

WORLD

Trading fuel efficiency for safety?

Government reports admits new car standards could lead to more deaths on the road

Joshua Schumacher
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MARY REICHARD, CO-HOST: It's Tuesday the 29th of March, 2022.

Glad to have you along for today's edition of *The World and Everything in It*. Good morning, I'm Mary Reichard.

NICK EICHER, CO-HOST: And I'm Nick Eicher.

First up ... fuel economy and driving safety.

Last year, car crash fatalities in the United States rose 12 percent as compared to the same period a year ago.

The Biden administration says it's prioritizing safety on American roads. But new regulations related to fuel economy could make driving *more* dangerous. WORLD's Josh Schumacher reports.

JOSH SCHUMACHER, REPORTER: Late last year, the National Highway Transportation Safety Administration—or NHTSA—proposed new “CAFE” standards.

Van Doren: CAFE standards. It's an acronym that stands for “corporate average fuel economy” ...

This is Peter Van Doren, a senior fellow at the Cato Institute. He says these standards basically require car companies to design new cars with a certain fuel efficiency. And they require those car companies to *average* a certain fuel efficiency across all their vehicle sales. If they sell too many big, not very fuel-efficient cars, and not enough smaller, very fuel-efficient cars, they face consequences—millions of dollars' worth of consequences.

The government's CAFE regulations aim to lower the carbon footprint of U.S. automobiles. But Peter Van Doren says that wasn't their initial purpose.

Van Doren: They were instituted in a law passed in 1975, during the first oil shock... And but anyway, it was a political

response to a political problem... Which is what, what are we going to do about gas prices?

An OPEC oil embargo had created a gas shortage in the United States, which raised the price of gasoline. Lawmakers wanted to lower prices and ease the shortage. But to do that, they had to get consumers to use less gas, in part by driving more fuel-efficient cars. But they didn't think Americans would go along without some kind of incentive.

Van Doren: Instead, Congress needed to pass something because gas prices were high. And we're not going to make consumers pay for it. We're going to make companies do something, right? To respond by making them make cars that are more fuel efficient.

Van Doren says the CAFE standards went into effect, and ... nothing really happened. Gas prices dropped during the mid 1980s and on through the '90s. And, since the political problem of gas prices went away, CAFE standards were basically forgotten... Until 2008. That's when the United States hit an economic recession. But that's not what really drove renewed interest in fuel efficiency.

Van Doren: The real shock was not that so much as the Supreme Court decision in Massachusetts v. EPA that said the EPA had to do something about climate change—about global warming.

CAFE standards were suddenly re-purposed to reduce C-O-2 emissions. And they've more or less stayed in place ever since.

But Van Doren says the CAFE standards don't have much of an effect on C-O-2 emissions. He says it would be more effective to increase the gas tax, which would encourage Americans to drive less. But that's political suicide.

Van Doren: [Laughs] Because people, people would see the price of gas going up because of a political decision. And they tend to vote negatively about that, particularly if they're Republican. And even Democrats aren't into telling their constituents that the price of gasoline needs to go up to change their behavior.

The CAFE regulations proposed by the Biden administration require all new vehicles together to average 48 miles per-gallon by 2029. But according to the NHTSA, that could have some deadly consequences.

The agency published a Preliminary Regulatory Impact Analysis in October estimating that new vehicle sales will drop by more than 2 percent once the regulations take effect. That's because more fuel-efficient cars cost more.

But older vehicles aren't as safe as newer vehicles. So, regulators say having fewer new cars on the road will lead to 1,800 additional deaths, 80,000 more injuries, and almost 300,000 more crashes involving property damage each year.

Although new cars have better safety features, they have one major drawback.

Andrew Nolte is a professor of political leadership at Regent University.

Dr. Nolte: The logic of the argument goes like this, the more you are trying to increase fuel efficiency by essentially making vehicles lighter, so that they can go further on each gallon of gas. And that decreases the weight of the vehicle. And lighter-weight vehicles tend to be a little bit less resistant to damage in crashes.

The NHTSA itself admits that occupants of larger cars are less likely to die in crashes than occupants of smaller cars.

And Nolte says consumers who really want to drive bigger cars will probably continue to demand those vehicles.

Dr. Nolte: There's no real evidence, for example, that if you're the type of person who's likely to buy a pickup truck fuel standards are going to decrease or SUV, changing fuel standards is not going to necessarily change your consumer behavior on that... [Pause] Bottom line is, yes, there is a possibility that traffic fatalities would increase, because of the MPG standards.

No matter what the government regulations say, Andrew Nolte says consumers are still responsible for the choices they make.

Dr. Nolte: Really more what what I think has has an impact is, you know, us as, as believers, and as, you know, consumers, who are believers really thinking through in a responsible way, and making choices of how we're going to spend our money, especially on big ticket items, based on a lot of these factors that come into play. Really, if we're going to solve both the safety issues, and the environmental issues, it sort of comes back to us, you know, making the right decisions and making smart decisions, doing our due diligence, and sort of, I would say, not relying on a government standard to solve the problem for us.

Reporting for WORLD, I'm Josh Schumacher.

