spill’s aftermath and the progressively worsening economic situation in many study communities following the spill. In 2011, laws similar to Arizona’s SB-1070 legislation were considered in both Mississippi and Alabama, and passed in the latter state (Reid 2011). As in other areas of Alabama, the passage of this legislation was reported by Hispanic and Anglo business owners, as well as Hispanic workers, to have resulted in the out-migration of substantial numbers of Hispanics from coastal Mobile and Baldwin counties.

In some cases, the aftermath of the spill led to the reorganization or the creation of new ethnicity-based networks. Following the spill, non-profits like Boat People SOS, Mary Queen of Vietnam CDC, NAVASA, and Asian Americans for Change advocating for the Vietnamese in different coastal communities achieved a degree of solidarity among members of this ethnic group around a common identity referencing their background in Vietnam, a common history of migration beginning in the 1970s, participation in the Gulf Coast commercial fishing industry, and a lifestyle heavily dependent on marine resources. Importantly, Vietnamese were broadly recognized by non-Vietnamese across study communities as closely tied to the commercial

fishing industry and, thus, heavily impacted by the oil spill. In the aftermath of the oil spill Vietnamese non-profits staged a number of meetings, protests, legal clinics, and other events that sometimes brought together fishermen, activists and advocates, professionals, and others from different Gulf Coast areas. This public advocacy work and accompanying broad recognition of the impacts of the spill on Vietnamese communities along the Gulf Coast eventually led Kenneth Feinberg to nominate former Congressman Joseph Cao to act as a liaison with the Vietnamese community (Alexander-Bloch 2011). Non-profits focusing on assisting Vietnamese also played a role in fighting for the GCCF's recognition of loss of subsistence use claims.

African Americans, in a few areas such as Plaquemines Parish, engaged in various forms of advocacy attempting to draw attention to their situation following the oil spill (see Chapter 7, Volume I). Fishermen and Concerned Citizens is an organization based in the area that advocates mainly for local African American fishermen. After the spill, this organization was involved in organizing several post-spill media events and forums that were intended to draw attention to the situation of African American fishermen. This organization has included local Vietnamese fishermen in the past and made efforts following the spill to reach out to and include Vietnamese in their actions. However, in many other study communities, non-profits, churches, and other organizations that served African Americans did not directly address the oil spill. Community leaders, activists, and non-profit workers in such communities generally acknowledged that the spill had impacted many African Americans, but commonly considered the spill as one among the many issues affecting members of this ethnic group and not as one that demanded special attention. Importantly, there is little widespread recognition among African Americans or others, of non-African Americans as being concentrated in types of work that were especially impacted by the spill. Thus, a variety of factors contributed to the relative success that non-profits and other individuals and groups had in organizing and advocating for the Vietnamese in study communities following the spill.

While Cajuns have historically been, and continue to be, concentrated in industries heavily impacted by the oil spill, Cajun cultural organizations played little part in directly advocating for this community following the spill. In this way, they were similar to organizations representing other groups, like Croatian and French cultural associations along the Mississippi Coast. However, while these types of cultural associations generally did not respond directly to the spill, they functioned as important sources of emotional support for fishermen of these ethnicities who were impacted by the spill. For example, the Croatian American Society in Plaquemines is a group organized around the promotion and celebration of Croatian heritage. This group did not specifically address the impacts of the spill, but its meetings and events provided an important forum for Croatian fishermen and others impacted by the spill to voice their concerns and problems.

Although Cajuns in south Louisiana have practiced subsistence for generations and many Cajuns continue to be involved in industries heavily impacted by the spill, some Cajuns in study communities complained that Cajuns were not widely recognized following the spill as having been particularly impacted. As with Croatians along the Mississippi Gulf Coast, the decades-long movement of many Cajuns into vocations outside of fishing and oil and gas has resulted in substantial numbers of this group being less directly associated with sectors particularly hard-hit by the spill. However, in some lower Terrebonne Parish fishing communities, Cajun fishers predominate. Organizations such as Bayou Grace Community Services and Bayou Interfaith Share Community Organizing (BISCO) became involved in gathering information about local needs, hosting workshops and meetings to get information to residents, and participating in local

and regional networks. The Ladies of Lafourche Shrimpers, an organization that formed in 2003 to assist local shrimping families, also served important networking functions.

