energy API
AMERICAN PETROLEUM INSTITUTE

WHAT THEY'VE SAID ABOUT CRUDE OIL EXPORTS

U.S. Energy Secretary Ernest Moniz on Crude Export Restrictions:

"Those restrictions on exports were born, as was the Department of Energy and the Strategic Petroleum Reserve, on oil disruptions. There are lots of issues in the energy space that deserve some new analysis and examination in the context of what is now an energy world that is no longer like the 1970s." (Platts, 12/12/13)

Executive Director of the International Energy Agency Maria van der Hoeven:

"Some may see this as a choice between keeping American oil within U.S. borders for reasons of economic security and allowing the U.S. to generate billions of dollars in new export revenues. But market realities suggest a far simpler decision ahead: either U.S. crude is shipped abroad or it stays in the ground."

(Financial Times, 2/6/2013)

Business Columnist David Nicklaus:

"The booming U.S. energy industry is on pace to produce more oil than Saudi Arabia by next year, but it can't sell a drop of that crude overseas. . . Disco music, wide lapels and other 1970s artifacts have been out of fashion for a long time. It's time for that era's energy policy to join them on the scrap heap of history."

(Business Columnist David Nicklaus (St. Louis Post-Dispatch, 1/10/2014)

Managing Director of Commodity Research at Citigroup Ed Morse:

"It is incontrovertible that if the U.S. exported crude the price of gasoline would be lower. And it is incontrovertible that the trading interests of the United States have become increasingly dominated by energy."

(Reuters, 12/19/13)

Former special operations helicopter pilot and bond trader L. Todd Wood:

"With the crude oil export ban lifted, America would become a large swing producer. The rest of the free world would not be beholden to Iran closing the Strait of Hormuz, for example. . . In short, America could smooth the volatility of the global crude oil market. The lower price and supply volatility would result in a much safer world with fewer flash points for conflict."

(Fox Business, 2/25/2014)

Resident scholar with the Institute for Policy Innovation Merrill Matthews:

"Allowing crude oil exports would encourage even more production, which has the effect of stabilizing both the supply and the price. . . [M]ore states could participate in the energy boom, creating job opportunities at home. It's our best immediate way to address concerns about income inequality and strengthening the middle class."

(Roll Call, 2/28/2014)

Federal Reserve Bank of Dallas Economist Michael D. Plante:

"This would increase the supply of oil available on the world market and lead to greater production of gasoline and diesel fuels, lowering their prices and benefiting U.S. consumers. . . To the extent that the ban discourages drilling, this limits the potential supply of oil available to be processed into gasoline and diesel, placing upward pressure on retail fuel prices."

(Economic Letter, 7/2014)

Petroleum Geologist David L. Tyler:

"Every new well drilled pushes millions of dollars into the economy. That investment pays for millions of pounds of cement and steel, rig crews, truck drivers, and environmental monitoring. The potential exists for tens of thousands of new wells to be drilled every year for the foreseeable future. But failure to allow exports could artificially restrict that potential and lead to the loss of jobs and billions of dollars worth of economic opportunity."

(Billings Gazette, 6/20/2013)

Energy Historian and IHS Vice Chairman Daniel Yergin:

"This would be a significant economic stimulus that would be paid for by the private sector, not by the government - in fact the government would make a lot of money."

(Reuters, 7/17/2014)

Former Obama Counselor Steven Rattner:

"America's renewed hydrocarbon boom could be even more robust if we eased outdated restrictions on shipping both crude oil and liquefied natural gas overseas. . . That means more production, more jobs, and less reliance on imports and an improvement in our trade balance."

(New York Times, 7/23/2014)

Former Obama Economic Adviser Larry Summers:

"[I]f you want to help American consumers consume gasoline at lower costs or for that matter American heating oil consumers in New England consume heating oil at lower cost, you want there to be more oil exports. . . [T]he extra investment that will result will be a significant spur to economic growth, that the process will generate substantial employment opportunities, and that those employment opportunities will be disproportionately for the group, less educated men who work with their muscles as well as their mind, that is most threatened in the American economy."

(larrysummers.com, 9/9/2014)

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Editorial Boards Support Lifting Trade Restrictions:

Wall Street Journal, Editorial
Exporting American Oil, December 16, 2013
"Opponents of exporting oil claim that lifting the ban would raise U.S. gasoline prices, but that misunderstands that oil is a global market. U.S. pump prices would continue to rise or fall with world oil prices regardless of exports. But lifting the ban would lead to more domestic production, which means more jobs in oil drilling and services and everything that goes along with such growth... the best protection for America's energy supply is more domestic production that exports would induce... The oil export ban is an example of self-defeating resource nationalism that hurts U.S. investment and the living standards of American workers. It was a bad idea in the 1970s, and today it is merely one more obstacle to America's energy renaissance."

