

Green Cars for Cheap Gas?

by Dennis T. Avery

Now we're going to give Ford, GM and Chrysler billions of dollars so the Feds can order them to build more "green" cars—with gas now costing \$1.49 per gallon. How many Americans will pay \$30,000 for one of these new high-mileage lightweights instead of getting a family-protective SUV for the same bucks? Or a pickup to pull the boat? At \$1.49 per gallon, not many. So Detroit will go broke again, unless the Feds slap on another \$3 per gallon in gas tax.

Haven't we just been there? And we didn't like it much. We demanded, "Drill, baby, drill." We forced a liberal Democratic Congress that hates oil to end the drilling ban on public lands. Thus, we could pump more domestic gas and oil and bring down the price—so Detroit's old lineup of SUVs and big pickups would sell again.

Which way are we going? And why?

My sister is a GM widow in Michigan; I understand the problem of Big Three pensions and medical insurance. But that doesn't really have much to do with the sort of cars we build. The costs the United Auto Workers saddled onto the Big Three years ago makes their cars non-competitive today no matter how tiny and fuel-efficient they get.

On the other hand, if we want globally competitive U.S. auto companies, it is clear how to get them. Let the Big Three go bankrupt, so some enterprising investors can reorganize all of those plants, skilled workers and infrastructure into a new company—or two—that can compete with Volkswagen and Hyundai.

Let the UAW organize its own cost-effective health insurance for the retirees, where the doctor visits aren't "free" and the insurance kicks in for the big stuff. That's what the rest of us already have to do. None of our health insurance should be tied to a job. Everybody should get the tax break for buying health insurance, so we could all get care without the lobbyists and lawyers loading up the systems with the frills that pay off their clients.

The joker in today's deck is global warming. That's the real motive behind the Federal bailout of the Big Three. But most of our global warming came before 1940—too early to be blamed on global industrialization. After 1940, the warming stopped for 35 years—during the very period when the Greenhouse Theory says the temperatures should have soared.

Now, it's been ten years since the last warming, and temperatures have just dropped back to about their 1940 level. NASA's Jason satellite says the Pacific Ocean has shifted into its cool phase; the warm phase ended in the last hot year, 1998. The satellite is predicting global cooling for the next 25–30 years. The alarmists have been wrong about the warming.

Nor will Detroit run out of oil to burn. The Bakken formation in the Dakotas gives the U.S. more proven oil reserves than Saudi Arabia—400 billion barrels. Not to mention six trillion barrels of oil in the world's tar sands, half of them conveniently located in nearby, stable Canada. No Muslim extremist takeovers, and none of Vladimir Putin's tanks either.

In Europe, 11,000 metal workers demonstrated in Brussels against CO₂ limits forcing their jobs to India. In Britain, 40 percent of the electricity will disappear in the next eight years, supposedly replaced by 7,000 wind turbines with a reliability of 15 percent.

The new administration is selling an insurance policy against the planet overheating. But what if the insurance premium costs more than your house and the earth is cooling on its own schedule.

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