## What ELECTRIC VEHICLES

Mean for Black America

## **Project 21**

is a program of the

#### NATIONAL CENTER FOR PUBLIC POLICY RESEARCH

a non-profit, non-partisan educational foundation based in Washington, D.C.

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#### WHAT ELECTRIC VEHICLES MEAN FOR BLACK AMERICA

is the eigth topic in the Project 21 series "What It Means for Black America"

Other topics in the series include:

CRITICAL RACE THEORY ENVIRONMENTAL JUSTICE ELECTION REFORM INFLATION IMMIGRATION THE SECOND AMENDMENT REPARATIONS

To receive booklets of other topics in the *What it Means for Black America* series, please contact Project 21 at **Info@NationalCenter.org** 

Or, download a PDF at: www.NationalCenter.org/Project-21



#### WHO WE ARE

Project 21 is a program of the National Center for Public Policy Research, launched in 1992 to promote conservative and libertarian black leaders in the media so that news coverage better reflects the true diversity of thought within the black community.

Project 21 members have been interviewed over 50,000 times — currently averaging more than two television interviews each day — appearing on Fox News Channel, CNN, C-SPAN, MSNBC, Newsmax and One America News Network. In addition, Project 21 members are interviewed on radio an average of nearly 1.5 times per day and have appeared on major radio stations and shows with hosts such as Sean Hannity, Jim Bohannon and the late Rush Limbaugh. Members are also frequently published and quoted in newspapers, including the *New York Times, Wall Street Journal, Washington Post, Washington Times, Detroit News, Houston Chronicle* and many others.

Project 21 members come from all walks of life and from all over the country. Its membership includes members of the clergy, business leaders, entertainers, athletes, economists, journalists, attorneys and students.

What Project 21 members have in common is a desire to make America a better place for black Americans — and all Americans — to live and work.

They do so not only by writing op-eds and participating in radio and TV interviews on the most important issues of the day, but also by advancing a positive vision for improving the lives of black Americans. Project 21 publishes the "Blueprint for a Better Deal for Black America" offering specific policy recommendations for helping black America reach its full potential. Notably, these recommendations build on key aspects of Americanism — free enterprise, personal responsibility and limited government — and consequently would result in benefits for the country, not just blacks. It also publishes the "What It Means for Black America" series of monographs that assess policy initiatives for their specific impact on people of color.

Project 21 members give speeches before student, community, business and religious groups; testify before Congress and other government bodies; advise policymakers at the national, state and local level and file public comments on federal rulemakings.

#### **PROJECT 21 LEADERSHIP**

#### HORACE COOPER

#### CHAIRMAN

In addition to serving as chairman for Project 21, Horace Cooper is a senior fellow and member of the board of directors of the National Center for Public Policy Research. He previously served as deputy director of Voice of America, chief of staff at the U.S. Department of Labor and was a senior aide to the leadership of the U.S. House of Representatives. He also taught



constitutional law at the George Mason University School of Law. He is the author of *How Trump is Making Black America Great Again* and *Put Y'all Back in Chains: How Joe Biden's Policies Hurt Black Americans*. He appears regularly on the Fox News Channel and talk radio shows across the nation as a legal and political commentator.

#### DONNA JACKSON DIRECTOR OF MEMBERSHIP DEVELOPMENT

Project 21's Director of Membership Development Donna Jackson is also a seasoned accountant with public and private sector experience as well as previous forays into politics and ministry. She earned a Bachelor of Accountancy (cum laude) from the California State University San Marcos. She has worked in accounting,



auditing and management roles with major companies such as Ernst & Young and Marriott International before serving in the public sector as a deputy controller for the Export-Import Bank of the United States. Prior to her career in accounting, Donna was a political operative in the state of Arkansas where she worked on campaigns for Governor Mike Huckabee, Senator Tim Hutchinson and Representative (later Governor) Asa Hutchinson. Donna is a regular op-ed contributor and frequent guest on Fox News Channel, Newsmax and OAN.

