Cafe on the Left Bank: The Case Against C.A.F.E. Standards

By “Coach Vance” Trefethen

Corporate Average Fuel Economy (CAFÉ) standards were enacted by Congress in 1975 and took effect in the 1978 car model year. They set standards for the average fuel mileage per gallon (mpg) of all cars sold in the U.S. by each manufacturer. The average mpg of each manufacturer’s cars is compared to the standard, and if it’s lower, they have to pay a fine calculated by the amount they missed the standard times the number of cars they sold that year. The standards were increased in 2012 with a phase-in period, and the Obama administration promised a review in 2017 to discuss with representatives of the auto industry whether the 2025 targets were feasible.

As the clock ran out in the final days of Obama’s term of office, he simply ordered the standards to be kept as-is without conducting the review. Trump came to office promising to do something about the higher standards, but so far all he has committed to is reviewing them by Spring of 2018. Nobody is talking about repealing the standards altogether, and that would take an act of Congress.

This case argues that is exactly what Congress should do. CAFÉ standards raise the price of cars by fiating that new, more expensive, efficiency technologies must be used (or else by simply raising the price of the cars if they don’t meet the standard, by fining the manufacturer). This hurts the poor by raising the price of cars and it hurts the auto industry by decreasing demand for new cars, with higher prices. The most tragic impact is loss of life. Higher fuel mileage requires lighter cars with less solid materials protecting the passengers, resulting in thousands of needless vehicle accident fatalities every year.

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In many LD and Policy Debates, you the Judge are asked to choose between freedom and safety, or between money and lives lost, or some other trade-off of values. Sadly, Congress has managed to create a policy that reduces freedom, costs money and kills people all at the same time. You can improve all three by joining my partner and me as we affirm that that: The United States federal government should substantially reform its transportation policy.

OBSERVATION 1. DEFINITIONS.

**Policy**: “a high-level overall plan embracing the general goals and acceptable procedures especially of a governmental body” (*Merriam Webster Online Dictionary, copyright 2017* [*http://www.merriam-webster.com/dictionary/policy*](http://www.merriam-webster.com/dictionary/policy))  
  
**Substantial**: “considerable in quantity” (*Merriam Webster Online Dictionary, copyright 2017* [*http://www.merriam-webster.com/dictionary/substantially*](http://www.merriam-webster.com/dictionary/substantially)*)*

**Federal Transportation** **Policy**: Any policy administered by the US Dept. of Transportation

OBSERVATION 2. INHERENCY, the structure of the Status Quo.

FACT 1. Corporate Average Fuel Economy standards

Corporate Average Fuel Economy, or CAFÉ, sets standards for fuel economy of all cars sold in the US

Tim Benson & Joseph Bast 2016 (Benson – policy analyst in government relations with Heartland Institute. Bast – CEO of Heartland Institute.) “RESEARCH & COMMENTARY: CORPORATE AVERAGE FUEL ECONOMY (CAFE) STANDARDS” 17 Aug 2016 <https://www.heartland.org/publications-resources/publications/research--commentary-corporate-average-fuel-economy-cafe-standards>

CAFE imposes fees on car and truck manufacturers if they fail to achieve minimum targets for sales-weighted average fuel economy, which is expressed in miles per gallon (mpg). The 2012 CAFE standards mandate a current fuel economy of 35.5 mpg fleetwide. By 2025, CAFE will rise to 54.5 mpg fleetwide.

FACT 2. The US Dept. of Transportation

CAFÉ is administered by the Dept. of Transportation (DOT) through NHTSA

US Dept of Transportation 2014. “Corporate Average Fuel Economy (CAFE) Standards“ last updated 27 Aug 2014 https://www.transportation.gov/mission/sustainability/corporate-average-fuel-economy-cafe-standards

CAFE standards are regulated by DOT’s National Highway Traffic and Safety Administration (NHTSA).  NHTSA sets and enforces the CAFE standards, while the Environmental Protection Agency (EPA) calculates average fuel economy levels for manufacturers, and also sets related GHG standards.

FACT 3. Recently tightened

Just before leaving office, the Obama Administration tightened CAFÉ standards

David Kiley 2016 (journalist) 30 Nov 2016 FORBES magazine, EPA Moves To Firm Up Fuel Economy Regulations Before Trump Takes Office <https://www.forbes.com/sites/davidkiley5/2016/11/30/obamas-epa-moves-to-firm-up-fuel-economy-regs-before-trump-takes-office/#4578cd27c482>

The U.S Environmental Protection Agency on Wednesday announced it has finalized a plan requiring automakers to more than double their fleet-wide fuel efficiency by 2025, a move that comes earlier than expected and is seen as a measure to try to lock in part of President Obama's legacy before Donald Trump gets into the White House. The 2025 standards seek to slash greenhouse gas emissions and boost fuel efficiency to an average of more than 50 mpg for each automaker.