Several non-profit associations, such as the Mississippi Immigrant Rights Alliance, Puentes New Orleans, and El Pueblo, began operating in coastal communities following the hurricanes of the mid 2000s (PP406 2010; PP515 2010; Puentes New Orleans 2008). These organizations largely aimed to provide assistance to Hispanic workers with respect to labor abuses, immigration debates, and other issues following the hurricane. Religious organizations such as Catholic Charities sometimes also attempted to provide these types of services (PP902 2011; Puentes New Orleans 2008). However, a number of Hispanic non-profit organizations were organized at a state or regional rather than local level. In recent years, many of these groups have shifted to focusing more on the issues surrounding labor and migration in the central and northern sections of the Gulf Coast states. For those groups who continued to advocate for Hispanics along the coast, issues surrounding legal status and the transitory nature of much of this population were important concerns in organizing Hispanic workers impacted by the spill. Several non-profit workers and activists who worked with Hispanics in the study communities attested that, following the spill, many were unwilling to engage in protests or other activities that would draw further attention to them. The temporary visas under which many Hispanics in the region work meant that when jobs and hours were cut significantly due to the spill, an exodus occurred as many went search of work elsewhere in the U.S. or returned to their home countries. Furthermore, while many Hispanics in the study communities worked in the seafood, shipbuilding, and tourism industries, all of which were impacted by the spill, they did not self-identify with, nor are they strongly identified with, one particular industry. The exodus and lack of identification made it more difficult for Hispanic community advocates and activists to organize workers in the spill's aftermath.

8.4. SUMMARY

This chapter has described some general problems and issues confronting various minority ethnic groups in the study communities following the spill. In doing so, it has tried to illustrate that ethnicity cannot simply be perceived as one more “variable” to be taken into account post-disaster. Being a member of a minority ethnic group post-spill did not result in a shared set of easily generalized effects. Instead, different minority groups along the coast have their own histories of migration, settlement, occupation, and organization, and these, too, differ from place to place, and all these differences must be taken into account to understand the impact of disasters on these populations.

In some ways, the impacts of the BP oil spill on minority ethnic groups in study communities are similar to those reported by scholars who have examined prior disasters. Following the BP oil spill, pre-existing structural factors affecting minority ethnic groups in study communities, such as low levels of literacy and English language proficiency, proved important constraints for these groups accessing retraining and education programs, filing claims, getting health care, and generally inhibited the movement of these groups into other economic sectors and professions. A lack of English proficiency also sometimes resulted in greater financial losses for commercial fishermen.

The spill generally disrupted ethnicity-based social networks, potentially depriving group members of potential sources of assistance, as well as affecting the links that members of some

ethnic groups commonly maintain with their places of origin. For Hispanics, the spill was reported to have contributed significantly to the departure of many group members from study communities. In some cases, the reorganization of ethnic groups was more positive, with members of different ethnic groups that have historically had little interaction forming new associations. Such, for example, was the case with Vietnamese non-profits in communities such as Bayou La Batre that began to advocate for and assist members of other ethnic groups following the spill (see Chapter 5, Volume I). In other areas, such as Plaquemines Parish, minority ethnic groups, in this case African Americans, Cambodians, and Vietnamese, solidified pre-existing connections through collective action in fishermen's associations.

As with many disasters, the ways in which members of minority ethnic groups were involved in local and regional economies bore strongly on their experiences after the spill. Many ethnic minority groups, such as Vietnamese, Lao, Cambodians, and Hispanics, have considerable presence in the seafood and shipbuilding industries in study communities. These industries, especially seafood, suffered pronounced impacts following the spill, and these people were impacted in turn. However, unlike in many areas of the country, minority ethnic group members along the Gulf Coast are often involved in semi-skilled and highly skilled work (Austin, McGuire, and Higgins 2006; Austin and McGuire 2002; Donato 2004). Thus, the negative impacts that were experienced by these individuals often resulted from high levels of investment in industries such as commercial fishing and offshore oil and gas, and not necessarily because of low-skilled positions in a given industry.

Some factors that have been important in minority group experiences following previous disasters in the Gulf and elsewhere did not figure heavily into the aftermath of the oil spill. For example, scholars analyzing various natural and human-made disasters have pointed to the geographic location of groups as significant for disaster impacts (Dixon and Ramutsindela 2006; Smith 2006). This is certainly the case with hurricanes, a frequent threat to Gulf Coast communities. A number of scholars have documented how, along the Gulf Coast, minority group affiliation frequently coincides with residence in low-lying neighborhoods, a fact that had tragic consequences in Hurricane Katrina (Bullard and Wright 2009; Campanella 2006; Dyson 2006). In the case of the oil spill, however, while communities may have suffered drastically different impacts, residence in a particular neighborhood had little bearing.