# Charged with an AGENDA



*"When it comes to advancing EPA's mission, we must consciously and affirmatively pursue justice and we jointly confront environmental and climate challenges with our federal, state, Tribal, and local partners."* 

Environmental Protection Agency Administrator Michael Regan's Statement on Environmental Justice — April 7, 2021<sup>1</sup>

"The Biden-Harris Administration is also directly supporting communities across America in moving to a cleaner transportation future, including by building a national network of EV chargers and alternative-fuel stations; ensuring domestic manufacturers have the critical minerals and materials they need to make EV batteries; and funding clean transit and clean school buses, with priority for underserved communities."

Statement: Environmental Protection Agency - March 20, 2024<sup>2</sup>

The term "underserved communities" has played a prominent role in the Biden Administration's domestic policy. In an executive order issued on Jan. 20, 2021, the term was defined as referring "to populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life..."<sup>3</sup>

Communities designated as underserved are, by definition, those in need of being better served. And who better to lend a helping hand than a benevolent government attuned to the needs of communities being left behind? But what if government officials misread the needs of the communities they purport to want to help, and compound that error by failing to grasp the complexities of the ameliorative actions they prescribe? And what if a policy prescription for an underserved community can be made to fit neatly into a larger agenda, even if that agenda turns out to be at odds with the real world?

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Electric vehicles (EVs) have enjoyed favorable tax treatment from the federal government since enactment of the 2009 American Recovery and Reinvestment Act (ARRA) during the Obama Administration. Among the ARRA's many provisions was an EV tax credit of up to \$7,500 per vehicle. The credits were structured so that any American could get the tax break, and the more battery power in the vehicle, the higher the credit. Under the ARRA, the tax credit was capped at the auto manufacturer's first 200,000 EVs sold in the United States before they began to phase out.<sup>4</sup>

The federal government's role in promoting the manufacture and sale of EVs took a dramatic step forward with the Biden Administration's signature climate bill, the 2022 Inflation Reduction Act (IRA). The IRA eliminated the 200,000-vehicle cap for EV tax credits, enabling buyers of Tesla and GM EVs once again to become eligible for the credits beginning in 2023. Tesla and GM had hit the 200,000 EV cap in 2018 and 2019, respectively.<sup>5</sup>

EPA, using the Clean Air Act, sets tailpipe emissions standards the agency knows auto companies cannot meet, thereby forcing them to phase out the manufacture of traditional vehicles and replace them with EVs. Under the IRA, the only EVs eligible for tax credits are sedans costing under \$55,000 and SUVs, trucks, and vans priced under \$80,000. To be eligible for an EV tax credit, the law provides that households must earn less than \$300,000 a year and individuals less than \$150,000 per year. Putting an American face on the EV supply chain, the law eliminates tax credits for EVs assembled outside the United States. Hyundai, for example, will not be eligible for tax credits until its EVs start rolling off the assembly line in 2025 at its new \$5 billion plant near Savannah, Georgia.<sup>6</sup> 6

Both the ARRA and the IRA were designed to manipulate the U.S. auto market by tipping the playing field to favor EVs. To manipulate a market is one thing, to regulate a product out of business because it no longer conforms to the preferences of an administration temporarily in power is guite another. That is exactly what Biden Administration officials at the Environmental Protection Agency (EPA) did in issuing their March 2024 tailpipe emissions rule. That rule will require approximately 68 percent of all light-duty vehicles - cars, SUVs and pickup trucks — to operate



Black Americans are disproportionately represented in these communities, and it is their lives that will be most disrupted by the changes the selfinterested ruling elite is determined to bring about.

electrically by 2030. As noted by the U.S. House Budget Committee, the rule constitutes "a de-facto ban on the sale of gas-powered and traditional hybrid vehicles."<sup>7</sup>

Instead of banning gasoline-powered vehicles outright, for which EPA has no congressional authority, EPA, using the Clean Air Act, sets tailpipe emissions standards the agency knows auto companies cannot meet, thereby forcing them to phase out the manufacture of traditional vehicles and replace them with EVs. Further tipping the scales in favor of EVs, the Biden Energy Department in July 2024 awarded \$1.7 billion in taxpayer-funded grants to 11 shuttered or atrisk plants across eight states for the purpose of converting them to manufacture EVs or EV parts.<sup>8</sup>

EPA's push to make gasoline-powered vehicles extinct within a few years will affect the driving public nationwide. But not all communities will bear the burden of the forced transition equally.