OBSERVATION 4. Our PLAN, implemented by Congress and the President

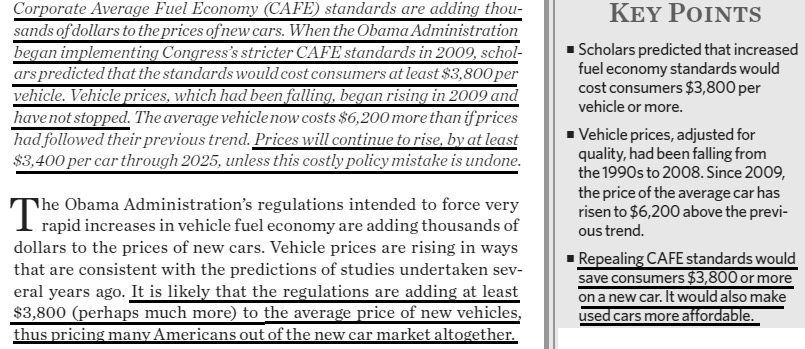
1. Congress votes to repeal all Corporate Average Fuel Economy standards.  
2. Plan takes effect 2 days after an affirmative ballot.  
3. Affirmative speeches may clarify

OBSERVATION 5. Comparative ADVANTAGES

ADVANTAGE 1. Less expensive cars.

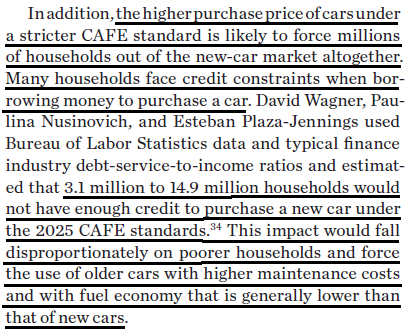
1. All Consumers Benefit. Repealing CAFÉ would save consumers $3,800 or more on new cars

Dr. Salim Furth and Dr. Davie W. Kreutzer 2016 (Furth – PhD; Research Fellow in Macroeconomics in the Center for Data Analysis, of the Institute for Economic Freedom and Opportunity, at The Heritage Foundation. Kreutzer – PhD; Senior Research Fellow for Energy Economics and Climate Change in the Center for Data Analysis) 4 Mar 2016 Fuel Economy Standards Are a Costly Mistake <https://www.heartland.org/publications-resources/publications/fuel-economy-standards-are-a-costly-mistake-1?source=policybot>



1. The Poor Benefit. Millions of poor households can’t afford to buy new cars under the new standards

Dr. Salim Furth and Dr. Davie W. Kreutzer 2016 (Furth – PhD; Research Fellow in Macroeconomics in the Center for Data Analysis, of the Institute for Economic Freedom and Opportunity, at The Heritage Foundation. Kreutzer – PhD; Senior Research Fellow for Energy Economics and Climate Change in the Center for Data Analysis) 4 Mar 2016 Fuel Economy Standards Are a Costly Mistake <https://www.heartland.org/publications-resources/publications/fuel-economy-standards-are-a-costly-mistake-1?source=policybot>



ADVANTAGE 2. Human safety

CAFÉ should be repealed because it kills and injures thousands of people every year

Chris Edwards & Gabriel Roth 2017 (Edwards - BA in Economics from Univ of Waterloo and MA in Economics from George Mason Univ.Roth - civil engineer, transportation economist, and a research fellow at the Independent Institute. During 20 years with the World Bank, he was involved with transportation projects on five continents ) “Federal Highway Policies” 1 Aug 2017 <https://www.downsizinggovernment.org/transportation/federal-highway-policies>

One Obama policy was to increase Corporate Average Fuel Economy (CAFE) mandates, which require automobile producers to reach certain national average miles-per-gallon thresholds for the automobiles they produce. The rules tend to push Americans into smaller cars, but that leads to more injury and death on the roads because vehicle size is related to safety. A National Academy of Sciences study concluded that CAFE's effect on vehicle size added 1,300 to 2,600 deaths annually and more than 10,000 serious injuries. A Brookings-Harvard study estimated that CAFE standards caused a 14 to 27 percent increase in automobile fatalities. As such, the Trump administration should work to repeal the CAFE mandates.

ADVANTAGE 3. More Freedom

Americans are better off without CAFÉ because there is no justification for its infringement on our freedom

Tim Benson 2017 (policy analyst at The Heartland Institute) 13 Jan 2017 “PRESS RELEASE: HEARTLAND INSTITUTE EXPERTS REACT TO NEW EPA FUEL STANDARDS” <https://www.heartland.org/news-opinion/news/press-release-heartland-institute-experts-react-to-new-epa-fuel-standards>

“The idea that consumers can be made better off by restricting their freedom to choose – the presumption that lies at the bottom of all proposals to impose or raise CAFE standards – is false. Consumers are better positioned than regulators to choose the size, fuel economy, and other features of the cars and trucks they buy. There is no public policy justification for taking away people’s freedom to choose their vehicles.”

