

THE GRAY LADY CALLS FOR A GAS TAX

The NYT has done some really crappy ass reporting on the auto crisis. But, credit where it's due, they're now calling for a gas tax (h/t Atrios). And their editorial not only advocates for what I consider a smart policy, but they hit the key issues: that it's not enough to force manufacturers to build energy efficient cars.

Yet for all the conditions attached to it, the multibillion-dollar aid package for Detroit's carmakers approved by the White House (with Mr. Obama's support) fails to address one crucial question: Who will buy all the fuel-efficient cars that Detroit carmakers are supposed to make?

The danger is that too few will, especially if gasoline prices remain low. Therefore, it might be time for the president-elect and Congress to think seriously about imposing a gas tax or similar levy to keep gas prices up after the economy recovers from recession.

They even note that Richard Shelby's beloved foreign manufacturers have an incentive to make gas guzzlers, too.

Furthermore, even if the government managed to convert General Motors, Chrysler and Ford to the cause of energy efficiency, cheap gas could open the door for a competitor – Toyota, perhaps? – to take over the lucrative market for gas-chuggers, leaving Detroit's automakers eating dust once again.

Of course, the editorial doesn't point out something equally important: that politicians aren't going to back this policy no matter how necessary, since it'll be politically unpopular.

But kudos to the NYT for pointing out that the
pols in DC have work of their own to do if
they're serious about their stated objectives
for the auto industry.