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## Politics of Oil: Will High Prices Spur Lawmakers to Act?

White House Looking into Using Strategic Petroleum Reserve, But Little Impetus in Washington to do

By HUMA KHAN

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Consumers are starting to feel the pressure at the pump as the crisis in Libya rages on, but in Washington, there's little momentum and political will to engage in the deeply polarized energy debate and experts say the script is unlikely to change.

The national average price of a gallon of unleaded gasoline spiked to \$3.52 on Monday, the highest price ever during the month of March, and ahead of the peak summer driving season.

The White House has discussed the option of tapping into the Strategic Petroleum Reserve, and has said it is looking into various options should a large scale supply disruption occur, but the action so far has been limited to rhetoric, even on Capitol Hill.

It's still too early to gauge the political impact, experts say, but both Republicans and Democrats need to take cautious steps in tackling this issue that is deeply divided along ideological lines.

Some argue that the Libya crisis proves that the United States needs to boost its own offshore production for energy security, but another school of thought says the answer is to develop clean energy technology because of worries about the environmental costs of fossil fuel production and consumption.

"Parties are more ideologically polarized than they ever have been before," said David Spence, an associate professor and co-director of the Energy Management and Innovation Center at the University of Texas. "That makes it harder to work to bridge this divide, which just seems to be growing more intense and wider."

There is little consensus on how to tackle the issue of energy security. From President Reagan to President Obama, most U.S. presidents have stated they want to see a more independent future for the United States when it comes to oil, but imports from foreign countries have only grown in recent decades.

Multiple efforts to enact comprehensive energy

legislation that would boost clean energy and technological investment have collapsed, most recently last year when senators failed to find common ground.

"When something like this happens it does make people think about that vulnerability more," Spence said. "On the margins it will increase political concern about energy security, but whether that will lead to a bill being pushed through Congress, that seems unlikely to me."

Proponents of energy independence are hopeful that lawmakers will slip in some incentives, such as tax credits for hybrid cars, into bigger legislation, like they did in 2008, the last time oil prices had a sudden spike.

"Congress at the end of the day, for energy policy, is really driven by constituent pressure," said Anne Korin, co-director of the Institute for the Analysis of Global Security. "When oil prices are high, you are more likely to see a substantial move."

But with talk of economy and budget -- specifically cost-cutting measures -- dominating Capitol Hill, there's little impetus to revisit that subject, unless the pain is sustained.



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"Energy prices are inherently political. So many people care about them," said Peter Van Doren, a senior fellow at the libertarian Cato Institute. "If high prices stay around for some sustained period of time ... all through the summer, then yes, there's pressure for Congress to act. The only reason they wouldn't is because this is not an election year. If it were, I think we'd see all sorts of things being pulled out of the hat."

What is likely to touch political nerves in the shorter term is the discussion of tapping into the SPR, 727 million barrels of oil that are kept in underground salt domes in case of an emergency or supply disruption.

## Will High Prices at the Pump Translate Into Legislation?

Some members of Congress are urging Obama to tap into the reserve to help alleviate price pressure on consumers.

"It belongs to the American people," Rep. Peter Welch, D-Vt., said on Fox News last week. "We are in a fragile economic recovery now. These high oil prices are hurting home owners, hurting consumers and hurting our small businesses. It is the type of thing that you can do tactically, really."

The White House has indicated it's considering that option.

"The issue here is disruption. Is there a major disruption in the flow of oil? That's obviously a factor," White House Press Secretary Jay Carney said Monday. "But I think the point that we want to make is that we're very cognizant of the fact that Americans are experiencing a sharp rise in prices at the gas pump."

Amid Congressional pressure, President Bush approved the Department of Energy's request to halt shipments to the reserve in 2008, the last time the country saw a sudden spike in oil prices, but he didn't tap into the reserve itself.

This kind of pressure from Congress on presidents isn't new. But some say that while it may help psychologically and alleviate prices in the short term, it's not a long term fix.

The main idea behind keeping crude oil in the SPR, which was created in the 1970s, is that it can be tapped in the case of a direct disruption to the U.S. oil supply, not to bring down prices.

Libyan oil exports don't play a significant role in the U.S. economy, and with concern about the uprising

spreading across the Middle East -- including Saudi Arabia, one of the world's leading suppliers -- a nalysts say Obama shouldn't cave in to the pressure.

"It's supposed to be tapped for a major disruption, but what's major is in the eyes of the beholder," Spence said. "The president's job is to think more broadly than immediate political concerns. They have to think about the possibility that there will actually be a shutoff of Middle Eastern oil, for example, something that would hit the major transport routes."

House Speaker John Boehner's office says the GOP leader supports approaching other methods before tapping into the reserves.

"Instead of opening up SPR, which was created for national security emergencies, we need an 'all of the above' American energy strategy that would cut energy costs, reduce our dependence on foreign oil, and create jobs here in the United States," Boehner spokesman Michael Steel told ABC News.



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