ADVANTAGE 4. Jobs. Our plan saves tens of thousands of jobs because…

By raising the price of cars, CAFE loses between 22,900 and 137,900 automotive industry jobs by 2025

Dr. Sean P. McAlinden, Yen Chen, Michael Schultz, David Andrea 2016. (McAlinden – PhD; Vice President and Chief Economist at the *Center for Automotive Research*. Chen – master’s degree in economics and MBA; Senior Industry Economist in the Industry, Labor & Economics Group at Center for Automotive Research . Schultz – master’s degree in Applied Economics; Industry Economist with the Center for Automotive Research. Andrea – bachelor’s degree in business economics and MBA; Executive Vice President of Research for Center for Automotive Research (CAR) CAR is a non-profit, non-partisan research organization) Sept 2016, “The Potential Effects of the 2017-2025 EPA/NHTSA GHG/Fuel Economy Mandates on the U.S. Economy” <http://www.cargroup.org/publication/the-potential-effects-of-the-2017-2025-epanhtsa-ghgfuel-economy-mandates-on-the-u-s-economy/>

At $2.44 per gallon (constant, base-year 2015 dollars), the total value of fuel savings is $1,287, yielding a vehicle net price increase of $713, if the cost of the additional fuel economy technology is $2,000, and fully passed through to the consumer. This net price increase translates to a decline of 1.3 percent from baseline expenditure levels in 2025, entailing 630,000 lost sales versus the baseline forecast. With this fall in sales volumes, so too does production, and thus employment, decline. Overall this scenario entails a level of American automotive employment below the baseline by a total of 22,900. If the cost of fuel economy improvement is higher, the impacts are more severe. At a cost of $4,000, the market size is nearly 5.0 percent below the baseline, with lost sales of approximately 2.3 million units, production reduced by 1.3 million units, and automotive employment lowered by 83,600. Should the fuel economy mandate cost be $6,000 and gasoline $2.44 per gallon, the worst impact occurs, sales would be off by 3.7 million units, with dramatic production and employment effects: almost 2.1 million fewer vehicles would be produced and there would be 137,900 fewer automotive parts and assembly jobs in the United States.

2A Evidence: CAFÉ Repeal

TOPICALITY, DEFINITIONS & BACKGROUND

Federal commission on “transportation policy” says CAFÉ is a transportation policy

National Surface Transportation Policy & Revenue Study Commission 2009. (Congress created The National Surface Transportation Policy and Revenue Study Commission in 2005 under Section 1909 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act—A Legacy for Users (SAFETEA-LU). The Commission is comprised of 12 members, representing: Federal, state and local governments; metropolitan planning organizations; transportation-related industries; and public interest organizations) Final Report - Volume III: Section 1 - Technical Issues Papers <http://transportationfortomorrow.com/final_report/volume_3_html/technical_issues_papers/paper050f.htm?name=4d_02>

Changes in existing transportation-specific policies (increases in CAFE or fuel taxes) are likely to affect the HTF, either positively or negatively, depending on their design. Fuel tax increases could create more revenue that could be directed to the HTF. CAFE increases could reduce revenue under existing mechanisms as greater fuel efficiency would likely reduce revenue per mile of travel.

Literature confirms: Policy experts describe CAFÉ as “transportation policy”

Russ Harding 2011 (senior fellow in environmental and regulatory policy at the *Mackinac* Center for Public Policy) “EPA: It’s For Your Own Good” 11 Aug 2011 <https://www.mackinac.org/15545>

First to arrive from the Obama administration was the doubling of the [CAFE standard](http://www.mackinac.org/15499) for light trucks and automobiles, followed by the recently announced mandated 15 percent increase in efficiency for large trucks and 18-wheelers. The resolve of the Obama administration to dictate the future of transportation in America has not changed, but the marketing message has. Global warming is conspicuously absent or downplayed in the political messaging accompanying these massive changes is transportation policy because the scare mongering it comes with is increasingly a non-starter with the American public.