Underserved communities, composed of people at the lower end of the income ladder, will bear the brunt of this government-directed transition, even though the residents of those communities are supposed to be the beneficiaries of more benign policies imposed from on high. Black Americans are disproportionately represented in these communities, and it is their lives that will be most disrupted by the changes the self-interested ruling elite is determined to bring about.

In addition to the steps undertaken by the Biden EPA, 12 states — led by California — are planning to ban the sale of new gasoline-powered vehicles by 2035. Joining California in limiting Americans' personal transportation choices are Delaware. Maine, Massachusetts, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, Vermont and Washington. Capturing the spirit of the moment, California Gov. Gavin



#### Reuters

By David Shepardson May 23, 2023 4:12 PM EDT

Exclusive: California seeks EPA approval to ban sales of new gasoline-only vehicles by 2035



#### CBS NEWS

EPA sets strict new emissions standards for heavy-duty trucks and buses in bid to fight climate change

Washington – The Environmental Protection Agency on Friday set strict emissions standards for heavy-duty trucks, buses and other large vehicles, an action that officials said will help clean up some of the nation's largest sources of planet-warming greenhouse gases.

The <u>new rules</u>, which take effect for model years 2027 through 2032, will avoid up to 1 billion tons of greenhouse gas emissions over the next three decades and provide \$15 billion in net benefits in the form of fewer hospital visits, lost work days and deaths, the EPA said. The new standards will especially benefit an estimated 72 million people in the United States who live near freight routes

Newsom (D) said, "Cars shouldn't melt glaciers or raise sea levels, threatening our cherished beaches and coastlines."<sup>9</sup>

With the driving public having been duly instructed to change its ways, including denying drivers the freedom to choose vehicles suitable to their needs and their pocketbooks, little consideration appears to have been given to the consequences of forcing people into EVs. Those consequences are profound.

## De-Facto EV Mandates Are Regressive

The vehicle of choice as dictated by those in power is a car most people do not want and cannot afford. While the percentage of EVs comprising new car sales rose to 6.8 percent in the first quarter of 2024,<sup>10</sup> that meant that — despite the generous tax credits awarded to buyers of EVs — over 93 percent of drivers opted for traditional, ICE (internal combustion engine) vehicles.

There are many reasons for this hesitancy on the part of potential EV buyers, and they begin with the price of the vehicle. In the first quarter of 2024, there was a 42 percent price gap in the average price of an electric car vs. ICE vehicle, according to Edmunds, an online resource for automotive inventory and information. That startling gap is reflected across all sizes of vehicle offerinas, but is most conspicuous in the relatively crowded compact SUV (crossover) category, as measured by the MSRP (manufacturer's suggested retail price).

According to Edmunds data, the average MSRP for a fully electric compact SUV is \$53,048, a whopping \$17,326 more than a gaspowered crossover.

The smallest gap was for large pickups: 18 percent at \$76,475 for electric vehicles vs. \$64,784 for ICE models.<sup>11</sup>



*Edmunds* reports wide gaps in the average MSRP across other categories of vehicles as well:

AVERAGE MSRP			
	ICE	EV	
Subcompact Car	\$31,895	\$22,627	
Subcompact SUV	\$40,917	\$28,990	
Compact Car	\$34,538	\$26,301	
Midsize Car	\$49,554	\$32,035	
Midsize SUV	\$72,046	\$48,916	
Large Car	\$72,240	\$49,988	
Large SUV	\$101,145	\$78,774	

In presenting its findings, *Edmunds* cautions that the MSRP does not necessarily reflect the actual price a customer pays for a vehicle. The transaction price can result from many factors, including negotiated discounts, sale prices and dealer markups, along with factory incentives and federal, state and local tax breaks.

