

Bad Air

Cleaner vehicles are here — so why is the industry turning out gas guzzlers?

BY ROBERT WORTH

WALKING DOWN HARLEM'S 125th street is like stepping back into the history of black America. As you dodge past the vendors and musicians who line the curb near the Apollo theater, the street names alone conjure up a legendary past: Frederick Douglass, Adam Clayton Powell Jr., Malcolm X. But unless you live nearby, you're likely to notice something else first: the filthy air. Diesel trucks and buses charge along Harlem's great boulevard, belching out sooty, foul-smelling clouds of smoke. Six of New York's seven bus depots are north of 96th street, and trucks — barred from the West Side highway — thunder through the neighborhood at all hours of night and day. When EPA officials measured Harlem's air in late 1996, they found levels of pollution that exceeded federal air quality standards by 200 percent.

This kind of pollution is more than unpleasant. A growing body of medical research links the sooty particulates found in diesel fumes to asthma, lung cancer, and other respiratory diseases. These studies led the California Office of Environmental Health Hazards Assessment to issue a report in March officially declaring diesel exhaust a "toxic air contaminant." Meanwhile, gasoline exhaust remains a major health risk as well. A study conducted by a group of New York City doctors in 1996 found that the primary cause of asthma-related emergency-room visits was smog and soot from all motor vehicles — cars as well as diesel buses and trucks. That's not news to residents of Harlem, where asthma rates in some neighborhoods are 12 times the national average, and children die of lung ailments at rates far above the rest of the country.

Back when the U.S. environmental movement first started gathering steam 30 years ago, motor

vehicles were a target for two reasons: They contributed to air pollution, and they weren't practical, because fossil fuel supplies were rapidly dwindling. The second argument melted away with the discovery of new oil reserves, and it's not likely to come back while gas remains as plentiful as water, and almost as cheap. (Actually, gas is now about a fourth the price of Evian.)

Yet the first threat has only expanded. In late April the Centers for Disease Control and Prevention reported that the number of asthma cases in the U.S. rose 75 percent between 1980 and 1994, while the death rate for children rose 78 percent, in part due to air pollution. Almost simultaneously, the EPA released a study suggesting that it could not meet its air quality goals without cleaner vehicles. It's not that we haven't already made progress; thanks to catalytic converters and other pollution control technology, the average vehicle of today is a lot cleaner than it was in 1970. But the four-wheeled population has literally exploded. The total number of vehicle miles traveled has almost tripled in the past 25 years, virtually erasing some of our achievements in pollution control. (In fact, emissions of nitrogen oxide — the main cause of smog — increased during that period.) Meanwhile, the threat of global warming is getting larger and more plausible every year. Motor vehicles play a major role, because the fossil fuel they burn accounts for the single largest portion of the man-made "greenhouse gases" that help to heat the atmosphere and may ultimately change the Earth's climate in catastrophic ways.

So why haven't we done more? Low emission cars are finally on the market, and they're not just electric go-carts anymore. Natural gas, a much cleaner and soot-free alternative to gasoline, has been an option for almost a decade. It's also cheaper than gasoline (despite higher upfront costs for

converting fuel tanks), so it should be an obvious choice for owners of fleets, which constitute a large percentage of the traffic in smog-heavy urban areas. And it's starting to happen: The Postal Service now runs 7,400 natural-gas vans throughout the country, and UPS has almost a thousand. New York and other cities have begun converting taxis and buses and putting in public natural-gas stations that anyone can use. Meanwhile, technology for cutting gasoline-engine emissions and improving fuel economy has shot forward in the past few years. And most of the major automakers have electric vehicles on the road. California has reduced its vehicle emissions (and its smog problem) in recent years by encouraging these new technologies and mandating a low-sulfur gasoline that helps to keep even ordinary cars much cleaner.

