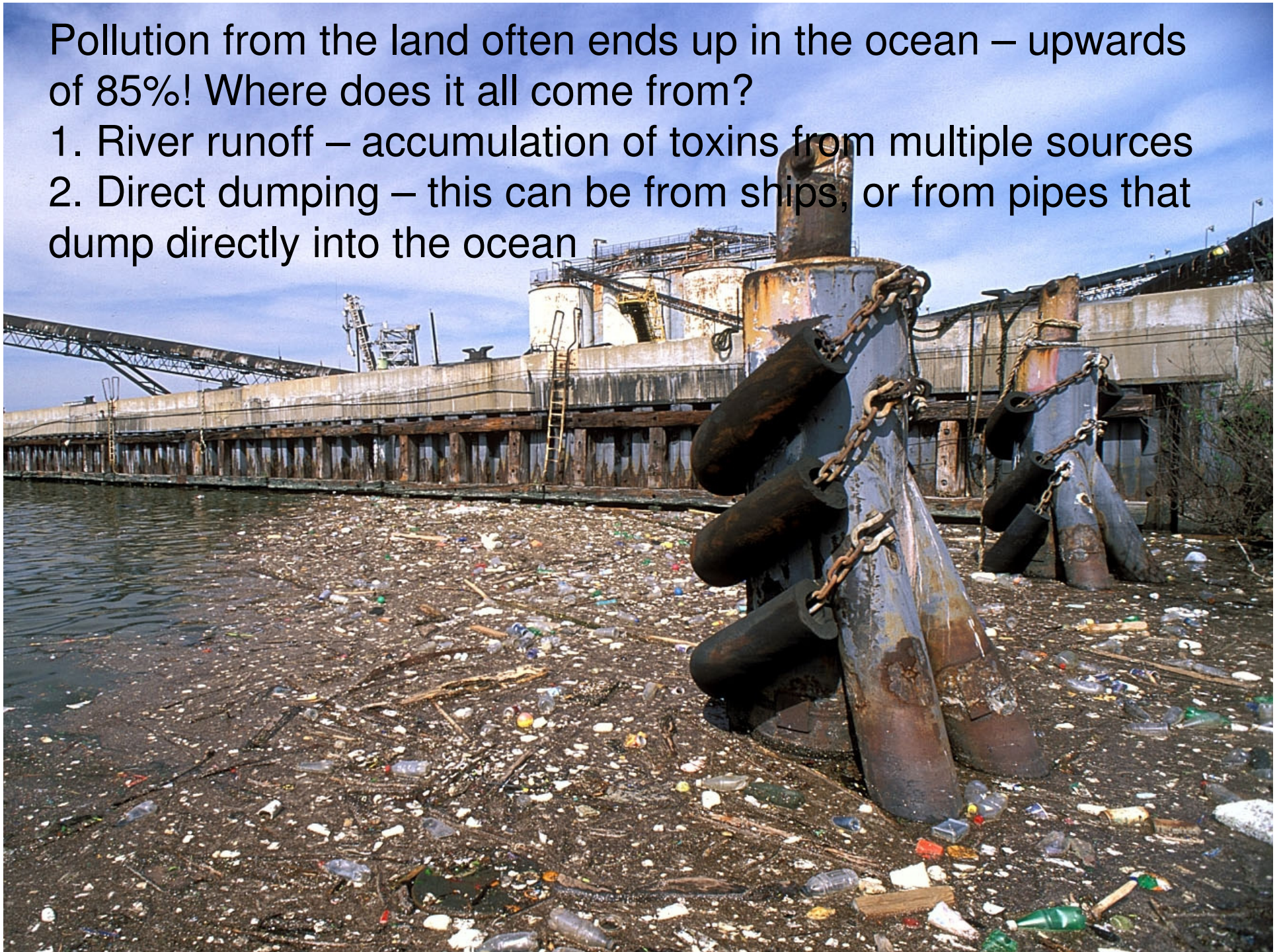


# Chapter 5, Section 3

## OCEAN POLLUTION

Pollution from the land often ends up in the ocean – upwards of 85%! Where does it all come from?

