

The Truth about Cash for Clunkers

The person who calculated this bit of information has been a professor at the University of West Virginia in Morgantown for the last 40 years.

- A clunker that travels 12,000 miles a year at 15 mpg uses 800 gallons of gas a year.
- A new vehicle that travels 12,000 miles a year at 25 mpg uses 480 gallons of gas a year.
- So, the average Cash for Clunkers transaction will reduce gasoline consumption by 320 gallons per year.
- The government claims 700,000 clunkers have been replaced so that's 224 million gallons saved per year.
- That equates to a bit over 5 million barrels of oil.
- 5 million barrels is about 5 hours worth of US consumption.
- More importantly, 5 million barrels of oil at \$70 per barrel costs about \$350 million dollars.
- So, the government paid \$3 billion of our tax dollars to save \$350 million.
- Americans spent \$8.57 for every \$1.00 we saved.

Was the real objective to force Americans into “green” cars that do not sell unless forced onto the American public?

Or

Redistribution of wealth as Americans are forced to buy cars made in other countries?