

\$25/Gallon @ The Pump?

Appears everyone is screaming about Big Oil and their record multi-billion dollar profits. In America - everyone has a God given (or natural) Right to work hard, deliver a quality product, and make money – commonly understood as Capitalism.

Based on my web research, information from the EIA, and my own calculations, we Americans consume approx. 190,858,000,000 (Billion) gallons of gasoline & diesel fuel per year. My research indicates Big Oil makes about \$0.10/gallon or about \$19,000,000,000 (Billion) dollars in profit on fuel sales.

Big Oil could certainly make more profits - if they choose to – as we are still a free country. As one loyal American Capitalist - I could not fault them if they did make more money on "their" products. This would certainly open the door for more competition (bio-fuels?) – if we truly have an open/free market.

Does this mean I like paying \$3.00 per gallon for fuel - NO WAY! I'm mad as hell and I think we should all stand-up and tell the "real profiteers" we are not going to take it anymore. Just who are the real profiteers?

Sure the Arabs are a big profit player and I would even pay more per gallon -- if we could stop using imported oil. Yet again, the Arabs are businessmen and it's their oil, coming out of their ground and they have every right to charge what they want to. If you don't like what someone charges - buy it from someone else, this is also your natural right.

By now you must be wondering who I think is raking us over the coals - if it's not Big Oil and not the Arabs. The answer may surprise you, but the real profiteers are the local, state, and federal Bureaucrats. *Say what? You heard me loud and clear.* Did a Bureaucrat dig a well, build a pipeline, a refinery, or even drive a delivery truck? When was the last time you saw a Bureaucrat owned/operated gas station?

Yet, our Bureaucrats make more than (4) times the money per gallon of fuel than Big Oil does. The average "tax" is \$.046/gallon *filling* the government coffers to the tune of approx. \$87,795,000,000 (Billion) dollars per year. Where is the yelling & screaming about this unbelievable tax (profit) the government Bureaucrats take -- for not delivering a product?

What should the price of fuel be at the pump?

1) \$25.55/gallon

I hope you are wondering why I suggest \$25.55/gallon. Simple math is the answer. Total projected Government Depredations in 2007 is expected to be approx. \$4,400,000,000,000 (Trillion) dollars. Big Oil gets \$2.50/gallon and local, state, and federal Bureaucrats get \$23.05 per gallon.

2) \$14.29/gallon

\$25/gallon - I'm sure you think I'm crazy - as people are already going broke at \$3.00 per gallon. \$14.29/gallon would pay Big Oil about \$2.50/gallon and the Federal Bureaucrats would get the rest - \$11.79/gallon. Why? The Federal budget for 2007 is \$2,251,000,000,000 (Trillion) dollars and again simple math tells the rest of the story.

3) \$2.58/gallon

With crude oil costs about \$76/barrel no calculator is needed here. With a Presidential Executive Order – “all” fuel taxes could be suspended, until the price of crude oil drops below \$50/barrel. (See Executive Order 11051.)

This would also demand a restraint in total Government/Bureaucratic spending by \$87,795,000,000 (Billion) or a two percent reduction in spending for 2007. Of course this restraint may also spur Congressional Bureaucrats into real action with regards to an energy policy, one that keeps their fuel tax gravy train rolling - by making sure oil stays under \$50/barrel.

Please give all the above suggestions a little more thought before dismissing them as nonsense or frivolous. Think of all the various taxes and non-productive time we could eliminate - especially the income tax - by simply putting “one sales tax” on our energy based economy. At either of the “depredation prices” suggested in 1 or 2 above - there will be ample incentive/demand for competition, conservation, new more efficient fuel technologies, and an end to our imported oil addiction.

Note: “European governments have long used gasoline taxes not only as an important source of revenue, but also as a policy tool to drive down oil consumption and reduce pollution. Williams said taxes account for about 66 percent of the pump price in Britain -- so, of this month's average price per gallon of \$6.40, about \$4.22 goes to the government.” – The Boston Globe, 04/30/06

Competition (and only true competition) will create extremely economical transportation, less vehicles on the roads, a surge in telecommuting, and alternative energy breakthroughs. Competition – not Bureaucrats – will generate real energy results on an annual basis -- instead of decades or centuries, if left in the hands of Bureaucrats.

However, paying \$511 or \$286 for a 20 gallon fill up at the gas station will bring a lot of things into perspective for each and every driving American --- real fast. Maybe it's this “perspective” the Bureaucrats should be investigating – their own win fall profits on every gallon of highway fuel sold in the USA.