The oil spill also differed from the hurricanes in terms of impacts on the local economy and demographics. Besides dispersing large numbers of coastal residents, Hurricane Katrina and other mid-2000s hurricanes altered regional demographics by bringing large numbers of Hispanic workers into many study communities in response to available cleanup and construction work (Blue and Drever 2008; Donato and Hakimzadeh 2006; Lydersen 2005). Such work required little formal education or English language proficiency and was widely reported to be easily available both to locals and non-locals. Furthermore, the shipbuilding and fabrication industry and other industries in the region typically experience an upturn following hurricanes, doing repairs and other work on storm damaged vessels and equipment. While the hurricanes brought large numbers of migrants from across the United States to look for work, with some remaining in the study communities after cleanup had ended, similar in-migration did not occur following the spill. Compared to post-hurricane cleanup and construction work, the amount of work available following the oil spill was limited and short term. Thus, after Hurricane Katrina, many minority ethnic group members were able to obtain work related to cleanup and construction that at least partially offset damages suffered; such was not the case following the spill.

Scholars, such as Yeo and Blong (2010) and Zoraster (2010), have discussed how a lack of familiarity with disaster preparation can predispose recently-arrived ethnic groups to more severe disaster impacts, especially when combined with such factors as a lack of proficiency in the dominant language. This was the case following Hurricane Katrina with more recently-arrived Hispanics, for example, who lacked knowledge on how to prepare and respond to hurricanes (Kao 2006). However, long term residence and experience played less of a role in the spill, since the area had never experienced anything like it. Indeed, long term local residents very often voiced feelings of frustration and helplessness about the oil spill, and compared it “unfavorably” to hurricanes, which they were well accustomed to dealing with. Similarly, the importance of effectively communicating disaster mitigation strategies to minority ethnic communities which scholars such as Bolger (2003) suggest as significant in disaster situations, was perhaps less crucial in the case of the oil spill, given the unprecedented nature of the event and the widespread uncertainty on how to best deal with it.

Like the more general population of the Gulf Coast, members of minority ethnic groups face considerable uncertainty and a generally poor economic climate as they attempt to recover from the impacts of the oil spill. However, minority ethnic groups commonly face a number of additional challenges that are not experienced by Gulf Coast residents at large.

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CHAPTER NINE: SUMMARY

Diane Austin

9.1. SUMMARY OF MAJOR FINDINGS TO DATE

The *Deepwater Horizon* disaster officially began on April 20, 2010 with the blowout of the Macondo well, though the circumstances that culminated in the explosion of the rig were based in earlier decisions and events. Likewise, the disaster officially ended on August 3, when BP succeeded in sealing the well in concrete, but many of its effects were only beginning to appear at that time. This report has focused on the social and economic effects of the disaster on the people and communities of coastal Alabama, Mississippi, and Louisiana. It has focused on the short-term effects, those that occurred in the first 20 months after the disaster began, and it has provided the context within which those effects were experienced. The *Deepwater Horizon* disaster occurred in a region that is accustomed to disasters, so some of its effects were mitigated by the expertise and mechanisms in place throughout the region to manage them. The spill's impacts were heightened, however, by the fact that the region was still recovering from recent, severe hurricanes and flooding. This disaster, overlaid upon those foundations, created a new set of actors, resources, and responses.

This disaster also occurred in a region marked by significant economic disparity; all five Gulf Coast states rank in the top 10 in income inequality in the United States. As demonstrated in this report, the social and economic effects of this disaster have ranged from the loss of livelihoods for some individuals to an infusion of cash that generated enormous revenues for others. In the weeks and months following the explosion, a disaster industry began to emerge, drawing upon some of the companies and people who are poised to mobilize following hurricanes but also incorporating oilfield supplier and contractor networks and spawning new entities as well. The explosion and resultant oil spill was not declared a major federal disaster. This meant that the provisions of the Stafford Act, which establishes that resources such as legal services, relocation assistance, and distribution of food coupons and unemployment assistance can be made available to local populations, did not apply. However, as in post-hurricane response, large sums of money flowed to major corporate entities and people from outside the region, creating tensions locally. Some Gulf Coast businesses, such as vessel contractors and hotels, received lucrative contracts and made lots of money. Many others, though, were not so fortunate. Still, because of the money that was put into the region in the short term, the initial economic impacts were not as great as expected; additional impacts will unfold over time and become more apparent once that money has been used up.