Whatever the final price, the gap remains. "EVs cost more to build than internal combustion vehicles of similar size and with similar features," *Edmunds* explains. "That's been a fact since the dawn of the EV age, back in 2011."<sup>12</sup>

The purchase price is just the beginning. Whether a vehicle is bought or leased, other expenses will have to be addressed, including fuel, maintenance, insurance etc. Some have argued that over a period of several years, EVs generally turn out to be cheaper than traditional vehicles. But recent trends are calling that assumption into question.

According to data compiled by Self Finance, Inc. in 2023, the average annual cost to operate an EV in the United States was \$4,856,

compared with \$4,107 for a gas-powered car, including insurance, gas or charging and maintenance. When factoring in purchasing cost, the average cost of an EV is \$11,746 each year assuming a purchase period of six years, for a gas-powered car, the average purchase cost is \$8,281 per year. In previous years, Self Finance data show, EVs were cheaper to operate in every state, however, the average insurance for an EV increased by 58.1 percent from 2021 to 2023, while insurance for gaspowered cars increased by only 1.2 percent during the same period.<sup>13</sup>

It's not just insurance rates for EVs that are rising, so, too, are repair costs. "While EVs have fewer mechanical parts, a recent study from J.D. Power showed that owners of battery EVs and plug-in hybrids took their new vehicles to the dealership for repairs at a rate three-times higher than gas-powered vehicle owners did," *The Wall Street Journal* reported (July 13-14, 2024).<sup>14</sup>

#### **Planned Obsolescence**

50 years ago Americans often bought vehicles that they were expected to replace within 3-6 years. Automobiles then weren't made as well and thus required major overhaul or replacement as part of a regular cycle.

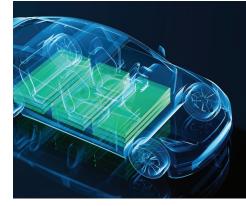
Over time Americans have come to expect their vehicles will operate and perform efficiently for 10 or more years enabling them to pass their purchased vehicles on to their kids when they head off to college and the like.

In fact during periods of economic downturn, Americans simply keep their existing vehicles for 15 – 20 months longer as they awaited better economic conditions. Today for example Americans have responded to inflation and economic hardships by keeping their vehicles for the longest amount of time ever recorded.<sup>15</sup> The average age of a passenger vehicle on the road hit a record 12.5 years this year, according to data gathered by S&P Global Mobility.<sup>16</sup> Americans can do this when they need to with ICE cars and trucks. But not so much with EVs.

#### **Unreliable and Expensive to Repair**

The expensive repairs point to another problem with EVs: their shorter life span. "EVs also have been depreciating at a faster rate than gas cars, which gives owners even more reason to opt for replacement rather than repair," the *Wall Street Journal*.

Perhaps the biggest single repair cost for an EV is a replacement battery. The replacement price can be an eyewatering \$20k.<sup>17</sup> And



"EV batteries aren't cheap. The battery is typically the most expensive component of an electric car and can cost as much as \$20,000, which means replacement can be a price proposition." USNEWS.COM • April 30, 2024

then there are the costs to the owner when his or her EV is involved in a collision. "They are more likely to be declared total losses and sent to the scrapyard than fixed," the *Journal* noted. "In the first quarter [of 2024], total loss frequency for EVs up to three years of age exceeded that of gas cars, according to data from Mitchell, a provider of software and data to insurers and the collision-repair industry," the Journal pointed out.<sup>18</sup>

#### **Range Anxiety is Real**

One of the biggest benefits of an automobile is the ability for an owner to go wherever and whenever they want. And EV's long charging times and limited travel distances greatly impacts the flexibility of auto ownership. Factors like weather can dramatically affect range.<sup>19</sup> There aren't enough charging stations in America, making EV refueling much harder than using gas stations, especially in rural areas.This can mean waiting in line for a charger or not having access to one at all.

The selection of large electric SUVs like the ICE-based Chevy Suburban or Ford Expedition is limited or non-existent. Consequently large families must make major sacrifices to use an EV. And when you toss in towing and carrying extra parcels and items to see relatives out of town or even those seeking weekend trips will find EV ownership very difficult.

