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Recently, the gas price has been rapidly increasing. However, the consumers resist cutting the demand of gas. According to the article, the government wants to curb the demand of gasoline. The reasons why the government wants to curb the demand would be such as the pollution caused by the increase in the usage of gas and to reduce the dependency on foreign oil. So, to help the government out, some economists suggested to increase the gas price very high and keep the high price to cut the demand. This suggestion is very faithful to the consumer theory. As the price goes up, the demand goes down. Also, there's another option the economists have to consider. It's the preference of the consumers. For instance, the article has interviewed Mr. Goh. He pays more than \$60 to fill up his Lexus two or three times a week. Although he runs comparatively low-fuel efficient car, he doesn't plan to change his car because he thinks he drives one of the safest car in the market. Most Americans favor SUV's and pick-up trucks, which have low-fuel efficiency. Another factor for economists to consider is the price elasticity. Despite the rapid increase in the gas price, the quantity of gas consumed is still increasing, which is showing that the price elasticity of gas is pretty low. The researchers said that the price elasticity would be as low as 0.1. With such low price elasticity, the price of gasoline has to increase at least 10 per cent to cut 1 per cent of the demand. Even if the consumers want to keep their cars at home and use public transportation, there aren't enough networks to satisfy consumers' commutes. "Public transit isn't available in much of the U.S. and doesn't match the commutes of many Americans in places where it exists." Since there are no substitution available, very low price elasticity and the consumers' preference, most of the factors are not in favor of the government. In my opinion, to grant the government's wish, the government would have to have better public transport system than it is now to reduce the amount of vehicles on the street as a substitution and force the car manufacturers to make vehicles that consumers feel safer, rather than just playing with the gas price.

http://online.wsj.com/article/SB114644818224940150.html?mod=economy_lead_story_lsc