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PRINTER-FRIENDLY FORMAT
SPONSORED BY**December 28, 2008****OP-ED COLUMNIST**

Win, Win, Win, Win, Win ...

By **THOMAS L. FRIEDMAN**

How many times do we have to see this play before we admit that it always ends the same way?

Which play? The one where gasoline prices go up, pressure rises for more fuel-efficient cars, then gasoline prices fall and the pressure for low-mileage vehicles vanishes, consumers stop buying those cars, the oil producers celebrate, we remain addicted to oil and prices gradually go up again, petro-dictators get rich, we lose. I've already seen this play three times in my life. Trust me: It always ends the same way — badly.

So I could only cringe when reading this article from CNNMoney.com on Dec. 22: "After nearly a year of flagging sales, low gas prices and fat incentives are reigniting America's taste for big vehicles. Trucks and S.U.V.'s will outsell cars in December ... something that hasn't happened since February. Meanwhile, the forecast finds that sales of hybrid vehicles are expected to be way down."

Have a nice day. It's morning again — in Saudi Arabia.

Of course, it's a blessing that people who have been hammered by the economy are getting a break at the pump. But for our long-term health, getting re-addicted to oil and gas guzzlers is one of the dumbest things we could do.

That is why I believe the second biggest decision Barack Obama has to make — the first is deciding the size of the stimulus — is whether to increase the federal gasoline tax or impose an economy-wide carbon tax. Best I can tell, the Obama team has no intention of doing either at this time. I understand why. Raising taxes in a recession is a no-no. But I've wracked my brain trying to think of ways to retool America around clean-power technologies without a price signal — i.e., a tax — and there are no effective ones. (Toughening energy-efficiency regulations alone won't do it.) Without a higher gas tax or carbon tax, Obama will lack the leverage to drive critical pieces of his foreign and domestic agendas.

How so? According to AAA, U.S. gasoline prices now average about \$1.67 a gallon. Funny, that's almost exactly what gas cost on the morning of Sept. 11, 2001. In the wake of 9/11, President Bush had the political space to impose a gasoline tax, a "Patriot Tax," to weaken the very people who had funded 9/11 and to stimulate a U.S. renewable-energy industry. But Bush wimped out and would not impose a tax when prices were low or a floor price when they got high.

Today's financial crisis is Obama's 9/11. The public is ready to be mobilized. Obama is coming in with enormous popularity. This is his best window of opportunity to impose a gas tax. And he could make it

painless: offset the gas tax by lowering payroll taxes, or phase it in over two years at 10 cents a month. But if Obama, like Bush, wills the ends and not the means — wills a green economy without the price signals needed to change consumer behavior and drive innovation — he will fail.

The two most important rules about energy innovation are: 1) Price matters — when prices go up people change their habits. 2) You need a systemic approach. It makes no sense for Congress to pump \$13.4 billion into bailing out Detroit — and demand that the auto companies use this cash to make more fuel-efficient cars — and then do nothing to shape consumer behavior with a gas tax so more Americans will want to buy those cars. As long as gas is cheap, people will go out and buy used S.U.V.'s and Hummers.

There has to be a system that permanently changes consumer demand, which would permanently change what Detroit makes, which would attract more investment in battery technology to make electric cars, which would hugely help the expansion of the wind and solar industries — where the biggest drawback is the lack of batteries to store electrons when the wind isn't blowing or the sun isn't shining. A higher gas tax would drive all these systemic benefits.

The same is true in geopolitics. A gas tax reduces gasoline demand and keeps dollars in America, dries up funding for terrorists and reduces the clout of Iran and Russia at a time when Obama will be looking for greater leverage against petro-dictatorships. It reduces our current account deficit, which strengthens the dollar. It reduces U.S. carbon emissions driving climate change, which means more global respect for America. And it increases the incentives for U.S. innovation on clean cars and clean-tech.

Which one of these things wouldn't we want? A gasoline tax "is not just win-win; it's win, win, win, win, win," says the Johns Hopkins author and foreign policy specialist Michael Mandelbaum. "A gasoline tax would do more for American prosperity and strength than any other measure Obama could propose."

I know it's hard, but we have got to stop "taking off the table" the tool that would add leverage to everything we want to do at home and abroad. We've done that for three decades, and we know with absolute certainty how the play ends — with an America that is less innovative, less wealthy, less respected and less powerful.

Maureen Dowd is off today.

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