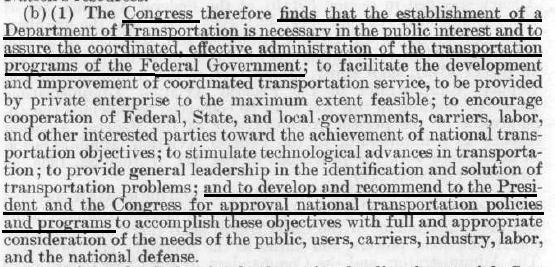
Fuel economy standards fall under National Highway Traffic Safety Administration (NHTSA)

NHTSA 2013. “Phase 1 - DOT and EPA Establish CAFE and GHG Emissions Standards for Model Years 2017 and Beyond” <https://www.nhtsa.gov/laws-regulations/corporate-average-fuel-economy#corporate-average-fuel-economy-cafe>

NHTSA and EPA have jointly issued a final rule establishing new requirements for a fuel economy and environment label that will be posted on the window sticker of all new automobiles sold in the U.S. The redesigned label provides expanded information to American consumers about new vehicle fuel economy and fuel consumption, greenhouse gas and smog-forming emissions, and projected fuel costs and savings, and also includes a smartphone interactive code that permits direct access to additional web resources.

US Dept of Transportation owns Transportation Policies, according to Congress

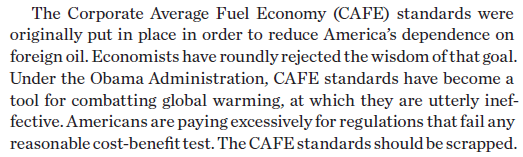
Department of Transportation Act 1966. (PL 89-670, the federal law that established the US Dept of Transportation) <https://www.gpo.gov/fdsys/pkg/STATUTE-80/pdf/STATUTE-80-Pg931.pdf>



OPENING QUOTES / AFFIRMATIVE PHILOSOPHY

No good justification for CAFÉ standards: They should be scrapped

Dr. Salim Furth and Dr. Davie W. Kreutzer 2016 (Furth – PhD; Research Fellow in Macroeconomics in the Center for Data Analysis, of the Institute for Economic Freedom and Opportunity, at The Heritage Foundation. Kreutzer – PhD; Senior Research Fellow for Energy Economics and Climate Change in the Center for Data Analysis) 4 Mar 2016 Fuel Economy Standards Are a Costly Mistake <https://www.heartland.org/publications-resources/publications/fuel-economy-standards-are-a-costly-mistake-1?source=policybot>



INHERENCY

Fed. Government fines auto manufacturers for missing the CAFÉ standards

Baruch Feigenbaum and Julian Morris 2017 (Feigenbaum – master’s degree in Transportation Planning; Assistant Director of Transportation Policy at Reason Foundation. Morris – VP of Research at Reason Foundation; master’s degree in economics.) 13 Jan 2017 “CAFÉ Standards in Plain English” <http://reason.org/studies/show/cafe-standards-in-plain-english>

Automakers who do not meet the CAFE standards can be fined. Currently, automakers that do not meet the standards are allowed to buy offsetting credits from automakers who meet the standards. NHTSA fined five automakers between 2010 and 2014. Jaguar-Land Rover paid $46.2M in fines followed by Daimler that paid $28.2M, Volvo that paid $17.4M, Porsche $4.8M and Fiat $3.6M. In 2016, with little notice and no public hearing, NHTSA announced plans to double the fines for failing to meet CAFE standards from $5.50 per 0.1 mpg to $14.00. The fine is applied to each 0.1 mpg the automaker falls short and multiplied by the number of vehicles sold in a model year.

A/T “Trump will roll back” – 1) only deals with 2025 increase, not CAFÉ itself. 2) Trump said “review” not roll back. 3) Uncertain it will happen: Trump can’t rollback with the stroke of a pen 4) will take a long time

CBS NEWS 2017. (journalist Jerry Edgerton) 8 Feb 2017 “Will Trump short-circuit the electric car market?” <https://www.cbsnews.com/news/will-trump-short-circuit-the-electric-car-market/>

“Loosening of the 2025 CAFE standards would unquestionably allow automakers to refocus their attention on combustion-only vehicles at the expense of affordable electric cars,” said Michael Harley, executive analyst for Kelley Blue Book. Any loosening of the standards is far from certain, however. After a review, the Obama EPA finalized the 2025 regulations, and changing them would require another lengthy review process. “Neither President Trump nor the next EPA administrator can roll back clean car regulations with the stroke of a pen,” said Roland Hwang of the Natural Resources Defense Council, who noted that the NRDC and other environmental groups would vehemently oppose such a step.