Given these developments, it is small wonder that a McKenzie published in June 2024 showed that 46 percent of EV owners in the U.S. said they are likely to switch back to a conventional car, primarily blaming the lack of recharging infrastructure and the high total cost of ownership for their inclination to forgo an EV in making their next purchase.<sup>20</sup>

## **EVs & Black Communities**

Is this the kind of vehicle that is supposed to come to the rescue of "underserved communities?" At \$52,860, median black household income in 2022 (latest figures available) was well below the U.S. average of \$74,580, according to Statista. Comparable figures for other racial and ethnic groups are: Asian American - \$108,700; White, not Hispanic - \$81,060; Hispanic of any race - \$62,800; and American Indian and Alaska Native - \$52,810.<sup>21</sup>

A study published in April 2024 in the *Journal of the Transportation Research Board* shows how vulnerable black households are to the expenses of owning or leasing an automobile.

"Vehicle ownership is a significant cost to households, but black households are more likely to be burdened than white households. Previous assessments of transportation spending between races did not differentiate by vehicle ownership status, depressing overall transportation spending by black households, which are three times as likely as white households not to have access to a car and, thus, spend comparatively little on transportation," the study found.

"When these experiences are isolated, 76% of black households with vehicles are burdened by transportation expenses compared with 60% of white households," the study pointed out. "Black households with vehicles allocate more of their total average annual spending to transportation regardless of income, and disparities in transportation



burden are present even in high-earning households. Black households that are in poverty spend on average \$1,115 more per car than their white peers. Insurance, gasoline, vehicle loans and leasing are all major drivers of transportation burden on black households and, frequently, these are less burdensome on white Households."<sup>22</sup>

The lack of adequate recharging infrastructure a nationwide problem that will not go away anytime soon — is particularly acute in high-density urban environments, where many black Americans live. In these neighborhoods, parking is mostly on streets or in parking lots, further complicating access to recharging stations. By being more expensive to purchase and operate than gas-powered cars, EVs will further erode black households' disposable income. Indeed, they will be beyond the reach of many black drivers, forcing people to become reliant on public transportation, if it is available.

There are other inconveniences. EVs are highly impracticable for families who must make do with one vehicle,

as is the case with a disproportionate number of black families. The lack of adequate recharging infrastructure — a nationwide problem that will not go away anytime soon — is particularly acute in high-density urban environments, where many black Americans live. In these neighborhoods, parking is mostly on streets or in parking lots, further complicating access to recharging stations. Even if charging stations eventually become available in these areas, the long recharging time will make it difficult for people trying to get to work, school, the doctor's office, or the grocery store in a timely fashion.

These problems can become acute at northerly latitudes during the winter months, because EVs take longer to charge and lose driving range in colder weather. When temperatures plummet to the mid-teens and lower, EV batteries often fail altogether, leaving drivers stranded in frigid weather. People with heated garages and a home charger have some protection from the cold. But about 30 percent of the U.S. population lives in multi-unit housing, without a garage.<sup>23</sup> Blacks make up a disproportionate percentage of people living in multi-unit housing, and black EV drivers residing in such cities as Chicago, Milwaukee, Minneapolis, Buffalo and Detroit could find themselves without personal transportation during the coldest winter days. When the impact for families who rent is considered, the burden of EVs on black households overall is extremely elevated.

## Environmental Justice Turned on its Head

Biden administration officials have not hesitated to highlight the role EVs play in promoting environmental justice (EJ). According to EJ dogma, black and other minority communities are disproportionately

exposed to pollution, for which "clean energy" offers a solution. While EVs may not have tailpipe emissions, they pollute nonetheless.

Far from being "zero-emissions vehicles," EVs, owing to the excessive weight of their batteries, are much heavier than their ICE counterparts and require larger tires. With every rotation of the tire, tiny particles are shed into the air. The tire pollution of EVs far exceeds that of conventional vehicles, resulting in more particulate matter being released into the air.