A significant challenge in tracking and understanding the impacts of this disaster is that it began in the Gulf of Mexico about 40 miles from shore, far enough to make its shoreline impacts impossible to predict but close enough for those impacts to start showing up quickly. The timing of the explosion was a critical factor in how the disaster was experienced. Coming almost five years after hurricanes Katrina and Rita, but less than two years after Gustav and Ike, the disaster occurred in a region within which public discourse and private conversations highlight distrust and critique of government. At the same time, it began during what many individuals and businesses believed was a positive turning point for the region. Though the effects of the four storms were still evident in some places, many people were anticipating a prosperous 2010

season. However, the disaster began in the late spring, when activity in the offshore petroleum industry was picking up for the season and just prior to the start of the fishing and tourist seasons. Consequently, three of the region's major industries were affected immediately, affecting in turn the many people, businesses, and communities that depend on those industries. For those households and communities who had not recovered from the storms, many of whom have long faced barriers to education and employment and who still lack basic services such as grocery stores and health clinics, the disaster was one more stressor.

The disaster also began just prior to hurricane season and continued through the 2010 season, leaving open the possibility that its effects could get worse at any point, though it was unknown if and where those effects would occur. It overtook the lives of many local residents and leaders and also drew in people from other regions of the United States and from across the globe, attracting international attention back to a region that had been under the spotlight for months following Hurricane Katrina and its aftermath in 2005. And, because many people had been displaced by the storms but continued to work and operate their businesses along the coast, the disaster affected people and communities beyond those immediately adjacent to the Gulf. Response to the disaster required incident command centers, vessels, staging areas, decontamination facilities, hurricane trackers, and much more.

The disaster encompassed hundreds of communities and hundreds of thousands of people, and its effects were far from uniform. The nature and extent of community-level impacts were influenced by many factors, including whether or not the oil came onshore there; the social and political dynamics in the community; the mix of industries upon which people and businesses in the community depended at the time; the role of members of the community in the cleanup; the community's connections to regional, state, and national resources; the community's experience with the 2005 and 2008 hurricanes; the political and legal status of the community (e.g., within a particular state, unincorporated) and its residents (e.g., Native American, undocumented immigrant); and more. At the individual and household level, early impacts were influenced by the livelihood strategies in place prior to the explosion; flexibility of employers and employees in downsizing and in moving from one sector or location to another; age of the household members; their access to education and training opportunities; and the knowledge, skills, resources, and social networks that could be mobilized to participate in the response efforts or to seek compensation for loss. Many coastal residents are part of dense social networks and combine formal and informal work across sectors and industries. Their ability to take advantage of resources coming into their communities depended in large part on the particular configuration of livelihood strategies in which they and other members of their networks participated.

The primary industries upon which many Gulf Coast communities depend are influenced to a large extent by people, and events that take place, outside the region. The offshore petroleum industry responds to global demand and pricing and the comparative advantages or disadvantages of extracting oil and gas from one location or another. The seafood industry depends on perceptions of the quality and value of Gulf seafood, fuel prices, the prices others are willing to pay, and competition from other parts of the United States and international imports. The tourism industry relies on the attractiveness of the region and its beaches, wetlands, cuisine, music and entertainment, opportunities for fishing and hunting, and more. Thus, an immediate tension concerned how community and state leaders would talk about what was happening. Leaders wanted others to know about the problems they were facing – and wanted help addressing them – but they did not want to scare off potential consumers. Some residents saw

efforts to promote the region as attempts to cover up the negative effects of the spill. In some areas not immediately impacted by oil coming ashore, for example, locals argued that the spill ended when the well was capped and that its impacts had been greatly exaggerated, even as others in their communities were suffering from economic loss and uncertainty. The infusion by BP of tens of millions of dollars to promote the region's tourism and seafood, and portray the company's response to the disaster in a favorable light, also meant that people across the country, and within the affected communities, were bombarded with images and messages that all was well, though oil still was coming ashore in some places.

Residents and leaders also were concerned about external critique of the petroleum industry and their ties to it, especially when it came from people with little or no knowledge of the industry or region and who nevertheless depended on petroleum in their own lives. At the same time, local concerns about the effects of the petroleum industry on their communities, the social and economic dependence of the region on that industry, and the fear some people have of repercussions should they speak out, muted local critique of the industry.