A/T “Trump will roll back” – 1) only deals with 2025 increases, not CAFÉ itself. 2) rollback will take forever: tied up in court

Ryan Felton 2017 (journalist) 10 March 2017 “[Here's What's Going On With The Possible Rollback Of Fuel Economy And Emissions Standards](http://jalopnik.com/heres-whats-going-on-with-the-possible-rollback-of-fuel-1793096315)” <https://jalopnik.com/heres-whats-going-on-with-the-possible-rollback-of-fuel-1793096315> (brackets added)

How Long Would It Take To Roll Back The Standards? Probably awhile. [California Gov. Jerry] Brown, for instance, hired former U.S. Attorney General Eric Holder to [fight any challenges to state policies](http://www.npr.org/sections/thetwo-way/2017/01/04/508265259/california-lawmakers-prepare-for-trump-hire-ex-attorney-general-eric-holder). And it’s expected to launch a protracted legal fight if Pruitt’s EPA takes any action to revoke its waiver. “He could go ahead and do it,” [Transportation Program Director at American Council for an Energy-Efficient Economy, Therese] Langer told Jalopnik, “but no question, litigation would follow. And that would take a long time to resolve.” Environmental groups have also indicated they would file suit against the administration if any attempts to roll back the standard is launched. The other option for Pruitt, regarding California, would be to revoke its authority altogether. That’d however require reopening the Clean Air Act, a hail mary of sorts that seems unlikely—at least to Langer.

HARMS / SIGNIFICANCE

1. A/T “Fuel standards save consumers/businesses money”

Illogical to think government knows better than business what their expenses are: If it saves money, they’d already do it

Russ Harding 2011 (senior fellow in environmental and regulatory policy at the *Mackinac* Center for Public Policy) “EPA: It’s For Your Own Good” 11 Aug 2011 <https://www.mackinac.org/15545>

The new message from the feds: trust us these new mandates will save you money — this from a government that has proven incapable of balancing its own budget.   The EPA is apparently convinced they know better than the trucking companies and builders of large truck engines how to save the industry money through increased fuel economy mandates. EPA officials must consider executives of those industries to be either ignorant or intentionally operating against their own best interests.

Negative net $32 billion impact when counting all the gains and losses from CAFÉ, considering fuel savings and higher vehicle costs

Dr. Sean P. McAlinden, Yen Chen, Michael Schultz, David Andrea 2016. (McAlinden – PhD; Vice President and Chief Economist at the *Center for Automotive Research*. Chen – master’s degree in economics and MBA; Senior Industry Economist in the Industry, Labor & Economics Group at Center for Automotive Research . Schultz – master’s degree in Applied Economics; Industry Economist with the Center for Automotive Research. Andrea – bachelor’s degree in business economics and MBA; Executive Vice President of Research for Center for Automotive Research (CAR) CAR is a non-profit, non-partisan research organization) Sept 2016, “The Potential Effects of the 2017-2025 EPA/NHTSA GHG/Fuel Economy Mandates on the U.S. Economy” <http://www.cargroup.org/publication/the-potential-effects-of-the-2017-2025-epanhtsa-ghgfuel-economy-mandates-on-the-u-s-economy/>

The average of the nine scenarios indicates that the average vehicle price in 2025, net of fuel economy costs and gasoline savings, will be $44,719. Across all scenarios the average impact on the baseline estimate of new light vehicle expenditures is a decline of 4.1 percent. This indicates a new market size $32 billion below the baseline, with an aggregate 2025 expenditure level of $760 billion, and a sales volume of 16.83 million – lower than the baseline estimate by 1.8 million. The average loss of $32 billion in the sales revenue model is a net loss to the industry. In other words, any so-called creation of employment because of higher mandated FE technology content is exceeded by even greater revenue loss due to lower sales. The output effect is far larger than any so-called substitution effect except in one scenario. The higher price already accounts for higher content, but it generates an even larger loss in vehicle content in terms of sales revenue and thus units.

1. A/T “Consumers under-value fuel savings, so government has to mandate it”

Consumers value fuel savings just fine: They’ll pay more for fuel efficient cars on their own. Don’t need government intervention

Dr. Peter van Doren 2017 (PhD; has taught at the Woodrow Wilson School of Public and International Affairs (Princeton), School of Organization and Management (Yale), and Univ of N. Carolina-Chapel Hill; former postdoctoral fellow in political economy at Carnegie Mellon Univ) 27 Mar 2017 “Regulation without Results” <https://www.cato.org/publications/commentary/regulation-without-results>

CAFE supporters claim that consumers don’t fully appreciate the value of good gas mileage. Specifically consumers are not willing to pay more initially for a vehicle that gets better gas mileage and has lower operating costs over the lifetime of the vehicle. Thus the government must mandate the production of more efficient vehicles. Are consumers myopic? Clemson University economist Molly Espey examined sales price data for 2001 model year cars [and found](https://object.cato.org/sites/cato.org/files/serials/files/regulation/2005/12/v28n4-noted.pdf) that consumers paid more than the fuel savings for different cars that, apart from gas mileage, were comparable. In [another paper](http://www.nber.org/papers/w21441), a team of researchers led by James M. Sallee of the University of California, Berkeley, examined monthly sales data for vehicles sold between July 1993 and June 2008 and found that consumers paid more for better mileage cars when fuel prices increased and paid less for them when fuel prices decreased. Consumers’ willingness to pay perfectly replicated expected future fuel costs without any government intervention.

