Subversion or Coordination? Examining the Role of Regulatory Agency Design in the Gulf Oil Disaster
Monday, October 10, 2011
12:00-1:15 PM, Rare Book Room, Tanenbaum 253 (inside Biddle Law Library)

Speaker: Chris Carrigan, Fellow, Penn Program on Regulation

Moderator: Professor Cary Coglianese, Edward B. Shils Professor of Law and Professor of Political Science; Director, Penn Program on Regulation

As the agency responsible for oil and gas revenue collection as well as offshore development and regulation prior to the disastrous Gulf oil spill in 2010, the Minerals Management Service (MMS) provides for many observers a textbook illustration of how mixing incompatible goals can lead regulators to neglect their regulatory responsibilities. In this seminar, PPR Fellow Chris Carrigan will use the case of the MMS to evaluate the claim that its role as tax collector restricted its ability to regulate offshore drilling. His analysis reveals that even when the goals associated with regulatory and non-regulatory functions do appear to clash, the achievement of legitimate governmental objectives sometimes requires extensive coordination that justifies combining regulatory and non-regulatory tasks in a single agency. As the operations of MMS's tax collection and offshore management divisions illustrate, agencies can be structured to mitigate the impact of conflicting purposes, but these measures can come at the expense of achieving advantages from the synchronization of multiple tasks. In contrast to the social science literature which has often focused attention on the dysfunctional aspects of assigning multiple policy tasks to agencies, Carrigan uses the case of MMS to reveal how even functions associated with conflicting goals can be assigned to a single agency for valid reasons.

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