

[<<Back](#)



President Calls For New Fuel Rules

Posted: May 19, 2009 06:02 PM EDT



Move over gas guzzlers: the future of the American auto industry is lean and green.

President Obama unveiled sweeping fuel economy and emissions standards.

They are designed to literally reshape what Americans drive in the future.

It's the first nationwide standard - forcing all automakers who sell in the U.S. to meet a fleetwide average of 35.5 miles per gallon by 2016.

That's four years ahead of what Congress previously mandated.

Passenger cars must average 39 miles per gallon.

Light trucks - 30 miles per gallon.

The administration says the move saves nearly two billion barrels of oil and reduces greenhouse gases by the equivalent of taking over 100 million cars and trucks off the road.

The president says this agreement bridges a huge gap.

President Barack Obama: "This proposed national policy under two agencies and bringing together 14 states and 10 auto companies, as well as auto workers and environmental groups changes all that. The goal is to set one national standard that will rapidly increase fuel efficiency without compromising safety."

The president made the announcement surrounded by the heads of ten automakers, including the Big 3.

As Mona Shand explains, despite the dire condition of the industry, experts say these are changes they can't afford not to make.

Drive. Fill up. Repeat.

It's a drill many of us go through all too often.

But that will soon change thanks to new nationwide fuel economy standards.

Ilhan Geckil, Anderson Economic Group: "It's a very positive development for the industry, for automakers, and for our economy I believe."

Economist Ilhan Geckil says GM and Chrysler have no choice but to get on board with President Obama's plan since he controls their fate.

Ilhan Geckil, Anderson Economic Group: "He's saying right now, 'I'm helping you out of this economic crisis, and this is what I want you guys to do.'"

But while these changes mean you'll eventually be saving money here at the pump, you will have to pay the price in other ways.

Ilhan Geckil, Anderson Economic Group: "In the short term I believe that car prices will be more expensive at every level."

Experts estimate the changes will cost the industry \$100 billion, and consumers an average of \$1,300 on every new car.

But Geckil says it's a worthwhile investment no matter what happens to prices at the pump.

Ilhan Geckil, Anderson Economic Group: "It's going to create new demand for vehicles, and it's going to be a boost for car sales as well."

A greener, but more expensive future for struggling automakers.

And fewer trips to the gas station.

Changes driven by the white house, coming soon to a road near you.



All content © Copyright 2000 - 2009 WorldNow and WLNS. All Rights Reserved.
For more information on this site, please read our [Privacy Policy](#) and [Terms of Service](#).