

The right wing talking heads who serve the 0.001 are screaming about Obama betraying the country by killing the Keystone XL Pipeline project in order to pander to his liberal base. Liberals who are so crazed by this pipeline issue as to allow Romney to become President over it, will not support Obama anyway. They will not support him, either because of other issues, or because they believe he will simply approve Keystone the day after the election, regardless of the consequences.. His weasel words - used in order to appear centrist on the issue - give them good reason to think this, but I'll bet 10,000 Romney's that this pipeline is dead as long as Obama is President.

Most people with any inclination to vote for Obama either don't care about the pipeline, or think he should approve it. He did himself no favors by not approving it on the basis of a simple vote count. Obama is thinking bigger than that.

The only logical conclusion is that he killed the project on its merits, and not just because of environmental concerns. The biggest problem for the US isn't just the massive pollution this pipeline will cause; but rather the economic damage it will create. All of the oil currently produced in the central states and in Canada are refined in Midwestern refineries for domestic consumption.

This is not an insignificant amount oil, and in fact our greatest exports currently are gasoline, diesel and jet fuels. Through every energy price runup we have been exporting vast amounts of gasoline, we always have. This will not change, - if this truly massive pipeline were to be built across the middle of the country, it will become a giant drain. This pipeline would connect to all existing pipelines and drain everything directly to the Texas export zones. Surprisingly, this would even include oil produced in north Texas and Oklahoma that currently flows north exclusively. The oil companies would also avoid all taxes, and for good measure, be able to create a massive shortage anytime they chose to do so.

Simply approving the pipeline would kill all the smaller independent refineries in the Midwest that would see the writing on the wall. There will be a race to be the first to sell out to the big monopolies to keep from simply being put out of business, and this would immediately start driving up gasoline prices just in time for the election.

You can still say Obama did it just for the votes, but it's also crucial for the economy that this

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drain be plugged. The oil companies seem to think they should be able to go ahead with the southern leg anyway, which makes it clear that this is exactly their strategy. It makes no sense to build only part of the pipeline if they really needed it just to get "new" oil from Canada. Their strategy lets them grab off the southern part of the Midwestern oil fields and put several refineries out of business. This might not give them a complete monopoly over the oil supply, but they've done well for themselves with the degree of control they already have.