

## **Rollback Fuel Economy Standards? For Whose Benefit?**

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# Rollback Fuel Economy Standards? For Whose Benefit?

David L. Greene

Fuel economy improvements since 1975 have saved over a trillion and a half gallons of gasoline. That's enough to power all our cars and trucks for a decade. The savings to US motorists exceed four trillion dollars. That's more than \$35,000 for every household in the US.

Research we just completed at the Howard H. Baker, Jr. Center for Public Policy shows that for Americans at all income levels fuel savings far exceeded the costs of increasing the fuel economy. And as a percent of income, middle and lower income households saved the most. (<http://bakercenter.utk.edu/white-paper-on-the-impact-of-increased-fuel-economy-for-light-duty-vehicles/>)

Lower oil consumption and increased domestic production cut our nation's dependence on oil imports to less than 25%, the lowest level since before the first energy crisis in 1971. Reduced US demand and increased supply also helped bring down the price of oil and gasoline.

Saving trillions while reducing dependence on oil imports and protecting the environment would seem an obvious winner. It is, and Americans know it. That's why surveys for the past 30 years have consistently found overwhelming, broad, nonpartisan support for higher fuel economy standards. A June 2016 poll by *Consumer Reports* is typical: 85% of Republicans and 84% of Democrats agreed that automakers should continue to improve fuel economy for all vehicle types.

The standards the industry agreed to in 2012 can be met and, once again, at a cost far less than the value of fuel saved. Who says so? Not just the National Highway Traffic Safety Administration, the Environmental Protection Agency and the California Air Resources Board. The National Research Council, the branch of the National Academies of Science, Engineering and Medicine that has conducted impartial scientific studies on behalf of American citizens since it was created by Abraham Lincoln concluded that the Agencies' assessments were "thorough and of high caliber", and generally confirmed their estimates of the potential for technology to improve fuel economy.

And our most recent research shows that, once again, future standards will also benefit Americans at all income levels.

Rolling back the standards won't help the auto industry. Because the fuel savings are much greater than the cost of the fuel saving technology car makers will add to their vehicles, car buyers will have more money to spend on everything else, including cars.

So who will benefit from rolling back the fuel economy standards?

- Worse fuel economy won't put more money in the pockets of US consumers.
- More pollution won't help our environment.
- Greater dependence on imported oil won't make our nation more secure.

**Who benefits from more oil consumption and higher oil prices?**

**Those who own the oil.**

Dr. David L. Greene is a Senior Fellow at the Howard H. Baker, Jr. Center for Public Policy at The University of Tennessee and a Research Professor of Civil & Environmental Engineering. He served on all four National Research Council committees that have evaluated the US fuel economy standards over the past thirty years.