

RISING GAS PRICES: Per-Gallon Perspective

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As the price of gasoline marches ever upward toward \$3 a gallon, here are some things to think about while the numbers flash past at the pump:

- Politicians used to fear a consumer revolt and electoral backlash if prices ever hit \$2 a gallon. Now, that would be a relief.
- Personal mobility is a value to the vast majority of Americans. We will put up with a lot -- and pay a lot -- to protect our freedom to go where we want, when we want in our own conveyance. If that changes because of soaring gasoline prices, Detroit's in real serious trouble, and that's spelled j-o-b-s.
- Personal mobility is a necessity for people who have moved far from core cities or live in rural areas. It makes employment possible for people in areas such as Detroit that are underserved by poorly supported mass transit. High gasoline prices force the hardest choices on the poor.
- Gasoline prices sting a little less at the pump when you pay by credit card. But are you now paying interest on the gasoline, too? Are you, in effect, borrowing to fill up?
- It is still true that gasoline is cheaper in the United States than anywhere else, but when you consider how much more of it we consume than anybody else, that's a wash. It also means that spiking prices are more likely to force lifestyle changes in America than elsewhere, because our lives are gasoline-powered.
- Adjusted for inflation, gasoline was more expensive in the early 1980s. Sure doesn't seem like it, though.
- The United States is by far the world's largest producer of energy in all forms, from oil to hydroelectric to solar and wind power. Yet we consume 38% more than we make, and our appetite is growing. How long can we maintain this imbalance, especially with China and India rapidly increasing their appetites? Is \$3 a gallon when we get serious about going on a diet -- or will we just get aggressive about going after other sources?
- It's easy to blame high gasoline prices on Arab oil magnates, but America's biggest supplier is Canada, followed by Mexico. Saudi Arabia is third.
- Are high-tech employers ready to encourage telecommuting?

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