The Obama administration has been punting a decision on the Keystone XL pipeline for five years now, and there’s no sign the president’s kicking leg is getting tired. At various junctures in this endless drama, the White House has effectively overruled or ignored its own State Department, which in 2011 concluded that the pipeline extension poses “no significant impacts” on the environment and in 2014 basically shot down all of the supposed drawbacks. The White House response to this most recent green light was to keep the car in neutral, warning that Keystone XL will go forward only if the president determines “it does not significantly exacerbate the problem of carbon pollution.” President Obama refuses simply to get out of the way of what should be the routine construction of energy infrastructure -- why, and what might the long-term ramifications be?

Let’s look at the why part of the equation first by eliminating some possible reasons.

We know this is not about protecting America from so-called “dirty oil” flowing in from Canada, because oil from Canada’s oil-sands fields is already flowing into the United States by pipeline — from Alberta to Oklahoma. The Keystone XL would extend one leg of the pipeline to the U.S. Gulf Coast and add another leg from Alberta to Nebraska.

We also know that objections to Keystone XL aren’t about safety. A recent Fraser Institute study on oil transport found that on virtually all metrics of safety — environmental, occupational, residential — movement of oil and gas is safest via pipeline, less safe via rail, and even less safe via roadway.

And we know this obstruction isn’t about “protecting” the U.S. economy. After all, the State Department concludes that Keystone XL construction “would support a combined total of approximately 42,100 jobs throughout the United States for the up to two-year construction period” and that “impact to local property tax revenue receipts would be substantial for many counties.” In other words, Keystone XL would be very much in line with the president’s commitment to “nation-building here at home.”

To be sure, Keystone XL’s jobs impact — which the president has mocked — would be temporary, as are most infrastructure jobs. What’s telling is that the president disparages such “temporary” work when it’s proposed by the private sector in the case of Keystone XL, but he applauds it when it’s the byproduct of government “stimulus” spending he is so fond of. All those stimulus-funded wind turbines, solar panels, re-insulated homes, and re-paved highways were temporary jobs.

Interestingly, the president’s opposition to Keystone XL isn’t even about doing what’s popular. After all, the House and Senate have registered their support for the project several times. And Pew polling reveals that 65 percent of Americans support extension of the pipeline, while only 30 percent oppose it.

That 30 percent, of course, includes the hard core of the environmental movement, and that may be the key to understanding the president’s opposition to Keystone XL. Rather than building broad political support around unifying themes, Obama has generally advanced his agenda by cobbling together short-term coalitions comprised of micro-issue blocs. One of those blocs is the environmental movement. Keeping Keystone XL in limbo keeps them happy, and the president — and his allies in Congress — probably reckon that they gain more from the environmentalists’ deep and lasting support than from a temporary spike in the national polls.

Moreover, it appears that President Obama shares the green movement’s tenacious opposition to the hydrocarbon economy — regardless of the nation’s needs or capabilities. The president, after all, believes that humanity has caused climate change, rails against “global carbon pollution,” blames hydrocarbons for “the dirty phase of development,” envisions “a global low-carbon economy,” and wants 80 percent of U.S. electricity production to come from low-carbon and/or renewable sources by 2035. Secretary of State John Kerry recently declared climate change to be a greater threat than disease, poverty, terrorism, or nuclear proliferation, labeling it the world’s most fearsome weapon of mass destruction. It bears remembering that this is the man who, ostensibly, will make the recommendation to approve or reject the Keystone XL pipeline.
This approach to the public policy challenge of energy production and consumption ignores three important energy realities.

First, oil is the fuel of both the present and the foreseeable future. Petroleum powers 93 percent of the U.S. transportation sector. At 36 percent, petroleum represents the primary energy source for the entire economy, followed by natural gas (26 percent), coal (18 percent), renewables (9 percent), and nuclear (8 percent). The U.S. Energy Information Agency (EIA) predicts fossil fuels will provide 80 percent of the country’s energy supply through the year 2040.

Second, the energy alternatives of tomorrow are not ready to shoulder the burden at a competitive cost. Well-intentioned but costly examples of government-funded alternatives — from Solyndra’s solar-powered bankruptcy, to ethanol’s endless subsidies, to wind power’s bird-killing side effects, to government-guaranteed Chevy Volts — serve only to underscore how efficient and cost-effective fossil fuels are by comparison.

Third and perhaps most important, North America sits atop a veritable ocean of oil. The U.S. Geological Survey (USGS) estimates that the Arctic holds some 90 billion barrels of oil. About one-third of the oil is in Alaskan territory. Another USGS study concludes that North Dakota and Montana have an estimated 3 billion to 4.3 billion barrels of recoverable oil. A study conducted by the Government Accountability Office (GAO) reports that oil-shale deposits in Colorado, Utah, and Wyoming “contain up to 3 trillion barrels of oil, half of which may be recoverable.” Once thought to be too expensive to extract or too technologically difficult to convert, this vast oil-shale field “presents significant opportunities for the United States,” in the GAO’s understated words. Utah holds between 12 billion and 19 billion barrels in the form of oil-sands deposits. All of this explains why, in one of the great re-reversals in history, the United States is on track to become the world’s leading oil producer by 2017 and a net oil exporter by 2030.

To the north, Alberta’s oil sands account for 169 billion barrels, (Keystone XL “would allow delivery of up to 830,000 barrels per day,” according to the State Department.) To the south, the EIA estimates Mexico’s proven reserves at some 10 billion barrels; Pemex, Mexico’s state oil company, believes Mexico holds an estimated 86.6 billion barrels of untapped crude. With the opening up of Mexico’s state-dominated energy sector to private investment, experts expect Mexico’s annual oil outputs to double.

In short, the United States and its NAFTA neighbors are poised to become “the new Middle East,” according to Ed Morse, head of the global commodities division at Citi.

Speaking of NAFTA, that brings us back to some of the long-term ramifications of the president’s refusal to move forward on Keystone XL.

It could be argued that the president’s position violates the spirit (if not the letter) of the NAFTA treaty. Consider that the text calls on signatories to “strengthen the special bonds of friendship and cooperation among their nations … contribute to the harmonious development and expansion of world trade … ensure a predictable commercial framework for business planning and investment … eliminate barriers to trade in, and facilitate the cross-border movement of, goods and services between the territories of the Parties.”

The president’s non-decision on Keystone XL does not strengthen the bonds of friendship, contribute to development, ensure a predictable trade framework, eliminate barriers to trade, or facilitate the flow of goods.

Keeping Keystone XL in limbo not only runs counter to the spirit of NAFTA, it also strikes at the heart of the Canadian economy, which relies strongly on natural resource development. Imagine Ottawa responding in kind by slapping U.S. exports with similarly baseless restrictions and delays. It wouldn’t be pretty: As the State Department details, “U.S. exports to Canada surpassed $355 billion in 2012 — 16 percent of total U.S. exports. Canada is the number one export market for 38 U.S. states.” The U.S. trade representative offers more specifics on how and where Canada could hurt American exporters. The top Canada-bound export categories include: commercial services ($56.1 billion), cars and trucks ($50.1 billion), machinery ($46.9 billion), electrical machinery ($27.2 billion), agricultural goods ($20.6 billion), oil and natural gas ($18.4 billion).

Of course, no such retaliation will come from Ottawa. Canadian policymakers know that engaging in such a trade tit-for-tat would do more harm than good — and that the NAFTA partnership is about removing trade barriers rather than creating them. It’s a pity the president doesn’t realize this.