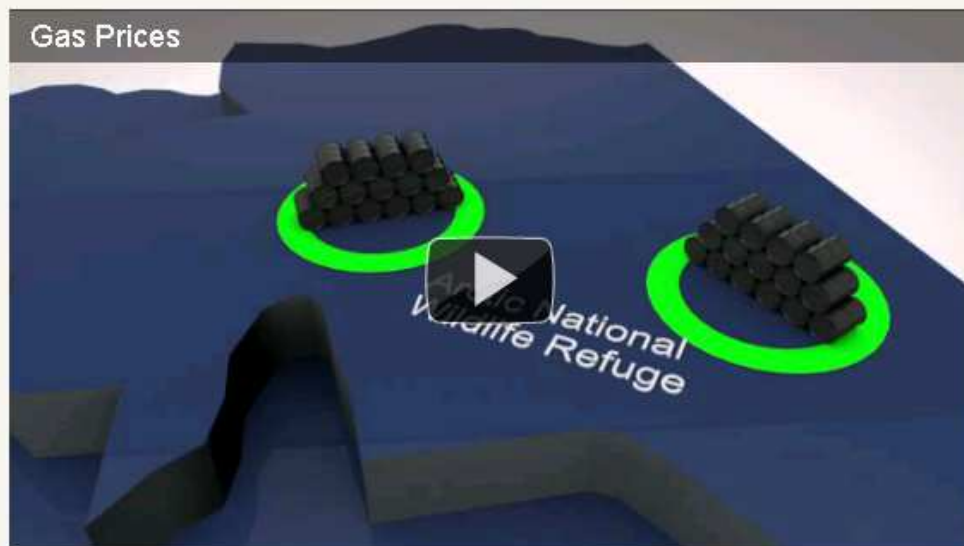


## ***Pain at the Pump***

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Most people have begun to notice gas prices creeping upwards (for a great analysis of why this is, check out [Carrie's great post](#) from last week.) If you'd prefer a visual explanation of the problem, I can't recommend this video by our friends at MomThink.org highly enough:



I'm not 100% sold on the energy independence argument – my friend Jerry Taylor at the Cato Institute has [a good explanation as to why energy security is a misnomer](#). However, it's abundantly clear that government intervention (red tape, restrictions on drilling, and refining capacity) has created havoc in the energy market.

Of course, let's not forget those pesky subsidies to "green" industries, which has further distorted the price of energy by interfering with price signaling. [Until last month, ethanol blenders were receiving a tax credit of 45 cents per gallon](#), at the same time the U.S. had a 54 cent per gallon tariff on ethanol imports from other countries (you know, to keep out those foreign competitors.) Was adding ethanol to gasoline ever really a wise business

decision, or did companies just use it for the tax write-offs and to hit their **renewable energy mandates** on paper?

I'd love to see the government back off its intervention in the energy market – both from direct intervention as well as from the tax carve-outs the oil and gas industry have received. No more picking favorites – PERIOD. When companies are under economic pressure to only bring technologies to market that are financially viable, we'll all be better off.