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Obama's Auto Pitch: Crush Those Clunkers

Unveiling his far-reaching auto plan, President Obama gave a nod to a little-noticed movement in Congress to clear the roads of gas-guzzling clunkers best destined for the crusher.

It's an attractive idea. Think of it as: "Get the Jalopies off the Road."

The theory is simple enough: Reward owners for junking older-model fuel-slurping cars and light trucks and buying new "clean" vehicles that will use less fuel and release less carbon, the key culprit in global warming.

If done right, it delivers two benefits central to the president's goals. It would stimulate the sale of new vehicles and help fight global warming and other air pollution. If done poorly, it helps sell vehicles that are only minimally more efficient than the ones that are being scrapped.

Here are the options:

- The better way, which is more likely to achieve the environmental goal, rewards purchasers of new vehicles that are 25% more efficient than comparable cars and light trucks, if they are replacing vehicles that originally got 18 miles per gallon or worse. General Motors, Chrysler and Ford make at least one model that would be eligible. The primary sponsors are two Democrats, Reps. Steve Israel of New York and Jay Inslee of Washington State.
- The worse way -- aimed at simply selling more cars under the guise of clean air -- would provide a slightly more valuable incentive for replacing the inefficient vehicle with one that is only marginally more efficient. More than half of the cars in showrooms today meet the fuel economy levels set by the bill, so it would yield little environmental benefit. It is sponsored by Rep. Betty Sutton, an Ohio Democrat.

What do we get for our money?

With the Israel-Inslee bill, we get more efficient cars that cut the nation's oil addiction and global warming, while encouraging the American auto industry to compete more with foreign manufacturers. With the Sutton measure, we are putting on the road vehicles that are only slightly more efficient than the ones that are scrapped.

The first would save America 16.8 million barrels of oil a year, cutting carbon dioxide pollution by 9.8 million tons. The second? It is unclear whether it would bring about any meaningful oil or carbon reduction.

The Israel-Inslee proposal would encourage the driver of a seven-year-old SUV getting perhaps 14 mpg to scrap it and use the \$4,500 voucher the bill would provide to buy, say, a 32 mpg Ford Escape hybrid.

Sutton's would allow a driver to junk a vehicle getting, say, 25 mpg and use the \$4,000 voucher to buy one getting 27 mpg, as long as it was built in the United States.

Presenting his overall auto plan on Monday, Obama noted that "such fleet modernization programs, which provide a generous credit to consumers who turn in old, less fuel-efficient cars and purchase cleaner cars, have been successful in boosting auto sales in a number of European countries."

Without driving into the legislative weeds, it is easy to see that Obama has the opportunity to choose a twofer. Both bills will help Detroit sell cars. But only the Israel-Inslee bill will also help cut greenhouse gases.

That's a honey of a deal for Detroit, the country and the environment.