Yet despite these advances, tailpipe emissions remain a major source of air pollution. Why? Follow the money. Ford now makes as much as \$15,000 on every single Expedition it sells. Other companies make equally staggering sums on their sport-utility vehicles. Sport-utes pollute more and pose more danger to other drivers than any other class of cars, and they're the fastest-growing class of vehicles on the road. Thanks to their classification as "light trucks," they enjoy special tax breaks, protection from foreign competition, and much looser pollution standards than ordinary cars. "Americans love their trucks," says Barbara Kiss, staff engineer for the American Automobile Manufacturer's Association (AAMA). "We're just looking to make customers happy." But the automakers aren't quite the passive caterers they claim to be. They created the SUV market, pumping almost a billion dollars a year into advertising, when they saw how much profit the "light truck" loophole would bring them. Drunk on this windfall, the major automakers are finding new ways to game the fuel economy rules, and even looking to have them abolished.

Of course, sport-utes aren't just the creatures of corporate greed. They're popular because — why not admit it? — they're fun to drive. And with gasoline so cheap, car buyers who ask about fuel economy come off sounding like guests at a 1970s theme party. Nor do exploding asthma rates or global warming mean much when you're cruising down the freeway in a car the size of a tank, safely insulated from the worries of your fellow citizens. But you have to wonder: Should our government really be subsidizing that kind of fun at the expense of clean air?

The Sporting Life

When asked about air pollution, auto industry lobbyists will tell you that they're leading the charge. In January 1998 they finalized a set of voluntary regulations that will, they claim, make their new cars considerably cleaner. In fact, they'd like these new regs to take the place of the EPA's next scheduled round of tailpipe emission standards, which will be finalized later this year and are slated to kick in after 2004. "We just volunteered to make our cars 50-70 percent cleaner than 1994 models," one industry spokesman told me pitifully, "and now they're saying we may have to do more?"

What the car guys won't tell you is their new "voluntary" standards don't change the loopholes in the 1990 Clean Air Act legislation that permitted the sport-utility craze to bloom. Sport-utes are allowed to emit five and a half times more nitrogen oxides than cars, and to guzzle gas like tractors. The industry is opposing California's new effort to impose tougher standards on sport-utes, despite the fact that these vehicles are much more likely to be used by housewives in Carmel than the hay-hauling farmers on whose behalf the loopholes were written. In fact, sport-utes now constitute roughly half of all vehicles sold in the U.S. Amazingly, the automakers still cling to the excuse that sport-utes need special regulatory treatment. "We have to design it for the worst-case scenario," says Barbara Kiss.

Automakers are also in denial about global warming, which their 1998 emission standards don't acknowledge at all. According to a research paper presented last fall by an EPA official, sport-utilities and trucks will account for the biggest increase in greenhouse gas emissions by the U.S. over the next two decades, and present a significant obstacle to meeting the Kyoto global warming accords negotiated last December, under which the U.S. would reduce its greenhouse gas emissions to 7 percent below their 1990 levels over the next 15 years. In fact, sport-utes consume so much gas that even under the current lax regulations the big three are in danger of failing to meet their fleet average fuel economy standards. (And the biggest sport-utes don't even count in the average, because they're too heavy to qualify as "light trucks.") Recently automakers won fuel economy credits from the government for building sport-utes that can run on ethanol as well as gasoline, even though ethanol is almost impossible to find at filling stations. And a few months ago GM, in danger of failing to meet its fuel economy standards, pulled another stunt: It shifted its biggest sport-ute, the Suburban, into the 1999 model

year. "That's a little like the Yankees moving all their losing games into next season, so they can win the World Series this year," says Daniel Becker, the Sierra Club's energy policy director.

Raising fuel economy standards for light trucks — as California has proposed to do — would put a big dent in our greenhouse gas emissions. Corporate Average Fuel Economy (CAFE) standards doubled between 1979 and 1985, thanks to the long shadow of the OPEC oil embargo. They've stagnated since then. The automakers say standards are as high as they can go, and raising them now would bankrupt carmakers. But that's what they said in 1974. And this time the excuse is even thinner, since the European divisions of Ford and GM have just agreed to produce higher-MPG models. "Now that we need to find ways to stop global warming, the first place to look is passenger vehicles," says Roland Hwang, transportation director for the Union of Concerned Scientists, "and the way to do it is with CAFE, because we know it works, and it's in place right now."

Meanwhile, the oil industry has embarked on a last-ditch effort to challenge the science behind global warming. They may not get far, since the scientific basis for global warming is getting stronger every year. But in late April *The New York Times* gained access to an ambitious draft proposal by the American Petroleum Institute outlining a wide-ranging opposition to last December's Kyoto accords. They've already gained some support in Congress, where Republicans have made a fuss about the fact that developing countries like China, which could soon be the Godzilla of polluters, have not signed on.

