



Cato Institute: Don't Blame Obama For High Gas Prices

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The four Republicans jostling for their party's presidential nomination blame President Obama's energy policies for the rapid rise in gas prices. It's an argument that appears to be gaining traction with voters. But the president has picked up an unusual defender.

[Audio]

The [Cato Institute](#) is a libertarian-leaning think tank based in Washington, DC. When it comes to energy and environmental issues, its scholars generally line up with Republicans. But Cato parts company with the GOP presidential field on the question of whether the White House is responsible for the spiraling price of gasoline.

Peter Van Doren edits the institute's quarterly journal, *Regulation*. He says the Republican candidates are off base when they blame the spike in gas prices on the president's denial of a permit for construction of the Keystone XL pipeline.

"The hardest thing to get across to the public is that discussions about lower cost sources of anything in commodity markets are irrelevant to market prices, as long as you need anything other than zero of the highest cost thing that you're currently using."

Van Doren says the high price of Brent or North Sea crude oil now matters far more than the low cost of crude pumped from the Alberta tar sands if and when the Keystone XL Pipeline is built. The spot price for Brent crude has risen \$16 a barrel since January.