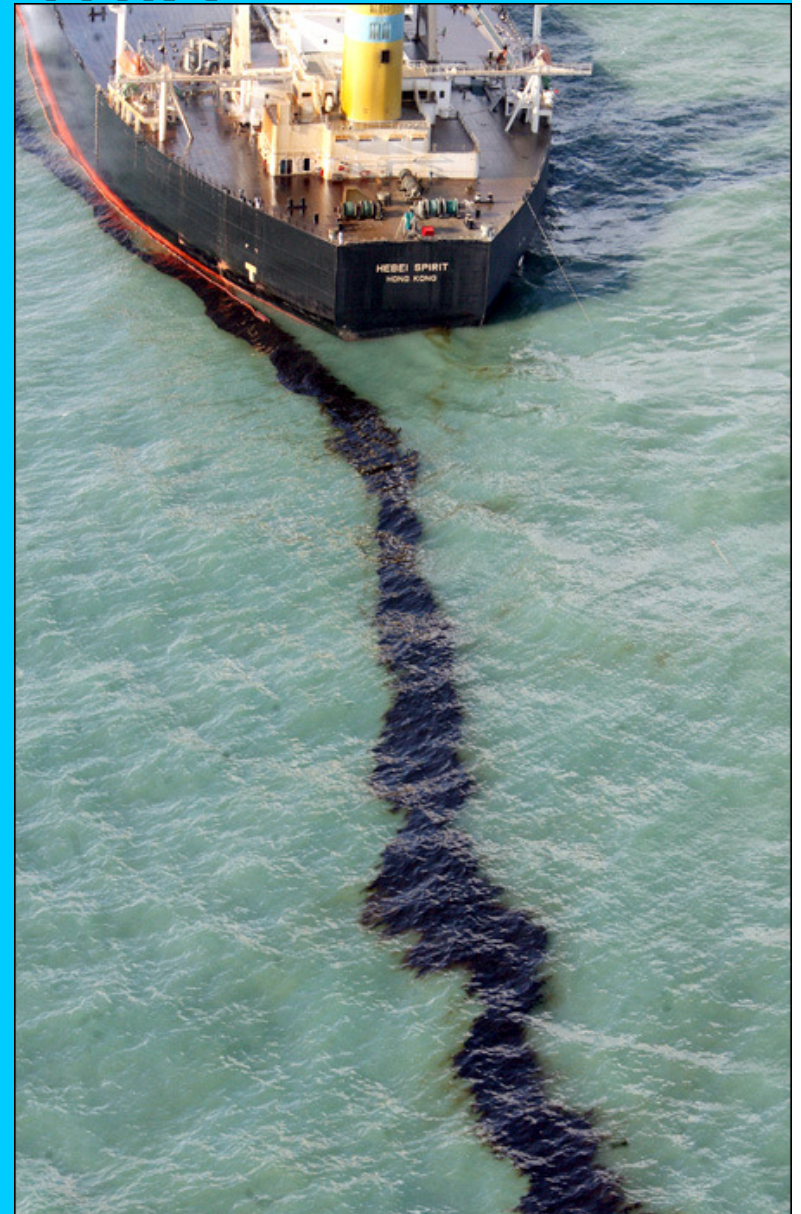
1. River runoff – accumulation of toxins from multiple sources
2. Direct dumping – this can be from ships, or from pipes that dump directly into the ocean