That's true. But it's also true that China is on the verge of a massive growth spurt in road-building and investment; their auto industry may soon rival ours. If we could show them that cleaner vehicles would make economic sense — as well as cut back their own growing rates of asthma and pulmonary disease — the whole world would benefit. If we can't, they're more likely to go with traditional, high-polluting technologies. If that happens, all bets are off on global warming.

California Rules

In the meantime, the U.S. auto industry will keep churning out gas guzzlers unless the EPA's new regulations force them to clean up their act. "That's going to be a big policy debate," says Mike Walsh, director of the EPA's air and radiation division from 1977 to 1981. If the EPA's proposal — due out in December 1998 — includes demands that they start manufacturing cleaner cars, we'll hear a loud chorus of the industry's favorite line: You can't force the market.

But they should know better. Both the catalytic converter (the single largest contribution to cleaner gas-powered cars in the past 30 years) and the safety airbag were created in response to regulators' demands. In each case the industry balked, but the engineers did the job in less time and for far less money than anyone — even the regulators — had expected.

That doesn't mean that carrots can't work as well as sticks. Last year New York state legislators passed a tax credit that helps taxi

fleet owners pay for the higher upfront costs of switching to natural gas. "The next step is developing more incentives to encourage fleets and other high-mileage users to adopt alternative fuels," says Richard Kassel, a senior attorney at the National Resources Defense Council, which led a lobbying drive for the bill.

Some of the regulators' greatest triumphs have occurred in California, which has had a separate track on Clean Air legislation since 1973. In 1990 the California Air Resources Board (CARB) wrote emission standards that were considerably stronger than those in the rest of the country and demanded that carmakers start producing cars to conform to them. They also forced oil companies to cut the sulfur content of all gasoline sold in the state by a factor of 10, since lower-emission cars are very sensitive to sulfur. But the most startling new rule was a demand that the seven major automakers make 2 percent of their fleets emission-free by 1998. The percentage would rise to five in 2001, and 10 in 2003. In effect, this meant making electric cars, the only zero emission vehicles for the foreseeable future.



PHOTO COURTESY OF TOYOTA

Revenge of the Nerds: Toyota's E-Cell

Predictably, the industry went berserk. CARB's demand was "technology forcing," they said; the regulators were way out of bounds. Nonetheless, the law was the law, and they went ahead — particularly GM, whose outgoing chairman, Roger Smith, had famously promised to put an electric vehicle on the market in 1990. GM executives winced, but the engineers honored Smith's promise. GM poured \$345 million into a frantic engineering project that resulted, after five years, in a sleek "electric corvette" called the EV1 that could do zero to 60 in 8.5 seconds, all without making a sound or emitting a single noxious gas.

Of course, the EV1's short range and lengthy recharge time meant that the electric family car was still a long way off. But the mandate brought it a lot closer. And California's regulations also pushed automakers to bring a wide range of more practical low-emission vehicles to market. "In 1993 the big three said we cannot get to ULEV (ultra-low emission vehicles) with an internal combustion engine," says Sheila Lynch, executive director of the Northeast Alternative Vehicles Consortium. "Now Honda is already marketing a ULEV car, and all the other automakers are developing them." Honda is also marketing the first 50-state natural gas vehicle. Meanwhile, hybrid gas-electric cars are on the market in Japan and Europe and should reach the U.S. in a year or two. These cars suffer from none of the impracticality of pure electrics, because the engine (and the brakes, on some cars) recharges the battery continuously. Although they can be gassed up at any Texaco station, they cut down emissions drastically, and unlike other low-emission cars they cut carbon dioxide (the main culprit in global warming) by half. The Society of Automotive Engineers did a survey at a 1996 conference, and found that most engineers believe that hybrid vehicles will be 40 percent of the market within 10 years.

Further down the road are fuel cells, which can serve as a kind of refillable battery for electric cars. They're still too expensive for passenger cars, but three prototypes are already in use on buses in Chicago. Unlike the current crop of electric car batteries,

which are hefty and not really emission-free (because the power plants they rely on create smog), fuel cells will ultimately run on hydrogen, an unlimited natural resource, and release only water vapor as exhaust. It may sound like one of Al Gore's private fantasies, but auto engineers will tell you without blinking that the fuel cell is the successor technology to the internal combustion engine.