The particulate matter, consisting of particles measuring less than 2.5 micrometers or less in diameter, can directly enter the bloodstream.<sup>24</sup>

The tire-dust pollution caused by EVs' oversized tires will be of particular concern in more densely populated urban areas where many blacks live. "We're pushing for



decarbonization by going to battery-electric vehicles, and in doing so we're pushing up tire-wear emissions...which is going to prove difficult to solve," Nick Molden, founder and CEO of London-based Emissions Analytics, told Canary Media.<sup>25</sup> Molden pointed out that tailpipe emissions are dramatically reduced by filters and catalytic converters, which use chemical reactions to reduce pollution. By contrast, he noted, tires are a fundamentally open system, so there is no viable way to capture the pollution that flies off them.<sup>26</sup>

Contrary to the claims of EPA and other EV supporters, these vehicles are prime examples of environmental injustice.

## Auto Workers Face an Uncertain EV Future

In addition to the dislocations EVs bring to black communities, the forced phase-out of gasoline-powered cars threatens to have a devastating effect on black workers currently employed in the automobile industry. In 2021, black workers accounted for 25.5 percent of the unionized auto sector in the U.S., according to an analysis by the Economic Policy Institute, a left-leaning think tank. (The United Auto Workers (UAW) does not release the current racial breakdown of its members.)<sup>27</sup>

Detroit and other auto industry cities in the Upper Midwest became a Mecca for blacks migrating from South to North in the 1920s–1960s looking to better their lives. The Detroit-based Big Three automakers (GM, Ford and Chrysler), together with the UAW, gradually opened jobs to black workers, enabling many to acquire reasonably solid blue-collar middle-class incomes. "As a black Detroiter, the auto industry was the one place you could go and make a decent living," Tiffanie Simmons, 38, who works on a Ford assembly line in Wayne, Michigan, told CNN.<sup>28</sup>

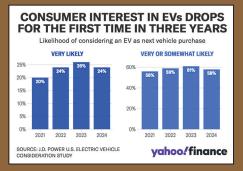
Beginning in the last third of the 20th century, foreign auto manufacturers began opening plants in the predominantly anti-union

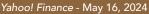


South, but there, too, blacks found good-paying jobs. The auto industry, whether unionized or located in a right-to-work state, is subject to the ups and downs of the economy, but the relationship between black

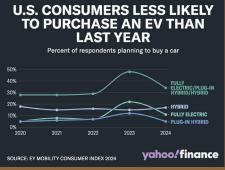
workers (and increasingly black white-collar employees) and automakers has shown itself to be mutually beneficial.

Now, auto workers of all races face a real threat to their livelihoods from the government-steered transition to EVs. Batterypowered cars have fewer parts than ICE vehicles,





and their assembly requires a smaller workforce. According to Ford CEO Jim Farley, EVs will require 40 percent less labor than ICE cars.<sup>29</sup> This not only includes workers on the assembly line, but also applies to those employed by suppliers, many of whose ICE-based products are not needed for EVs. In November 2023, unionized workers at GM, Ford



and Stellantis (formerly known as Chrysler and Fiat Chrysler) voted to ratify new contracts, finalizing wage increases of at least 25 percent over the next four years.<sup>30</sup>

What at first blush appeared to be a major victory for the UAW may come back to haunt its membership. The Big Three

Yahoo! Finance - September 10, 2024

are committed to transitioning to EVs in the coming years and are in no small way being forced to do so by the Biden Administration's tailpipeemissions regulations. That transition — the child of industrial policy largely made in Washington, D.C. — is not going smoothly, with perilous implications for autoworkers, including black workers.

Widespread reports of unsold EVs piling up on dealers' lots around the country were confirmed by data from Cox Automotive. "Electric vehicle sales in the U.S. declined during Q1 2024 — the first quarterover-quarter downturn since Q2 2020," said Stephanie Valdez Streaty, Making matters worse is the **absurd situation** the de facto EV mandates have created. Car companies are being forced to manufacture EVs for which there is an inadequate demand while being **pushed to phase out** popular gasoline-powered vehicles by an arbitrary deadline.

director of Industry Insights at Cox Automotive.<sup>31</sup> There was only one bright spot in the otherwise sluggish EV market: Sales of high-end models from Cadillac, Mercedes and BMW were robust, "suggesting the EV market continues to be luxury-driven," Cox Automotive noted.<sup>32</sup>

