Rolling back rules could backfire on automakers

Dan Becker and James Gerstenzang
Published 10:25 p.m. ET Aug. 2, 2017

U.S. automakers are lobbying President Donald Trump and Congress to roll back rules that cut auto pollution and deliver better gas mileage, putting short-term profits ahead of long-term competitive interests. They’ve driven their gas hogs down this pot-holed road before. It led to their near-death experience less than a decade ago.

But Ford, General Motors and Fiat Chrysler are not just jeopardizing their industry and the environment. The weaker rules they seek will increase our oil dependence, give China’s burgeoning clean-car industry an advantage in the race to dominate the global auto market, and cost consumers billions at the pump. If they succeed, so much for Trump’s promises to cut the trade deficit, revive American manufacturing, and help middle-income workers.

When President Barack Obama worked with automakers and California officials to set us on course to a 2025 new-car fleet averaging better than 50 miles per gallon, the United States took the biggest single step of any nation to cut oil use and fight global warming. In January, after exhaustive analysis, the Environmental Protection Agency found that so much affordable gas-saving technology exists that the mileage-and-emissions standard could even be strengthened.

The rules, approved in 2012, have already saved Americans $40 billion by reducing the amount of gasoline we buy. Each gallon we burn spews 25 pounds of carbon dioxide, the primary global warming pollutant. Left in place, the standard will keep 6 billion — yes, billion — tons of carbon dioxide out of the atmosphere and save consumers $1 trillion in gas bills.

But industry-favored legislation introduced in the Senate by Debbie Stabenow, a Michigan Democrat, and Roy Blunt, a Missouri Republican, and being written in the House by Democrat Debbie Dingell and Republican Fred Upton, both of Michigan, would weaken the rules, increasing the U.S.’s use of oil by 350 million barrels while adding 155 million tons of global warming pollution to the atmosphere and costing drivers $34 billion.

The automakers, legislators and Trump are driving headlong against public opinion, according to the automakers’ own research. This week, the head of the Alliance of Automobile Manufacturers, the industry’s trade association, highlighted a poll the group commissioned
finding that nearly two-thirds of those surveyed, including 63 percent of Republicans, support stronger fuel efficiency standards.

Meanwhile, the Trump administration, which over six months has demonstrated a pillage-and-plunder approach to the environment by undoing its predecessor’s protections against coal-burning power plants and methane emissions, announced a new look this month at the strong Obama auto rules as they are applied to 2021 models and beyond.

The automakers should be careful of what they wish for.

Consider what happened in 2008 to an industry that had relied increasingly on its erroneous forecast of an unending consumer appetite for SUVs and pickups: When the economy crashed, and gas prices topped $4 a gallon, automakers were stuck with the wrong mix of vehicles for a suddenly changing market.

The industry pleaded for government help as guzzlers sat unsold and consumers who could afford new vehicles demanded the efficient cars the industry had scorned — and that foreign competitors had at the ready. Only after pocketing $85 billion in taxpayer bailouts — and consenting to the stringent fuel efficiency standard — could the domestic industry resume running on all cylinders.

Indeed, since the standard went into effect, the industry has set sales and profit records while meeting increasingly strong gas mileage rules. But you wouldn’t know that from its complaints.

Lobbying for a rollback, Ford’s then-CEO Mark Fields offered the president a set of “alternative facts.” Fields alleged the rules could cost the United States one million jobs. Never mind that the Detroit 3’s total employment is less than 900,000 people. In fact, employment has risen. Since 2009, industry-wide, jobs have grown by 700,000.

Automakers also whine that consumers want SUVs and other trucks, not clean cars. If so, why does the industry spend a large chunk of its roughly $15-billion annual marketing budget trying to sell the gas guzzlers?

The car companies say gas-saving improvements cost too much and threaten safety. Actually, the rules save thousands of dollars more at the pump than the cost of the advanced transmissions, high-strength light-weight materials and other high technology that deliver better mileage. And, such design and technology improvements as airbags — not weight — make cars safer, according to the National Academy of Sciences.

With weaker rules, automakers are at risk when gas prices inevitably rise and Trump cedes the domestic car makers’ competitive position to foreign manufacturers. The auto companies’ top executives may be happy to cuddle in the back seat with the president, but if they want to put us all in gas-guzzling Trumpmobiles, they risk a rerun of their self-destructive behavior.
If Trump knows “The Art of the Deal,” he should know that after bailing out the auto industry, we deserve better than more pollution, bigger bills at the pump and an invitation to China to eat Detroit’s lunch.

Dan Becker directs the Center for Auto Safety’s Safe Climate Campaign, which advocates strong measures to fight global warming. James Gerstenzang is the campaign’s editorial director.

http://www.detroitnews.com/story/opinion/2017/08/02/auto-rules/104244590/