Inspired by California's move toward the new technologies, the 12 northeastern states and Washington D.C. began to lobby for their own tougher standards soon after the passage of the 1990 Clean Air Act. These states had a shared and worsening pollution problem, thanks in part to the borderless cloud of smog-forming ozone (not to be confused with the beneficent ozone layer high in the stratosphere) that hangs over the car-choked Eastern seaboard. (It's not all because of cars; drifting pollution from midwestern power plants is another problem.) During the summer of 1988 ozone levels in Maine's pristine Acadia National Park had risen "so high," according to congressional testimony, "that they would produce smog alerts if they occurred in downtown Los Angeles." Ten years later, "we have a lot of days when it's difficult to breathe here," says Sonya Hamel, director of

air quality for the Massachusetts Department of Environmental Conservation. "There are 750,000 people in this state who have serious respiratory problems or are seriously affected by poor air quality." In 1993 the northeastern states began lobbying for a collective shift to California standards.

The automakers responded by stepping up their campaign against California's regulations. Sam Leonard, one of GM's top guns, had been influenced in college by Ayn Rand's novel *Atlas Shrugged*, in which a brilliant engineer develops a pollution-free vehicle but refuses to release it to a society obsessed with government regulations. As the engineers perfected the EV1, Leonard and his fellow lobbyists took their cues from Rand's novel, praising the car but fiercely protecting it from potential buyers (even today, with the car available to consumers, GM is widely accused of refusing to market it.)



PHOTO COURTESY OF TOYOTA

No sport, utility: Toyota's electric RAV-4

In 1995 CARB backed down and dropped its zero-emissions mandate for 1998 (though the 10 percent requirement for 2003 remains in place). But the big automakers weren't satisfied; they wanted to stop the northeastern states from accepting *any* of the California regulations. They proposed their own set of regs, which was tagged a "voluntary" new national standard (since EPA was explicitly forbidden in 1990 from creating new regs until 2004). Most of the states accepted the industry's new standard, known as NLEV, but New York, Massachusetts, Maine, and Vermont held out for something better.

As it turned out, the holdout states knew what they were doing. By the time NLEV was finalized in

January 1998, cleaner technology had moved so much faster than the industry had predicted that NLEV "was already obsolete," says Sheila Lynch, who served on the Federal Advisory Committee to the EPA for the northeastern states. It did nothing to promote hybrid cars or cleaner fuels. It didn't require the low-sulfur gasoline that even the auto industry concedes was the main factor in California's successful emission reductions since 1990. And of course, the new standard didn't change the rules on sport-utes, the worst polluters of all.

The EPA may change that. Its latest report, which will be refined into recommendations for the post-2004 era by December of this year, specifically men-

Who's Who

BY SUSAN THREADGILL

Conservatives may still dominate the Congress, but their reign over talk radio appears to be in decline. According to the most recent surveys, **Oliver North**, **Michael Reagan**, and **G. Gordon Liddy**, are losing listeners. And, of course **Mary Matalin** was recently dropped. But the king himself, **Rush Limbaugh**, after losing listeners for a while, seems to have been revived by the **Monica Lewinsky** story.

Bob Barr, the leader of the impeach-**Clinton** movement among House Republicans, recently flew to Los Angeles to address the John Birch Society, the group that first gained public attention with its characterization

of **Dwight Eisenhower** as a "dedicated, conscious agent of Communist conspiracy." The society's latest effort, according to *The Hill*, is "a video designed to expose the threat posed by the United Nations."

There has been a rumor going around that **Monica Lewinsky's** mother is no longer happy with **William Ginsburg**. When a caller from *U.S. News & World Report* asked Ginsburg about the rumor, he asked, "Who told you that, **Marcia Lewis**?"

The Hill also reports that Rep. **Vic Fazio** is hoping to replace **Federico Peña** when Peña departs as Secretary of Energy at the end of this month. But the latest we hear is that the job will go to U.N. Ambassador **Bill Richardson**.

