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As Dan Becker, director of the Center for Biological Diversity's <u>Safe Climate Transport</u> <u>Campaign</u>, puts it, Detroit is ambivalent in its commitment to environmental stewardship. "The automakers lobby full time against improving their emissions," he claims, citing the <u>Clean Car Rules</u> they committed to under the Obama administration as the most recent example. "As soon as Trump was elected—literally on day four—they trooped into the Roosevelt Room and told Trump to roll [them] back."

This is where Becker believes government policy plays a significant role, since laws are enforceable, while aspirational targets and commitments are not. For instance, the EPA recently proposed new tailpipe standards that would require two-thirds of new cars sold in the U.S. to be electric by 2032. The new rule met <u>resistance</u> from the auto industry, even though many of these same automakers have made more aggressive public commitments to go electric. Becker says the new EPA standards fall short by not requiring improvements to gas-powered vehicle emissions after 2027, conceivably flooding American roadways with tens of millions of additional combustion engines by 2035. As he sees it, automakers are saying they can't simultaneously improve gas-powered vehicles and electric vehicles, "which they can," while "looking to their profit and not to the future."

Becker is skeptical of some automakers' vows to field all-electric lineups by 2035, noting that they "keep touting these commitments, <u>but they aren't implementing them</u>." Equally bad in his mind is when automakers chuck affordable EV options—like the aforementioned Bolt—in favor of a money-making lineup of "larger vehicles that have more power than people need, are bigger than a lot of garages, and cost a lot more. They tend to look in the rearview mirror and not forward about what is needed for society."

Becker offers two parallels that underscore this point. The first, during the 1970s, when American manufacturers, led by Detroit's Big Three (GM, Ford, and Chrysler [now Stellantis]), resisted selling smaller, fuel-efficient vehicles, Japanese automakers promptly waltzed in and snatched 25% of market share. The second is more recent. "Last year in China," he says, "there were about 1.5 million electric or hybrid vehicles sold by two companies, Tesla, and one most Americans have never heard of: <u>BYD</u>." BYD, which stands for Build Your Dream, sells an electric sedan, the Seal, which starts at approximately \$27,500. "By the way," Becker adds, "Warren Buffet has heard of BYD—<u>he's already</u> made several billion dollars on his investment in it."

Why Detroit is the biggest obstacle to widespread EV adoption

Despite the progress of electric vehicles during the past year, there's still a long way to go

By Bill van Parys July 12, 2023

Like many electric vehicle (EV) converts, Elaine Borseth's epiphany occurred the first time she ever drove one—a 2014 Tesla. The avowed car lover was blown away by its performance and acceleration. "I told the sales rep, 'I have four words: *I must have one*.'"

Today, Borseth is president of the <u>Electric Vehicle Association</u>, North America's leading volunteer organization, whose 100 chapters educate and advocate for the rapid adoption of EVs. "We're not having to sell people on something that's lesser than what they're driving—this is way better," she says, citing the cars' superior handling and performance, radically lower maintenance and operating costs, and, of course, zero carbon emissions. That last part is critical, since the auto industry is responsible for the majority of transportation emissions—the largest source of global warming pollution.

Last year was by far the best on record for electric vehicles globally and domestically, and there are more hopeful signs for the future of EVs: Detroit's best-selling automaker, General Motors, is verbally committed to an all-electric future; there have been well-publicized price cuts by Tesla and Ford; along with federal tax credits of up to \$7,500 for electric car buyers from the Inflation Reduction Act. Therefore, it would seem like a universal, affordable EV future is finally in sight.

Not so fast. While down about \$10,000 from a year ago, the average price for a new electric car in April was still \$55,089. At the same time, automakers are pulling the plug on popular, less expensive EV models, like the <u>Chevy Bolt</u>, in favor of pricier SUVs, signaling their intention to keep large, profitable, combustion trucks and SUVs in production through 2035. So, despite all the encouraging momentum, there is still concern that EV adoption—and environmental protection—is being undermined by the same American legacy automakers responsible for their production.

"REARVIEW MIRROR" THINKING

Leah Wiste is executive director of <u>Michigan Interfaith Power and Light</u>, whose mission is to "inspire and equip people of faith and conscience to be better stewards of the earth" by voicing support for clean, affordable cars. She believes that it will take "big systems changes" to get the auto industry to proactively embrace an all-EV future. "We need policies and incentives and

regulations," she says. "It's not a matter of convincing people to [drive EVs], but about creating the conditions that make sense."

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It's this lack of affordable EVs that particularly bothers Borseth. "There are low-priced EVs available," she says. Global automakers offer stylish sedans for under \$30,000 abroad, but not here. "We need the automakers to step up and make a more affordable car in the U.S. and for companies not to discontinue the good options they currently have. They need to do the right thing and know the demand is there—that people are waiting in line [for affordable EVs], while other countries are [passing] us by."

Wiste is more succinct. She rails at Detroit's fixation on fat margins when we're at an environmental tipping point. "This is not the time to modestly transition to things that are slightly more sustainable," she says. "The climate crisis is here. We need them to get their butts in gear."

https://www.fastcompany.com/90921025/why-detroit-is-the-biggest-obstacle-to-widespread-evadoption