# Oil and water never mix

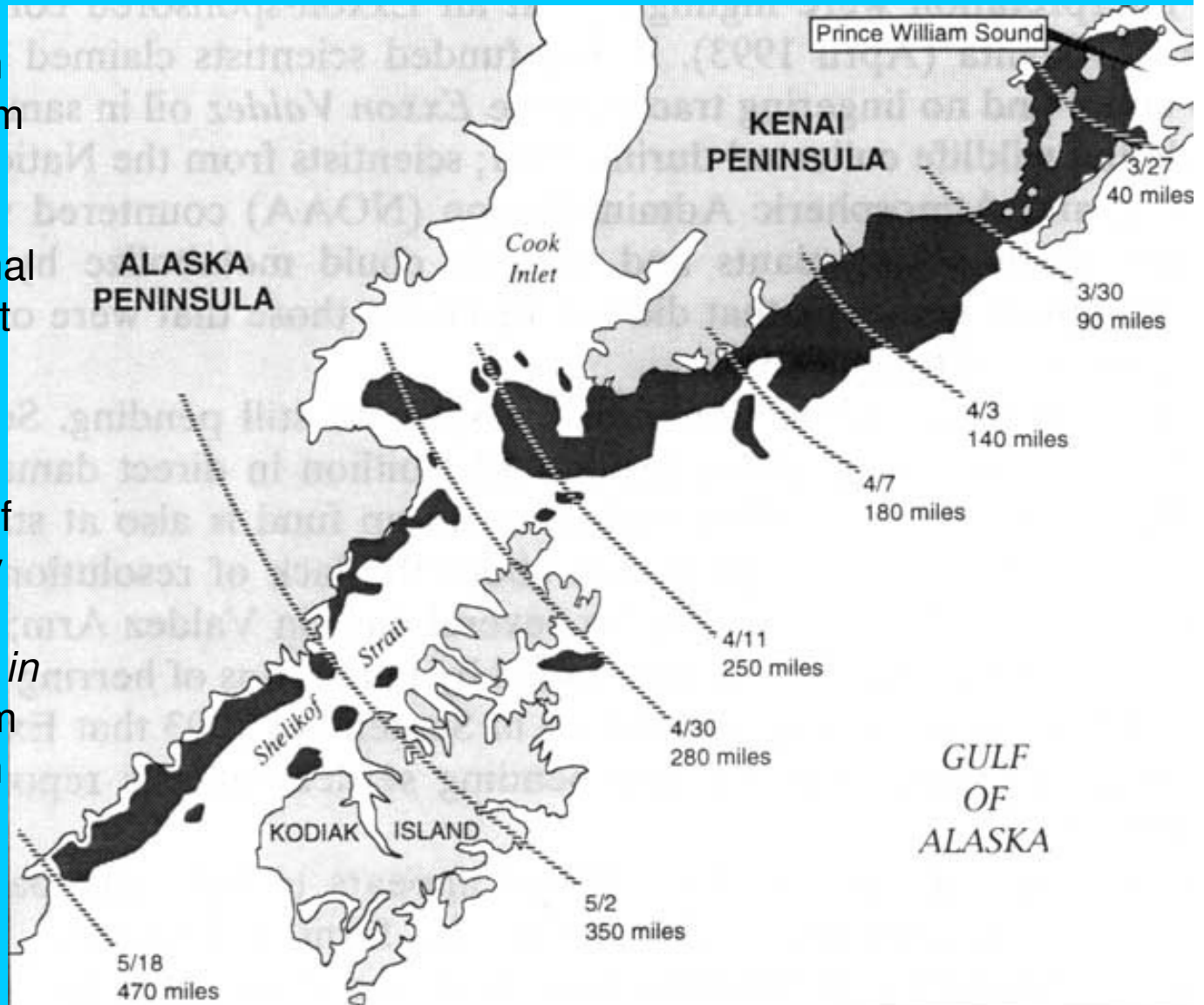


One major source of pollution is oil. It can be released accidentally by tankers or oil rig leaks.



# Exxon Valdez

On March 24, 1989, the tanker Exxon Valdez, ran aground on Prince William Sound, Alaska. Trying to avoid ice, the ship was travelling outside of normal shipping lanes. In the first SIX hours, 10.9 million gallons of crude oil were spilled into the water. Eventually, 1,100 miles of coastline were negatively impacted by the oil spill, making it *the largest spill in US history*. Prince William Sound is *still* dealing with the after-effects. There is still oil in Prince William Sound.





This accident could have been fully prevented. Exxon fought regulation on the shipping of oil in the vicinity of Prince William Sound for several years prior to the accident. They effectively killed all restrictive legislation. It is still unclear by the Valdez ran aground.

# Taking Responsibility

## 1. Fines

- \$150 million, the largest fine ever imposed for an environmental crime.
- forgiven \$125 million of that fine in recognition of Exxon's cooperation in cleaning up the spill

## 2. Corporate Responsibility

- Exxon admits the spill was a tragic accident
- Exxon claims they more than made up for it with the clean-up
- They hired their own set of scientists who claim that any residual oil no longer poses a threat to the current ecosystems

# Corporate Responsibility?

Despite making certain statements, ExxonMobile is still in court fighting the fines that it was forced to pay in the early 1990s.

In 2007, the US Supreme Court threw out \$2.5 billion in punitive damages (given to fisherman, residents and others harmed in some way by the spill). This amount had already been reduced by two previous court decisions from an original \$5 billion. The court claimed that the amount was far above an appropriate level. It was reduced to the minimum \$507.5 million.

In 2007, ExxonMobile earned \$40.7 billion in revenue. In the first **two** days of the first quarter, ExxonMobile earned \$2.5 billion (the amount they were asked to pay).

# A slap on the wrist

"Instead of taking a large corporation to the woodshed, they just gave them a slap on the wrist." – Alaskan mayor Tim Joyce

How does this relate to cost-benefit analysis and externalized cost?



# Prevention and regulation

- **MARPOL** (The International Convention for the Prevention of Pollution From Ships) – prohibits the discharge of oil and the disposal or abandonment of plastics in the ocean and coastal waters
- **1974 Helsinki Convention** – seeks to control land-based sources of ocean pollution such as toxic dumping runoff and discharging raw wastewater
- **The Marine Mammal Protection Act** – prohibits any actions that could harm the many endangered marine mammals in our oceans

# Too Big To Regulate

## **The Law of the Sea Treaty**

- up to 12 nautical miles = territorial sea
- up to 200 nautical miles = exclusive economic zone (control over economic activity, environmental preservation and research)
- the rest = communal property (controlled by International Seabed Authority)
- \* The law was signed by 134 countries, but some of the most powerful countries in the world did NOT sign the treaty, including the US.