



Terence Corcoran: Intended media acceleration and the assault on Toyota

We should not forget the mass U.S. media and government thuggery assault on Toyota

By Terence Corcoran

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So that was that: One of the greatest episodes of U.S. media thuggery came to an end last week with Toyota taking a final hit, an unprecedented \$1.2-billion penalty and a sort of guilty plea to a charge of criminal wire fraud. For what? Not for any responsibility for accidents or deaths caused by its best-selling vehicles. Mostly Toyota is paying the price for being the victim of a monumentally unhinged media in cahoots with the U.S. government.

Let us not forget the unprecedented hysteria created by news organizations via sensational and inaccurate reporting, magazine covers claiming Toyota had a “checkered” safety history, reports of dozens of deaths due to something called “unintended acceleration” — the death reports mounting with each day of over-the-top coverage through the early months of 2010. Here’s what I wrote in February 2010:

There can be little doubt that Toyota, the world’s greatest automaker in recent years, has become the victim of much more than another typical out-of-control All-American media frenzy. When top-line political gamesman such as U.S. Transport Secretary Ray LaHood, Congressional pit bull Henry Waxman, and conniving United Auto Workers executives start piling on, this is clearly much bigger sport than the usual ritual public lynching of auto executives, a routine occurrence in Washington. The attack on Toyota, at this time of U.S. economic weakness and populist excess, is fast turning into a great American nationalist assault on a foreign corporation, an economic war.

Americans should simply “stop driving” Toyota cars, Mr. LaHood told a Congressional committee, before Toyota executives were brought in and asked to commit commercial hara-kiri on live network TV for their abject failure to design safe cars for American drivers. Never mind that Toyota had been found, in reports and assessments over the years, to have the best built and safest cars on the highways.

None of this should be forgotten, in part because nothing much has changed. In announcing its \$1.2-billion settlement, the U.S. Justice Department trumpeted its success in wrestling the

Japanese auto giant to the mat — even though the U.S. government, after millions in research by a phalanx of regulators and experts from the nation’s top science agencies, concluded that they could not identify anything beyond driver mistakes.

Rather than find Toyota guilty of shoddy design and safety violations, it ended up with a charge of failing to report possible causes of unintended acceleration. A headline on a column by Cato Institute fellow Walter Olson in *The Wall Street Journal* put it well: “Cost of safety violations: 0. Cost of paperwork violations: \$1.2-billion.”

The war on Toyota began in August of 2009 when the driver of a 2007 Lexus E350 experienced unintended acceleration and crashed the vehicle, killing four people. The cause of that accident turned out to be an improperly dealer-installed all-weather floor mat—and the wrong mat for the car. But that knowledge only came later, after a media assault turned that single accident into national panic over Toyota and unintended acceleration.

Theories spread and complaints mounted. At the peak of the media frenzy driver reports of acceleration problems soared, reaching 7,000 over a few months, with Toyota as the alleged cause of scores of accidents and malfunctions.

The complaints ranged from mysterious “sticky pedal” events to a cooked up computer geek scare that claimed the real acceleration problem lay in Toyota’s electronic throttle control (ETC) systems. None of it stood up to scientific review.

Among the agencies enlisted were NASA, the National Highway Traffic Safety Administration (NHTSA) and the National Academy of Sciences. They systematically shot down all the complaints and all the theories. Here’s what NHTSA had to say in a 2011 report about the electronic throttle control (ETC) theory: “Based on NASA’s evaluation of Toyota’s ETC system and NHTSA’s own review of data and examination of vehicles as explained in this report, NHTSA concludes that the Toyota ETC system does not have design or implementation flaws that could reasonably be expected to cause UA [unintended acceleration] events involving large throttle openings as described in consumer complaints to NHTSA.”

Another passage from the NHTSA report:

The 2007 Lexus ES 350 has undergone the most extensive testing... including all of the characterization testing discussed in this section, additional testing of the accelerator control circuits to detect anomalies, a broad range of EMC testing using the same parameters applied to the complaint vehicles, and specific testing of aspects of the vehicle’s operation mentioned in the complaint, NHTSA has not found any problems with the vehicle other than its susceptibility to pedal entrapment by the type of all-weather floor mat that was in the vehicle at the time of the incident.”

In his *Wall Street Journal* commentary, Walter Olson called the Toyota criminal charge “a billion dollar legal mugging.” It was a mugging orchestrated by the media and seized on by the Obama administration, in part because it served a useful purpose by knocking the wind out of

Toyota's momentum at a time when the recently rescued Government Motors needed all the help it could get.

But now the tables have turned. General Motors is in deep trouble over safety recalls. What should the government do? Already the call is out for Washington to go easy. In a Bloomberg Businessweek column, Paul M. Barrett warns that excessive financial punishment of GM—especially by plaintiffs lawyers looking for big bucks—would be counterproductive and amount to killing the golden goose. “Preserving a profitable GM, laying...er, producing new cars, is in everyone's interest.”

So was treating Toyota fairly and accurately in 2010. When waging economic war, it looks like nothing is fair.