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POLITICS FROM THE NATION'S CAPITAL

E.J. Dionne praised the GM bailout as a success. Now read the facts about the GM Bailout

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Hoo boy, E.J. Dionne, the effervescent liberal optimist at The Washington Post, has pronounced it odd that opponents of President Obama's bailout of General Motors have not fallen to their knees and begged forgiveness for their opposition to the rescue of the United Auto Workers.



But let's let E.J. speak for himself. Here's how he put it in that Sunday column:

"Far too little attention has been paid to the success of the government's rescue of the Detroit-based auto companies, and almost no attention has been paid to how completely and utterly wrong bailout opponents were when they insisted it was doomed to failure."

Well, if we assume the Chevy Volt represents the heart of the justification for the Obama GM bailout strategy, then E.J. might want to reconsider his gloating.

Why? Despite Obama's billions of tax dollars shovelled to the bailout and his ceaseless campaign on behalf of alternative energy, the endless lectures of the American public by Big Green environmentalists, never-ending blandishments from the likes of the U.S. Environmental Protection Agency, and endorsements from every Politically Correct celebrity on either side of the Mississippi River, GM's Chevrolet Volt has sold exactly 1,703 cars.

That's through the end of April, according to Automotive News' data center. One thousand, seven hundred and three.

So, let's do some math, shall we? Obama spent \$50 billion bailing out GM so that, among other things, it could get the Volt to market and help lead Americans to that Clean Energy Paradise the Big Greeners and their political allies have been promising us for decades.

That means we taxpayers are shelling out approximately \$29.3 million for every Volt sold (Somebody please check my math here because I'm a word-guy, not a numbers guy. My point stands, though, even if I have a decimal point in the wrong place and it's actually \$2.93 million, or even \$293,000.).

Now there's something to brag about when discussing the successes of Big Government!

Of course, insuring that Chevy could offer the Volt was not the only reason Obama bailed-out GM, but ask yourself this: Would Obama have done it if he thought for one second that a rescued GM would only keep churning out Chevy Silverados, Cadillac Escalades and GMC Jimmys? I don't think so, either.

There are other ways to look at this issue, such as that of Cato's Daniel Ikenson, who argued last November that the true costs of the bailout go far beyond dollars and cents:

"The auto industry wasn't rescued with the GM bailout. GM was 'rescued.' By rescuing GM, the government overrode market forces, and there are significant costs to assign for that. Witness the stagnant economy with 9.6 percent unemployment.

"Is it not plausible that businesses are sitting on their cash and not investing or hiring because of the fear inspired by the government interventions starting with the bank and auto bailouts? It's more than plausible. The regime uncertainty that persists to this day was spawned by the GM bailout and other interventions."

Ikenson updates his thoughts on the GM bailout today, [here](#).

You can read the rest of E.J.'s column [here](#).