



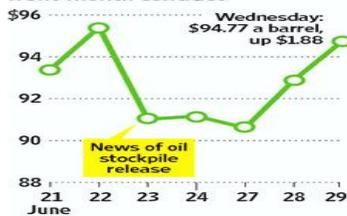
SENATOR JOHN BARRASSO, M.D.
VICE CHAIRMAN

June 30, 2011

Obama's Political Raid on SPR Flops

Hard to Keep Down

Nymex crude-oil futures,
front-month contract



Source: Thomson Reuters via
WSJ Market Data Group

“By the look of oil prices, last week's announcement of a globally coordinated stockpile release is already old news. ***The initial decline to below \$90 on the International Energy Agency's decision to offer 60 billion barrels of oil has been all but erased. Calling the coordinated action 'a shot in the dark,'*** Barclays Capital added that the 28 ***'member nations are likely to feel somewhat frustrated about market reactions to it.'***” ([Wall Street Journal, June 30, 2011](#))

Raid Doesn't Get Rave Reviews...

WASHINGTON POST: The Wrong Reason for Depleting the Strategic Oil Reserve: Therein, perhaps, is a political emergency, at least in the White House view: President Obama's reelection prospects will be harmed if national discontent over high gasoline prices continues. ***The oil release could be seen as a way for the president to take credit for gas prices that are falling anyway, or as an indirect, pre-election stimulus. Whatever the rationale, it is a bad idea.*** (June 23, 2011)

CHICAGO SUN-TIMES: Open Spigot on Energy-Jobs Program: The bottom line is the Obama tactic isn't a substitute for an energy policy. As Nicolas Loris, an energy policy analyst for the Heritage Foundation, put it, ***"The problem is that the Obama administration is artificially constraining supply to the market by denying Americans access to domestic oil."*** (June 29, 2011)

DETROIT NEWS: Tapping Oil Reserve is Shaky Policy: If the priority of the administration is now to keep gasoline cheap, ***it should also drop its opposition to increased domestic oil production, which would have a larger impact on long-term oil prices than would tapping into the reserve.*** (June 27, 2011)

SAN ANTONIO EXPRESS: Don't Fiddle with U.S. Oil Reserve: ***If political considerations are allowed to determine use of the reserve, then presidents can be expected to drain the 727-million-barrel stockpile for political gain each election season.*** Ancient Rome had bread and circuses. The United States has the Strategic Petroleum Reserve. (June 29, 2011)

WASHINGTON TIMES: Obama Embraces the Seamy Supply Side: ***Tapping the strategic reserve is the equivalent of trying to increase the supply of American meat by going into the Safeway and shooting a package of steaks.*** If one really wants to increase the supply of meat, go into the woods and shoot some meat that is still on the hoof. Or raise a new herd. (June 27, 2011)