

GAS PRICES

D: Oil companies (and the Republican leadership who is tied-up with them) are responsible for price gouging American consumers.

R: The Federal Trade Commission conducted investigations into price manipulation at the request of Congress, and *multiple times* have confirmed that this "price gouging conspiracy" is non-existent.

When large profits roll in at a time of high gas prices, politicians immediately believe they have evidence for the oil industry "price gouging" consumers.

In fact, it is not greedy oil companies that have demanded these prices, but rather they are the effects of a global market (there is currently a significant consumption in Asia and around the world) as well as inadequate refining at home. Additional factors include the climate of international affairs, and the current setback of hurricanes for US Gulf-region oil producers. When left to market forces, however, the situation will eventually re-stabilize.

D: Consumers are crippled while big-wig oil companies enjoy "windfall profits."

R: Again, large profits for oil companies plus high gas prices for buyers, does not equal "big oil" taking advantage of American consumers. "Price gouging" is simply not the case.

Furthermore, to semantically skew these earnings by employing the term "windfall profits" is to undermine the effort, legitimacy, and investment by which they were earned. To suggest that American consumers are suffering as a result of greedy, oil-connected, Republican conspirators, displays a general ignorance of why gas prices are high in the first place.



D: Oil companies need government-regulated prices controls to protect American consumers.

R: The interference caused by unnecessary governmental regulation in the economy has a proven history of creating instability in the markets. And as the example set by President Carter proves, it can even adversely affect and exacerbate the situation.

The answer to this consumer problem is not another tax on oil companies (indeed this will cripple American consumers, investors, and workers as well), but instead to increase the supply, for example, by enlarging refining capacity at home. Ex. Drilling in Artic National Wildlife Refuge (ANWR), and increased drilling in the U.S.'s outer continental shelf region

D: Republicans, who control both Houses of Congress and the White House, have done nothing to lower the high price of oil.

R: While it's true that this Republicans prefer to see prices determined by market forces and not the federal government, there are some beneficial measures to overcoming today's energy challenges which Washington lawmakers can adopt. One of them recently came out of the House Resources Committee and was passed by a vote in the House. It's H.R. 4671, the "Deep Ocean Energy Resources Act of 2006." Republicans are offering solutions which address the real problem in the situation among us: supply and demand.

