

700,000 CARS IN ONE MONTH

✘ Cash for Clunkers will, on Monday at 8 PM, have silica liquid injected in its engine and stopped. Or rather, the program will offer rebates for no more new deals after that time.

The U.S. government will shut down its cash-for-clunkers program at 8 p.m. Monday, in a bid to avoid car dealers and shoppers from claiming more than the \$3 billion set aside for the program.

The decision means that the program originally expected to generate 250,000 vehicle sales over three months will have likely triggered more than 700,000 in less than one month. While it accomplished its goal of destroying gas guzzlers and spurring the U.S. auto industry to boost production, it's larger effects on the economy and environment will be debated for years to come.

I've been measuring the effects of the program more anecdotally. We know that GM brought back workers in Orion Township, MI, and Lordstown, OH, to make more Malibus and Cobalts for the program—and most other manufacturers had already brought back workers. We know the program cleaned out inventory that had been stuck at the dealers. And I saw a bunch of brand new (!) small cars on the way home from Pittsburgh—particularly a bunch of Saturn Auras (which, with the Malibu, is the biggest car that qualifies across the board for the full benefit). Oh, and I saw a pretty cool Saturn Aura ad last night, too—I think the C4C program allowed manufacturers to free up some money for advertising that has gotten people in dealers.

Who knows whether all this excitement will tail off after Monday. Who knows whether seeing the

interest in efficient, smaller cars, will shift the emphasis on these cars going forward? But for now, it has given one of our key industries—and small businesses all over the country—a quick shot in the arm.