

Obama's Keystone pipeline dilemma

By: Darren Goode November 5, 2011 10:38 AM EST

President Barack Obama's upcoming decision on TransCanada's Keystone XL pipeline may split some of his key base support in his reelection effort no matter which way he leans, raising the question of whether he should punt the decision until after next November.

The problem: Obama runs the risk of disappointing either labor unions or environmental groups that went to bat for him in 2008, and he can't really afford to have any of his previous supporters sit on the sidelines next year.

"It's a hell of a dilemma," said one environmentalist who believes Obama will delay a decision for a while. "Clearly it would be in his benefit not to have this as a hot potato in his reelect."

John Hofmeister, former president of Shell Oil Co. and now head of the Texas-based Citizens for Affordable Energy, predicts that Obama will wait until after the election to make a call on the pipeline that would run from Alberta oil sands to Texas refineries.

"It is much easier to avoid a decision than to make a decision," Hofmeister said. "And as long as he has not made a decision, he can hold out the hope that he will one day make a decision in their favor."

"He wins both ways by deferring the decision, and he ultimately wins the loyalty and support of the American people by deciding in favor of the project," added Hofmeister, who supports the pipeline and believes Obama will eventually approve it. "It's just a common-sense decision for him to say, 'Why do I have to decide now?""

Opponents of the pipeline also would not mind Obama holding off for now.

"If the president says, 'I'm going to take more with this because we need to address these ... large problems, I think many people who are concerned about this will feel he has been listening to them," said Daniel Weiss, a senior fellow at the Center for American Progress Action Fund.

During the 2008 election, labor unions backing the pipeline brought boots on the ground in key battleground states in the Midwest and elsewhere. But, in a 2012 election dominated by the economy and jobs, Tom Owens, spokesman for the Building and Construction Trades Department of the AFL-CIO, suggested those boots may stay home if Keystone is delayed.

"This would be his decision, and that would be something that would just add to the difficulty in motivating our membership to be involved in politics next year," Owens said.

"We're concerned about our ability to motivate our membership base to get involved in politics in 2012," Owens added. "They just don't see anybody out there protecting their concerns. Keystone would just be one more on top of the heap."

There are recent signs that a decision may take a while.

Obama told a local Nebraska TV station this week that the State Department would be giving him its review "over the next several months" and that he would make the final call after considering a variety of factors, including environmental concerns, public health, jobs and energy independence.

State Department officials — who had initially said to expect a decision by the end of this year — are now suggesting it may take longer as they await feedback from the EPA on a final supplemental environmental assessment the department released in August. That analysis concluded the pipeline would pose little harm. EPA was critical about the thoroughness of prior assessments from the department that included similar conclusions.

"It will be the shocker of this administration if EPA signs off on this," said Sen. Mike Johanns (R-Neb.), who opposes the current proposed route for the pipeline because it crosses through Nebraska's Sandhills region and a key drinking water aguifer.

But even a delay in a decision would bother labor union supporters of the pipeline who say they have waited long enough.

"I don't see how you don't place it as a top priority," said Bret Caldwell, a spokesman for the International Brotherhood of Teamsters "The sooner the decision is made, the sooner people go to work and that's got to be the top priority."

"The president's having a hard enough time with Congress in getting his jobs program through," Caldwell added.

"I don't think he can delay it another year, I don't think there'd be a reason to delay it another year," Johanns said. "I just think this has gone on for three years and there's a point in which they do owe everybody an answer."

Unions backing the pipeline include Laborers International Union, the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the AFL-CIO and the International Union of Operating Engineers. The AFL-CIO overall has not taken a position on the project. A couple of unions — namely the Amalgamated Transit Union and the Transport Workers Union — oppose the pipeline and represent more than 300,000 U.S. workers.

The opposition to the Keystone pipeline has attracted large numbers of young voters — which should be further evidenced by the more than 6,000 protesters who have signed up to form a human fence around the White House Sunday.

Obama won 66 percent of the under-30 voter in 2008, the biggest disparity between young voters and other age groups in any presidential election since exit polling began in 1972, according to the Pew Research Center for People & the Press.

"If young people are watching and care deeply about these issues and they're disappointed, that will affect the campaign's ability to get those young people as involved and enthused as they were four years ago," said Gene Karpinski, president of the League of Conservation Voters.

Sierra Club executive director Michael Brune told reporters recently that Obama's decision on the pipeline would "have a very big impact" on how the nation's largest environmental group funnels resources toward congressional races rather than the race for the White House.

One factor in Obama's favor is that both the unions and the environmental groups have a larger disdain toward the available suite of Republican presidential candidates.

"Clearly no one who cares about the environment wants a global warming denier sitting the in the White House," Karpinski said. "Having said that, people have to decide where they put their biggest attention and resources."

"Our members are smart enough to know that it's not all the president's fault; he's trying," Owens said. "So we're still hopeful that our folks won't check out and they'll get mad enough because they know who the true villains are."

Meanwhile, TransCanada is warning that failure of the Obama administration to greenlight the project soon might force the company to withdraw the project and look at other alternatives to route it through Canada and send the oil to other places like China.

Hofmeister thinks this is an empty threat because an alternative crossing all the way over to British Columbia, for example, would face the wrath of Canadian environmental and native groups.

"TransCanada, the industry, have zero leverage on this topic," he said.

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