The Gulf of Mexico oil and gas fields exist under high pressure, and "kicks" are common, and relatively routinely checked; those which are not controlled evolve into blowouts. Yet, this was the first disaster of this scale and magnitude to occur in the Gulf, and much was unknown. Thus, the time during which this study was being conducted was one of ongoing learning and experimentation. The ideas and outcomes of the technological experiments to shut down the well and stop the flow of oil were widely publicized on international media. The social experiments received less attention outside the region, but these, too, were taking place. Those responsible for compensation were initially ignorant of the varied configurations of formal and informal household and community economies and the role of subsistence and barter activities among coastal residents, and this resulted in the underestimation of what many had lost. For instance, almost all claims related to loss of subsistence use were delayed or denied. In addition, claims process officials, attorneys, and media representatives generally identified only Native American and Vietnamese individuals with subsistence use and exacerbated intra-community tensions. Likewise, the initial restrictive definition of rig workers who qualified for compensation for job losses failed to recognize even fundamental aspects of the structure of and employment within the offshore petroleum industry. Policy changes, inconsistencies in how these were implemented, and insufficient communication about what was going on contributed to questions about who was in charge and concerns that those in charge were incompetent or were only interested in protecting BP and the federal government. Frustration and anger increasingly focused on key figures such as National Incident Commander Thad Allen, Gulf Coast Claims Facility (GCCF) Administrator Kenneth Feinberg, and President Barack Obama.

Many residents and leaders experienced the *Deepwater Horizon* disaster as more debilitating and the cause of greater stress and anxiety than a hurricane because its effects were unknown, and as facts on the disaster and related response efforts continued to emerge it created even more negative feelings. Unlike hurricane response, which creates lots of opportunities for locals and sympathetic outsiders to busy themselves with cleaning up and repairing damage, and which can be organized at multiple levels from the household or neighborhood to the entire community, the response to the spill was almost completely top-down. Locally organized efforts to install boom were only partially supported and individuals were expressly prohibited from participating in other activities, such cleaning oiled birds and mammals. Volunteers from outside the region did arrive during the initial phases of the disaster, but community-based organizations struggled to figure out what to do with them due to constraints regarding who could work on

what aspect of the oil spill cleanup. Many people could do little but wait and worry, faced with uncertainty and lack of clarity at local, state, and federal levels about who would be responsible for what.

The nature and form of this disaster, and the mechanisms for responding and compensating individuals for it, also differentiated it from hurricanes. Few resources for social services were channeled to local governments or the non-governmental organizations that help mediate between residents and the systems established to respond to disasters. A few months after the explosion, in the summer of 2010, local officials and social service providers were already predicting when and how key effects would show up and were expressing concern that, once they did appear, the resources to mitigate those effects would be insufficient. In the fall of 2010, following the summer fishing, tourism, and hurricane seasons, the impacts of the disaster were not as great as expected. Less oil had appeared on beaches and in coastal wetlands than had been predicted; no hurricanes had struck the United States that year, and only one tropical storm had moved through the area where the Macondo well blowout had occurred. The monetary inputs that individuals and companies received in exchange for participation in clean-up efforts and payment of initial emergency claims helped reduce the immediate economic effects of the disaster. Throughout 2011, though, specific individuals and groups experienced impacts. The effects included the late winter and early spring struggles of individuals and businesses who had not made enough money during 2010 to weather the slow season and prepare for the late spring/summer season. They also included the challenges facing shrimpers who caught little during the May and August seasons, or could not get a good price for what they did catch, and oilfield workers who had been laid off or whose hours had been cut back and had not been restored. Also during 2011, some individuals received claims money from BP and for a period did not need to take low-wage hourly work. Employers who relied on low-skilled laborers, such as deckhands and roustabouts, complained that, as a result, they could not take advantage of the economic opportunities that were available.

