machines 'Cash For Clunkers' Is A Lemon - So Let's Make Lemonade

July 14, 2009|By Dan Becker and James Gerstenzang

Is the new "cash for clunkers" law really a vehicle for replacing gas-guzzling cars and trucks with the next generation of clean green machines -- or is it just a disguise for moving slightly less-thirsty guzzlers from dealers' lots onto America's driveways?

If the federal agency with the mission of overseeing the law does its job well, we'll find out quickly -and well before the automakers show up again on Capitol Hill, tin cup in hand, asking Congress: "Please, sirs, may we have some more billions?"

It is weighted heavily in favor of carmakers looking to unload unsold gas-gulpers on a skittish market. But Americans have an opportunity in coming months to turn it greener.

The limited impacts the controversial new law would have on greenhouse-gas emissions combined with its cost have quickly ignited one of those rare American political moments when environmentalists and conservatives find common ground.

Conservatives say that it is a \$1-billion boondoggle written to channel taxpayer dollars to the automakers and dealers; environmentalists agree, and add that its standards are so lax that it will do little to persuade Americans to give up their gas guzzlers and start driving cleaner wheels in the effort to fight global warming and slash oil addiction.

Working against a deadline of July 24, the National Highway Traffic Safety Administration is preparing the regulations' fine print right now. The agency needs to write the rules so that the public learns -- in real time -- which cars and trucks are being scrapped and which new ones are being purchased with a taxpayer subsidy under the "clunker" provisions.

Congress can then base its decision on whether to extend the program -- and there is little question that the auto companies will want it extended beyond its expiration on Nov. 1, or sooner if the money runs out -- on real data that tells us whether tax money is going for new hybrids or new gas guzzlers.

And as the government prepares the details, car buyers need to think about the choice the law offers them.

When introduced, the program had an environmental rationale: Pay people to scrap their gasguzzling clunkers and replace them with new cars that get 25 percent better mileage, pollute less and cut our oil addiction.

But it got hijacked. By the time President Barack Obama signed the legislation into law, auto-industry lobbyists and their congressional friends watered it down. It is now so diluted that in some cases, buying a car or light truck offering an improvement of a mere one mile per gallon over your junked wheels will get you a \$3,500 voucher.

So, you can take the money and use it to buy pickups, vans and SUVs. You read that right: You really can use it to help pay for some of the largest automotive leviathans if you are junking a vehicle that gets even worse mileage.

That doesn't even sound green, does it?

But we Americans have a choice. We can take the program back from Detroit: Let's use the money to buy cars that will save us dollars at the pump and cut global-warming pollution. If you've been thinking about buying a hybrid or some other truly green wheels, here comes Uncle Sam with the cash to help you make it happen.

That's not where the auto companies drove the program. But it is the original green idea: Get clunkers off the road and replace them with something better.

Let's take the wheel.