No net fuel savings benefit: the benefits are offset by other costs

Dr. James M. Sallee, Prof. Sarah West and Wei Fan 2015 (Sallee – PhD economics; Assistant Prof., Dept of Agricultural & Resource Economics, Univ. of Calif.-Berkeley. West - Professor of Economics Public Finance, Environmental Economics & Urban Economics, Macalester College. Fan - Senior Vice President of Risk Management with RVI Group insurance) 11 Nov 2015 “Do Consumers Recognize the Value of Fuel Economy?” <https://www.cato.org/publications/research-briefs-economic-policy/do-consumers-recognize-value-fuel-economy>

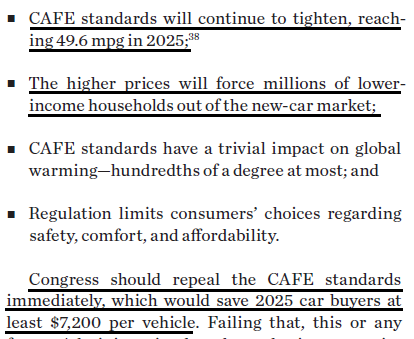
This crediting of fuel savings as a program benefit is often pivotal to the cost-benefit analysis. For example, pollution abatement represents only about 20 percent of the total benefits of the 2017–2025 CAFE standards, while fuel savings make up nearly 80 percent of the total benefits. Those fuel savings are estimated to be significantly greater than the total costs of adopting the requisite fuel-saving technologies. But, if consumers rationally value fuel economy, then this cannot be so, and some fraction of the benefits are, in fact, being offset by unaccounted for costs related to changes in vehicle design.

SOLVENCY / ADVANTAGES

Car cost savings

Congress should repeal CAFÉ immediately: Would save $7200 per vehicle in 2025

Dr. Salim Furth and Dr. Davie W. Kreutzer 2016 (Furth – PhD; Research Fellow in Macroeconomics in the Center for Data Analysis, of the Institute for Economic Freedom and Opportunity, at The Heritage Foundation. Kreutzer – PhD; Senior Research Fellow for Energy Economics and Climate Change in the Center for Data Analysis) 4 Mar 2016 Fuel Economy Standards Are a Costly Mistake <https://www.heartland.org/publications-resources/publications/fuel-economy-standards-are-a-costly-mistake-1?source=policybot>



Vehicle Deaths / Safety / Lighter Cars

CAFÉ forces manufacture of lighter cars, leading to more highway fatalities

Tim Benson & Joseph Bast 2016 (Benson – policy analyst in government relations with Heartland Institute. Bast – CEO of Heartland Institute.) “RESEARCH & COMMENTARY: CORPORATE AVERAGE FUEL ECONOMY (CAFE) STANDARDS” 17 Aug 2016 <https://www.heartland.org/publications-resources/publications/research--commentary-corporate-average-fuel-economy-cafe-standards>

The best way to achieve fuel economy is to build lighter cars. These lighter cars do not protect passengers as well as heavier vehicles during a traffic accident. [According to a 2002 National Academy of Sciences report](http://www.nap.edu/read/10172/chapter/1), “For every 100 lbs. reduction in vehicle weight in the average car or average light truck the change in overall motor vehicle crash deaths is 1.13 percent or 250 deaths.” The NAS study finds existing fuel economy mandates have caused 1,300 to 2,600 deaths annually since they have been in effect since 1978.

CAFÉ standards have killed between 50 to 100 thousand people in the last 38 years

Tim Benson 2017 (policy analyst at The Heartland Institute) 13 Jan 2017 “PRESS RELEASE: HEARTLAND INSTITUTE EXPERTS REACT TO NEW EPA FUEL STANDARDS” <https://www.heartland.org/news-opinion/news/press-release-heartland-institute-experts-react-to-new-epa-fuel-standards>

“Car and light-truck emissions in the United States account for only 1.5 percent of all human-caused greenhouse gas emissions, a fraction that will become even smaller as emissions from developing countries rise. Even the Obama administration’s rosiest of projections say CAFE standards will decrease global temperatures by only 0.007 to 0.018 degrees Celsius by 2100. Further, the lighter cars that are needed to meet the standards do not protect passengers during traffic accidents as well as heavier vehicles. The National Academy of Sciences estimates existing mandates have caused 1,300 to 2,600 deaths annually since they have been in effect since 1978, meaning they are responsible for between 50,000 and 100,000 fatalities over the past 38 years.