Washington Post, Editorial
The U.S.'s crude oil policy, December 18, 2013
"The United States again is one of the world's great energy powers... Yet some politicians remain unwilling to let the country reap the full benefits of this boon ... Refineries, not drivers, buy crude oil and then make it into gasoline and other products. These products trade on world markets and generally reflect the world crude price... If anything, the United States' continuing export restrictions diminish the country's credibility when it asks other nations to adopt rational policies that rankle economic nationalists. Congress should let the country participate fully in the international oil market."

Financial Times, Editorial
Time to end the U.S. oil embargo, **October 15, 2013**
"In effect, the ban is principally a subsidy to the U.S. refining industry. But it is of little benefit to consumers and threatens to harm North American oil production. It also undermines U.S. credibility with its trading partners. It is long past time that the U.S. embargo was lifted, too... The mismatch of supply and demand means that if U.S. shale oil production continues to grow at the spectacular rates of recent years, it will be possible to have a glut of domestic crude in the gulf region, even as millions of barrels per day of imports are still coming into the country. The effect would be to force U.S. onshore crude prices down, hurting producers and undermining the economics of shale production, which is relatively high-cost compared with Middle East oil. Meanwhile, U.S. consumers would see no benefit, because oil product exports are unrestricted, allowing refiners to receive world prices for their sales."

Chicago Tribune, Editorial
Lift the U.S. ban on oil exports, December 30, 2013
"Like free trade in general, selling American oil overseas would be good for our economy. It would make the oil market more efficient, encourage a build-out of the U.S. energy network and stabilize prices over time for consumers... That additional business would translate into job creation as the oil industry invested in refineries and transportation networks to handle the light, high-quality crude being produced domestically. (Much of the U.S. oil infrastructure is geared for heavier crudes from Canada, Mexico and Venezuela.)... The ban does nothing to keep domestic gasoline prices lower... The best outcome for U.S. consumers would be a further boom in U.S. oil production, resulting in exports that drive down global oil prices and thereby dampen fuel costs here."

Boston Herald, Editorial
It's Time To End Crude Oil Exports Ban, January 5, 2014
"It really is time to end the prohibition. It never made much sense except to allow politicians to argue that they had done something for American consumers... Exporting crude can preserve — even increase — jobs here and improve the U.S. balance of payments... [P]rotectionism can't work for long and shouldn't be tried."

Bloomberg, Editorial
Lift the Ban on U.S. Oil Exports, July 17, 2013
"By increasing exports even as it continues importing oil, the U.S. can exercise maximum flexibility in world oil markets. It can keep U.S. oil flowing, encouraging further exploration and drilling. And it can help maintain relatively stable gasoline prices, because these are largely determined by world markets."

The Economist, Leader
The petrostate of America, February 15, 2014
"Fracking provides a source of energy that is not only new but also relatively clean, cheap and without political strings. It should reduce the dependence on dirty fuels, such as coal, and extortionate suppliers, such as Russia. . . Barack Obama should lift [the ban on exports] so that newly fracked oil can be sold wherever it makes the most cash."

Washington Post, Editorial
Allowing exports of crude oil would boost the economy, June 28, 2014
"R]esuming oil sales abroad could help the U.S. economy reap the full fruits of the shale revolution that has propelled this country back into the top ranks of global oil and gas production. . . At the same time, increasing the world supply of crude oil would translate into lower world prices for other heavier grades of crude, which U.S. refineries do use, and for gasoline. . . This does not count the geopolitical benefits of bringing a stable new source of supply onto world markets to offset those from Iraq, Libya and other trouble spots."

Houston Chronicle, Editorial
Complex condensate, June 30, 2014
"[W]e've transitioned from a market of oil and gas scarcity to one of surplus. . .Federal regulations, and our national conversation, need to catch up to this new reality. Gluts in some areas, and shortages in others, will likely necessitate a mix of imports and exports to ensure that our energy demand matches supply. Removing regulatory barriers will lead to a broader market, meaning more stable prices as demand is allowed to match supply."

The Houston Chronicle, Editorial
Energy antiquities, January 15, 2014
"[The] reform process ought to begin with a loosening of shortage-inspired, '70s-era export regulations that hinder the industry's and the nation's ability to deal with gluts of light crude oil that are expected to build, as well as enormous increases of natural gas production from shale rock... In 2013, this country overtook Russia as the world's leading producer of fossil fuels. And yet, the domestic industry remains handcuffed by outmoded federal regulations that prevent potential new international markets for U.S. product from operating efficiently... We think the logical way forward is to broaden access to export markets for both oil and natural gas."

Washington Post, Editorial
Commerce Dept. should allow exports of U.S. crude, August 6, 2014
"In the deeply interconnected global oil market, in which borders matter less than many people think, the obvious solution is to allow oil companies to ship the light crude to refineries suited for processing it, supporting U.S. profits and U.S. jobs in the process, and to tolerate imports of crude oil that U.S. refineries can handle. . . The Council on Foreign Relations's Blake Clayton points out that expanded exports would encourage the development of oil fields and transport infrastructure, which would help the country weather some disruption in the global oil trade. . . Congress should lift the ban entirely. Until then, Commerce should allow as much oil as it can to flow through the ban's exceptions."