 Click to Print

[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)

Friday, September 4, 2009

Commentary

There's no end to replacing clunkers

Doug Bandow

The cash-for-clunker program is over. Finally, a successful government program. Offer people \$3 billion to buy new cars and -- surprise! -- they rush to grab the \$3,500 to \$4,500 checks.

But now the auto industry is worried about the inevitable post-subsidy drop in sales. Jeremy Anwyl, CEO of the automotive research group Edmunds.com, observes: "Nice party, but the hangover is awful."

There's also an impending downturn in the auto repair industry. There will be fewer used cars to sell and service because the clunkers program required the traded-in vehicles to be crushed. And if you rushed to buy a new car, there's a good chance you and others had to put off some other purchases.

The green eyeshade folks say the government shouldn't waste money like this in the future. But in the new ultra-Keynesian, post-budget deficit age, we need to think outside of the box. We need to expand the ambit of cash-for-clunkers.

Let's start big. The housing market remains in the doldrums. So why not a housing "cash-for-hovels" program? Trade in your old, environmentally poor house for a new, energy-efficient home and get a voucher for the value of your current property, plus \$50,000. The developer would be responsible for putting the wrecking ball to your old residence; the government would keep the land for subsequent resale.

With the rise of the Kindle, online books are a reality. So we need a bucks-for-books program for dusty old books, which have occasioned the death of so many trees. Buy a Kindle and get a \$20 check for every book you turn in while purchasing the new online version. Amazon.com would be responsible for creating central collection points, where books would be dumped after being torn in half to render them unusable.

The program also could be adapted for the antique and collectibles markets. A great deal of money, time, and resources are wasted as people shop in person and troll online for goods produced long ago -- meaning no jobs are created today.

Turn in your antique painting, chess set, silver service, china cabinet, stein, armoire, jewelry, and

more, and the government could pay you the value of your item plus provide a voucher for 10 percent of the purchase price of a modern replacement.

Uncle Sam would take title of the goods, for possible display at the Smithsonian. Constructing several new buildings to house the government's new acquisitions would generate additional jobs.

Let's not leave out airplanes. With the downturn in air travel, there is a surplus of older, less fuel-efficient aircraft. The government should provide a (large) check whenever an airline trades in an old aircraft for a new (preferably Boeing) plane. The discards could be used by the Pentagon for target practice. We'd have a stronger national defense as well as less pollution, reduced fuel consumption and more jobs.

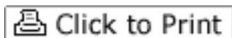
Finally, let's eliminate the build-up of fatty, and calorie-filled snack products in cabinets and refrigerators across America in a cash-for-calories plan. Bring in your potato chips or candy and get a check for their value, plus a coupon for use towards the purchase of apples, carrots or Brussels sprouts. Surrendered foods would be used by the surgeon general in an educational campaign against obesity.

And why stop with economics? Let's apply the concept to Capitol Hill. Toss out your clunker of a congressional representative and then -- and only then -- get some federal pork for your district. Talk about a clunkers program that would benefit America.

Doug Bandow is a senior fellow at the Cato Institute and a former special assistant to President Ronald Reagan. E-mail comments to letters@detnews.com

Find this article at:

<http://www.detnews.com/article/20090904/OPINION01/909040320/There-s-no-end-to-replacing-clunkers>



[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)

Check the box to include the list of links referenced in the article.