In November 2023, 3,882 franchised car dealers from 50 states sent a letter to President Biden urging his administration to slow down the transition to EVs. "Today, the supply of unsold BEVs (battery electric vehicles) is surging, as they are not selling nearly as fast as they are arriving at our dealerships — even with deep price cuts, manufacturer incentives and generous government incentives," the dealers wrote. "With each passing day, it becomes more apparent that this attempted electric vehicle mandate is unrealistic based on forecasted customer demand. Already, electric vehicles are stacking up on our lots which is the best indicator of customer demand in the marketplace."<sup>33</sup>

Waning enthusiasm for EVs by the driving public does not bode well for auto workers whose livelihood depends on robust sales of the products they make. Making matters worse is the absurd situation the de facto EV mandates have created. Car companies are being forced to manufacture EVs for which there is an inadequate demand while being pushed to phase out popular gasoline-powered vehicles by an arbitrary deadline. If this trend continues, it will result in a growing shortage of ICE vehicles whose price will necessarily rise. Autoworkers — tasked with making vehicles the public largely shuns and barred from producing cars drivers want — will find it difficult to hold on to their jobs, as the market distortions brought about by EV mandates play out.

Those distortions can be seen even when EV sales rise. In May 2024, Bloomberg reported that Ford is now losing a staggering \$100,000 on every EV it sells, even though sales were up substantially in the first three months of the year.<sup>34</sup> Such losses are unsustainable for the company and its employees. Like their counterparts at GM and Stellantis, Ford's workers are part of the generous compensation package the UAW and the Detroit Three negotiated in 2023, a contract that was predicated in no small way on the assumption that the transition to EVs would be a smooth one.

## The Curse of Central Planners

Product displacement has long been a constant of commercial life. Horse-drawn wagons were done in by the horseless carriage. IBM's topof-the-line electric typewriter proved no match for the word-processing personal computer. Like countless other examples, these innovations were the result of creative minds developing products and technologies that improved people's lives and were rewarded in the marketplace. By contrast, EV mandates and the havoc they are reaping are the residue

of the fatal conceit of central planners who, as Friedrich Hayek observed, demonstrate "how little they know about what they can imagine they can design."<sup>35</sup>

The designers of the "all electric" transportation system not only failed to appreciate the difficulties of surmounting the purely physical challenges to their undertaking As Friedrich Hayek observed, "how little they know about what they can imagine they can design."

— charging stations, transmission lines, extraction of raw materials for EV batteries, etc. They completely neglected the human costs of their ambition. The toll for their fatal conceit falls disproportionately on those least capable of bearing it: from children in Central Africa forced to mine cobalt for EV batteries, to black Americans of middle- and lower income whom climate central planners treat as little more than pawns to be sacrificed for what they mistakenly believe is a higher purpose.





PROJECT 21 Black Leadership Network

## What We Believe

### **Electric Vehicles**

President-elect Donald Trump has pledged to end the EV mandate. In practice, this means having EPA withdraw its tailpipe emissions rule that effectively regulates gas-powered vehicles out of the marketplace. The process takes time, but in the end the American driving public will benefit greatly from the rollback of this ill-considered scheme. For black Americans, who were being disproportionately shut out of the automobile market by government-imposed EVs, such a step will boost economic opportunity and allow them to choose the vehicle that best suits their needs.

- ✓ The cost of purchasing and maintaining an EV is beyond the reach of most black Americans
- EVs are uniquely ill-suited to meet the transportation needs of black families, particularly those with only one vehicle in urban communities
- EVs, thanks to their oversized tires, are a source of serious particulate-matter pollution in high-density black neighborhoods
- ✓ The public's growing skepticism of EVs poses a threat to black autoworkers, who could lose their jobs if the governmentmandated vehicles fail to catch on with the driving public
- Through their taxes, blacks pay for the subsidies lavished on vehicles they neither want nor can afford.
- Black taxpayers will also have to step up to the plate, if slumping EV sales lead to a federal bailout of the U.S. auto industry.

#### To learn more about Project 21, please visit: www.NationalCenter.org/Project-21

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