

## American automaking is back

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At the depths of the Great Recession, the very survival of the U.S. auto industry was an open question.

If it hadn't been for an \$80 billion taxpayer bailout of the auto industry started by President George W. Bush and continued once the Obama administration took office in January 2009, there's every likelihood General Motors and Chrysler, two of the Big Three, would not be in business today.

The automakers themselves were, in many respects, the architects of their own misfortune, having thrown all their chips on sport utility vehicles and other gas guzzlers and coming up big losers when gas prices skyrocketed and consumers slammed their pocketbooks shut. Opponents of the bailout denounced it as corporate welfare, and suggested General Motors and Chrysler should be allowed to fail, with the magic of the marketplace causing new car companies to rise up in their places.

But less dogmatic and more compassionate observers realized allowing the American auto industry to shrivel away would have been a further blow to the U.S. economy when it was already down for the count and shattered communities where the automakers are the largest employers. And now, seven years later, the wisdom of allowing the bailout to go through is becoming apparent.

According to figures released last week, 17.5 million cars and trucks were sold in the United States in 2015, a record number. That works out to \$437 billion in sales. Consumers have reportedly been drawn by assorted deals, low interest rates and the simple need to turn in cars that were, on average, a little over a decade old.

For the moment, at least, American automaking is back with a vengeance.

But there are plenty of signs the denizens of Detroit's executive suites shouldn't be complacent. The Big Three are back to putting more and more gas-gulpers on the market in the form of SUVs, trucks and pickups. Dan Becker of the Safe Climate Campaign told *The Washington Post* "the industry is making the same set of mistakes it made before."

And it's hard to imagine taxpayers would be as generous again if automakers need another injection of their cash.

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