Freedom

Americans will be required to dramatically change their driving habits or it may be impossible to meet CAFÉ standards

Baruch Feigenbaum and Julian Morris 2017 (Feigenbaum – master’s degree in Transportation Planning; Assistant Director of Transportation Policy at Reason Foundation. Morris – VP of Research at Reason Foundation; master’s degree in economics.) 13 Jan 2017 “CAFÉ Standards in Plain English” <http://reason.org/studies/show/cafe-standards-in-plain-english>

NHTSA increased the CAFE standards to 41 mpg by 2021 and 49.7 mpg by 2025. The EPA’s standard of 163 g/mi of CO2-equivalent emissions effectively increased standards to 54.5 mpg by 2025. This 54.5 mpg 2025 standard is the first one benchmarked to emissions and not gasoline consumption. While NHTSA is required by law to consider “feasibility of available technology” for its fuel economy standards, the EPA has no such obligation for its standards. As a result, the EPA could mandate standards that are not technologically feasible using currently available technology. Some analysts argue the 54.5-mpg standards may not be technologically feasible while maintaining the current fleet mix (which is characterized by a high concentration of sport utility vehicles) and would necessitate a dramatic change in vehicle purchasing habits.

CAFÉ tries to make Americans buy vehicles they don’t want

Baruch Feigenbaum and Julian Morris 2017 (Feigenbaum – master’s degree in Transportation Planning; Assistant Director of Transportation Policy at Reason Foundation. Morris – VP of Research at Reason Foundation; master’s degree in economics.) 13 Jan 2017 “CAFÉ Standards in Plain English” <http://reason.org/studies/show/cafe-standards-in-plain-english>

As the standards become more complex and administratively burdensome, legitimate questions arise as to their suitability for achieving fuel efficiency and environmental objectives. Additionally, CAFE standards are increasingly at odds with Americans’ preference for larger vehicles, including trucks and SUVs, which are generally less fuel efficient, calling into question their feasibility.

Jobs

Details on how the Center for Automotive Research jobs study was conducted & funded

USA TODAY 2016 (journalist Nathan Bomey) 23 Sept 2016 “Study: Auto jobs would suffer under gas-mileage standards” <https://www.usatoday.com/story/money/2016/09/23/center-for-automotive-research-cafe-fuel-economy-standards-study/90902494/>

The Center for Automotive Research, which has historically received some funding from the auto industry but said this study was independently funded, said its analysis showed the U.S. economy losing auto manufacturing jobs in eight of nine scenarios. Researchers analyzed three price levels for gasoline, based on U.S. Energy Information Administration projections — $2.44, $3 and $4.64. They matched that with three different estimates for the average cost per vehicle required to meet the CAFE mandates — $2,000, $4,000 and $6,000. Only in the scenario in which gas hits $4.64 per gallon and the fuel-economy mandate cost is $2,000 would U.S. auto manufacturing facilities add jobs, gaining just 15,700, according to the projections. In most scenarios, however, the center projected that auto sales, production and jobs would fall because consumers would shy away from buying expensive, fuel-efficient new vehicles as fuel savings would be insufficient for the trade-off. The study estimated that, based on nine possible scenarios, annual U.S. auto sales could at best rise 410,000 units and at worst fall 3.71 million units. In three of the instances the CAR studied, sales would fall at least 3 million units. Dealership employment would at best rise by 18,000 workers and at worst fall by 99,000, the CAR estimated.

DISADVANTAGE RESPONSES

1. A/T “Consumers harmed without CAFÉ”

No net benefit to consumers with CAFÉ standards

Dr. Benjamin Leard, Dr. Joshua Linn and Dr. Yichen Christy Zhou 2017 (Leard – PhD in Applied Economics & Management, Cornell Univ. Linn –PhD in economics from M.I.T . Zhou – PhD economics, Univ. of Maryland) 14 June 2017 Do Consumers Benefit from Automobile Fuel Economy and Greenhouse Gas Standards? <http://www.rff.org/blog/2017/do-consumers-benefit-automobile-fuel-economy-and-greenhouse-gas-standards>

Our analysis indicates that new vehicle consumers undervalue fuel savings, paying about 54 cents for 1 dollar of future fuel savings. This undervaluation is consistent with an energy efficiency gap, and suggests that tighter standards benefit consumers. However, we find that consumers are willing to pay about $1,100 for a 1-second reduction in the time needed to accelerate from 0 to 60 miles per hour (a performance improvement of about 12 percent). Because consumers value performance so highly, the requirement for greater fuel economy means consumers must give up performance, leaving them worse off. On balance, tighter standards have had approximately zero effect on new vehicle buyers—the benefits to those consumers of addressing the energy efficiency gap and reducing fuel costs are roughly offset by the consumer costs of trading off performance for fuel economy.