Democratic Sen. **Frank Lautenberg** and **Robert G. Torricelli** have been feuding, so Minority Leader **Tom Daschle** got them together for what he hoped would be a peace meeting. The two senators emerged from the

meeting agreeing on one thing, according to **James Dao** of *The New York Times*: "Both have told friends that the session opened Mr. Daschle's eyes to how unreasonable the other guy could be."

Is it possible that **Arianna Huffington** has political ambitions? We, of course, would not presume to say, but "Inside the Beltway's" **John McCaslin** tells us that someone recently approached her at a book signing at the National Press Club and said, "If you ever run for office, I'll work on your campaign." Huffington replied, "Let me have your card."

Al Gore's reputation as a techie and a reinventor of government may encounter a problem in the next presidential election. If the year 2000 glitch causes massive malfunctioning of government computers, as with missing Social Security checks, the problem will be hitting front pages just at the time of the crucial Iowa and New Hampshire primaries, a banking consultant recently pointed out to the *National Journal*.

tions sport-utes as a problem, and a subsequent study paper highlights the gains to be made by moving towards California's cleaner gasoline standards. EPA officials won't comment on their intentions, but Mike Walsh says they're likely to push for tighter controls in both areas. They may well benefit from a splintering of the opposition. Ford and Chrysler, stung by Keith Bradsher's *New York Times* series on sport-utes last fall, announced plans in January to produce low-emission versions of their most popular light trucks. So the other automakers can no longer claim that they've reached the limits of technology. On the fuel issue, automakers are now pointing the finger at their old comrades in the oil industry. In a curious echo of

the charges environmentalists used to level at him, AAMA President (and former Transportation Secretary) Andrew Card recently told Reuters, "It's clear that the time has come for us to bring cleaner fuels to the entire U.S. market, especially as automobiles are getting cleaner and cleaner in terms of their technology. It's not that it can't be done. It's being done in California."

Whatever the EPA decides in the next few months "could determine what kind of car you'll drive in the next century," says Roland Hwang of the Union of Concerned Scientists. Not to mention the kind of air your descendants will breathe, and even the climate they'll live in. That's why it's so important that the agency push

automakers to stop feeding from the sport-utility trough, and start bringing some of the new technologies to market. Recently I had a chance to drive the Toyota Prius, a hybrid electric vehicle that goes 850 miles on a single tank of gas. I had expected to see a glorified golf cart. Instead it was a glossy blue sedan, about the size of my VW but roomier on the inside. As I turned the ignition key a blue computer screen glowed on the dashboard, showing an image of the car's two motors (electric and gas) which work in tandem to keep the car at peak efficiency. Even the brakes draw power from the rest of the system. I shifted into drive, spun out of the garage, and moved into the traffic. As I wheeled around Dupont Circle I waited for the shocked stares from passers-by — *It's the Vehicle of the Future!* — but no one seemed to notice. After a little while I almost forgot I was driving an ultra low emission car, except at stoplights, when the silence made me think I had stalled out. But that too began to seem pleasant; it was like gliding along in a well-protected glass-bottom boat. "I want to buy it," I told the Toyota spokeswoman sitting next to me. "Sorry," she answered, "but it's only on sale in Japan." ●

You may have heard that **Monica Lewinsky's** employment agent, **Vernon Jordan**, and her new stepfather, **Peter Straus**, are old friends. But you may not



"Jordan's claim that, after working a 40-hour week at his law firm and another 10 hours on his corporate boards, he intended to put in an additional 40 hours as the station's full-time program director." In fact the FCC said the claim, which was needed to justify minority offset credit for the application, was "incredible."

If you wonder why **George Bush** supports **Bill Clinton's** position that the Secret Service should not testify against the president, former Bush White House counsel **C. Boyden Gray** offers this explanation: "He has probably told about a hundred dirty stories — off-color stories that the Secret Service has heard over the course of the years, which would be incredibly embarrassing to him if they became public."

We won't embarrass him by revealing his name, but a lawyer arguing a case before the Supreme Court last month may have diminished his chances for success by twice calling **Ruth Bader Ginsburg** "**Justice O'Connor**."

know that they once applied for a radio station license in Washington. The application was not granted by the FCC. According to **Marci McDonald** of *U.S. News & World Report*, the FCC was just a bit skeptical of