



Stein: Stop Whining and Blaming Oil Cos.

By BEN STEIN | CBS news

Worried about gas prices? Ben Stein Says Don't Look To Government Or OPEC To Help

Topic A on everyone's mind these days is the amazing price rise of oil and gasoline by historical standards.

Herewith, some good news and some bad news.

First, the bad news: Nothing - and I mean nothing - the U.S. government does can stop the rise in the price of oil in the short run.

Stopping buys for the emergency stockpile will have no effect at all. These purchases are less than one-tenth of one percent of daily worldwide demand.

Cancelling the purchases is precisely the same as not paying life insurance premiums when you're worried about money. It is nonsense.

Laws taxing oil speculators will do nothing. Most of the speculation is going on outside of U.S. jurisdiction anyway.

And if we stopped having a free market in oil, it would go back to being an OPEC-fixed price. Do you think they would be kind to us? If so, why?

Taxing the oil companies is the worst possible idea. We should be giving them tax incentives to pump more oil, not punishing them for pumping oil ... and their profits have absolutely zero to do with setting the price of gasoline at the pump.

Zero.

Finally, the worst news: Oil has been going up a lot faster than gasoline. That means gasoline might possibly have far more upward movement in price. Be prepared.

Now for the good news: Oil is a commodity. Usually commodity prices go in cycles. That means they usually (not always) go down after they have gone up sharply. It could and probably will happen this time, too.

In other words, it sure looks like a bubble, although a bubble that might last a long time.

But here's even better news: You can get a more fuel efficient car; car dealers are very much in a mood to deal, and they will make it easier than you can even imagine to get a fuel saving car or truck.

And, you can drive less. Once in a while take mass transit. You have it in your power to save money on oil.

If everyone in the U.S. does this, it will affect the world demand for oil meaningfully, and will eventually move price downwards.

Or, we can just whine and blame the oil companies, - which will get us exactly nowhere.