1. A/T “Greenhouse gases”

CAFÉ has miniscule effect on greenhouse gas emissions

Tim Benson 2017 (policy analyst at The Heartland Institute) 13 Jan 2017 “PRESS RELEASE: HEARTLAND INSTITUTE EXPERTS REACT TO NEW EPA FUEL STANDARDS” <https://www.heartland.org/news-opinion/news/press-release-heartland-institute-experts-react-to-new-epa-fuel-standards>

Car and light-truck emissions in the United States account for only 1.5 percent of all human-caused greenhouse gas emissions, a fraction that will become even smaller as emissions from developing countries rise. Even the Obama administration’s rosiest of projections say CAFE standards will decrease global temperatures by only 0.007 to 0.018 degrees Celsius by 2100.

1. A/T “Air pollution”

CAFÉ doesn’t reduce air pollution. Turn: It may increase it

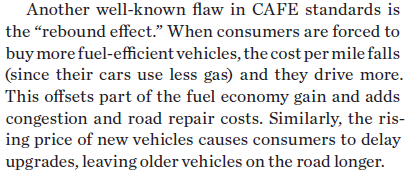
Tim Benson & Joseph Bast 2016 (Benson – policy analyst in government relations with Heartland Institute. Bast – CEO of Heartland Institute.) “RESEARCH & COMMENTARY: CORPORATE AVERAGE FUEL ECONOMY (CAFE) STANDARDS” 17 Aug 2016 <https://www.heartland.org/publications-resources/publications/research--commentary-corporate-average-fuel-economy-cafe-standards>

Limits on vehicle emissions of hydrocarbons, carbon monoxide, and nitrous oxide are set in grams per mile and are identical for every passenger car or light truck, as appropriate, regardless of their fuel economy. Higher CAFE standards, therefore, would not reduce air pollution. Higher CAFE standards could actually increase emissions by encouraging more driving – called the “rebound effect” – discouraging ride-sharing, and diverting investment and innovation from genuine breakthrough technologies into compliance with regulations that have little to do with real-world environmental effects.

1. A/T “Increased fuel consumption”

CAFÉ doesn’t reduce fuel usage as much as claimed, due to the “rebound effect”

Dr. Salim Furth and Dr. Davie W. Kreutzer 2016 (Furth – PhD; Research Fellow in Macroeconomics in the Center for Data Analysis, of the Institute for Economic Freedom and Opportunity, at The Heritage Foundation. Kreutzer – PhD; Senior Research Fellow for Energy Economics and Climate Change in the Center for Data Analysis) 4 Mar 2016 Fuel Economy Standards Are a Costly Mistake <https://www.heartland.org/publications-resources/publications/fuel-economy-standards-are-a-costly-mistake-1?source=policybot>



1. A/T “Oil imports”

No national security benefit: Reduction in oil imports would mostly reduce oil imports from our friends, not our enemies

Daniel Griswold 2011 (former director of the [Herbert A. Stiefel Center for Trade Policy Studies](http://www.freetrade.org/) at the Cato Institute in Washington; bachelor’s degree in journalism from Univ of Wisconsin at Madison and a diploma in economics and a master’s degree in the Politics of the World Economy from the London School of Economics ) 30 Mar 2011 “What’s Wrong with Imported Oil?” <https://www.cato.org/blog/whats-wrong-imported-oil>

The president talked in the speech about the goal of not being “dependent” on foreign suppliers, but most of our oil imports come from countries that are either friendly or at least not in any way an adversary. According to the U.S. Department of Commerce, one third of our oil imports in 2010 came from our two closest neighbors and NAFTA partners, Canada and Mexico. Another third came from the problematic providers in the Arab Middle East and Venezuela (none from Iran, less than one-third of 1 percent from Libya.) The rest came from places such as Nigeria, Angola, Colombia, Brazil, Russia, Ecuador and Great Britain. Even if, by the force of government, we could reduce our imports by a third, there is no reason to expect that the reduction would be concentrated in the problematic providers. In fact, oil is generally cheaper to extract in the Middle East, so a blanket reduction would probably tilt our imports away from our friends and toward our real and potential adversaries.

US benefits from importing oil: It’s cheaper than other alternatives, so consumers and businesses benefit

Daniel Griswold 2011 (former director of the [Herbert A. Stiefel Center for Trade Policy Studies](http://www.freetrade.org/) at the Cato Institute in Washington; bachelor’s degree in journalism from Univ of Wisconsin at Madison and a diploma in economics and a master’s degree in the Politics of the World Economy from the London School of Economics ) 30 Mar 2011 “What’s Wrong with Imported Oil?” <https://www.cato.org/blog/whats-wrong-imported-oil>

We Americans benefit tremendously from our relatively free trade in petroleum products. Like all forms of trade, the importation of oil produced abroad allows us to acquire it at a price far lower than we would pay if we had to rely more heavily on domestic oil supplies. The money we save buying oil more cheaply on global markets allows our whole economy to operate more efficiently. Oil is the ultimate upstream input that virtually all U.S. producers use to make their final products, either in the product itself or for shipping.

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