Because of its magnitude and reach, as well as the lack of clear villains and heroes, the disaster was used by many, both within the region and beyond, to reinforce their particular beliefs and perspectives. Whether to attack corporate greed, U.S. dependence on petroleum, or offshore drilling, individuals and organizations traveled to the Gulf region, or used their internet and mail campaigns, to denounce the petroleum industry, government regulators, and people who support the industry. They used the experience of other disasters, most commonly the *Exxon Valdez* oil spill of 1989, to warn residents and leaders of what was to come. Some scientists and activists proposed simplistic models of contamination, exposure, and health effects, failing to take into account the size and complexity of the Gulf ecosystem, the nature and extent of petroleum already in the Gulf, and the interconnectedness of the people and industries there. Later, when initial seafood and health studies showed no effects of the petroleum and dispersants or reported inconclusive results, debates ensued about their accuracy or integrity, further eroding any trust in public officials or scientists and adding to the confusion and worry. Also, global media and communication raised the general awareness of the disaster, and highlighted concerns about contaminated beaches and other negative effects, but then paid little attention to specifics. This led to perceptions that oil was everywhere or that solutions appropriate in places such as Alaska would also work in the Gulf. In the midst of it all were attorneys, some who had practiced within the region for decades and had specific experience helping oilfield workers or fishermen file claims against petroleum companies and others who set up offices within coastal communities to help file claims against BP. Some barraged residents with mailers, billboards,

and television ads, announcing deadlines for filing claims and offering their services. Though local government and non-profit organizations also tried to provide information about the claims process, individuals and businesses expressed confusion over uncertain and often conflicting information they were receiving.

9.2. THE ONGOING UNCERTAINTY

As noted throughout this report and in the paragraphs above, a key source of social and economic effects of the *Deepwater Horizon* disaster has been the ongoing uncertainty. Lacking a clear, agreed-upon authority or expert to whom to turn, each individual, household, organization, and community has been forced to sort out for itself who and what to believe, and to adopt a perspective and then justify or legitimize it. Questions about whether or not to eat seafood or invest in a local business persist and have the potential to create conflict and increase divisiveness at every level. This authority gap also opened the doors to many new people and perspectives. During the first year or so after the explosion, the cacophony of voices coming from every direction – from petroleum and seafood suppliers to international environmental organizations and attorneys – was overwhelming for many and added to the stresses of this event. Over time, as the global media shifted its attention elsewhere, quieter, more moderate voices could be heard. Still, much is unknown. The effects of the oil, dispersants, change in economic activity, redirection of community-based and non-governmental organizations, and other such disruptions will continue to play out. Major questions remain about human health and mental health effects, the claims process, the condition of major Gulf fisheries, the fate of deepwater petroleum exploration and production, whether oilfield workers who found jobs elsewhere will return to the Gulf as activity there picks up, and more.

Though many individuals and businesses, and even some local governments, have settled their claims, many very large private and public entities have not. Efforts to dedicate settlement funds to coastal restoration have set the stage for long and protracted discussions and processes regarding what to restore, where, how, and by whom. In addition, federal and state government agencies and academic institutions have devoted resources to investigating the effects of this disaster; BP has dedicated \$500 million to fund studies of the environmental and public health effects of oil spills over a 10-year period.

Consequently, Gulf Coast communities and their residents and visitors will continue to live with uncertainty. This uncertainty further exacerbates challenges in communicating what is going on, both within and beyond the region. Key concerns regarding transparency, consistency, and relevance of information will continue to matter as claims processes transition and expire; litigation and legislation advance, are stalled, and change direction; restoration activities get underway; research is carried out; and other programs are implemented. New training and education initiatives, aimed at increasing economic opportunities for locals, will be judged in part on their ability to enable all, particularly those who may lack basic skills or credentials, to participate in these new activities and programs. The process of creating legitimate authorities is still underway and leaders will be accepted because people trust them as much as because of what they know. At the same time, those in positions of responsibility, at the household, organization, and community level, will continue to be required to make decisions about and to act on issues they fail to fully understand.



The Department of the Interior Mission

As the Nation's principal conservation agency, the Department of the Interior has responsibility for most of our nationally owned public lands and natural resources. This includes fostering the sound use of our land and water resources; protecting our fish, wildlife, and biological diversity; preserving the environmental and cultural values of our national parks and historical places; and providing for the enjoyment of life through outdoor recreation. The Department assesses our energy and mineral resources and works to ensure that their development is in the best interests of all our people by encouraging stewardship and citizen participation in their care. The Department also has a major responsibility for American Indian reservation communities and for people who live in island communities.

The Bureau of Ocean Energy Management Mission

The Bureau of Ocean Energy Management (BOEM) works to manage the exploration and development of the nation's offshore resources in a way that appropriately balances economic development, energy independence, and environmental protection through oil and gas leases, renewable energy development and environmental reviews and studies.