



This somewhat ungainly creature is actually a 1981 VW Dasher. The mechanicals will remain essentially the same; a turbo-diesel will be introduced later this year.

by the end of 1982, when the current deal for VW engines expires. Chrysler will probably also buy normally aspirated and turbocharged versions of the 2.3-liter Peugeot 505 diesel.

• Both **Ford and Chrysler** are enlisting the aid of assembly-line workers to improve the quality of their new front-drive sedans. **Quality-control teams** made up of UAW workers and management will attempt to pinpoint glitches in the assembly process—much as the Japanese auto companies have been doing for years.

CASH FLOW

• Grave-wounds dept.: The world's largest automaker, **GM**, has not escaped the ravages of the current recession. The General's **second-quarter sales** were off 27 percent,



This prototype, replete with sewer-grate grille and giant wraparound glass hatch, is reportedly the 1983 Dodge Omni 024.

which worked out to a nice round \$412 million loss—GM's first red-ink quarter in a decade. Ford hurt to the tune of \$468 million for the quarter, Chrysler slid another \$536 million into the hole, and AMC bottomed out \$85 million behind. The four U.S. companies posted a combined deficit of \$1.5 billion—equal to their *profit* a year ago.

• And while we're on the subject, the industry's **year-to-date sales** (as we go to press)

are dragging 24 percent behind last year's pace. Nearly 40 percent of all auto workers—about 250,000—have been temporarily put on the dole. And according to *Automotive News*, 930 new-car dealers folded in the first

Eric Stork: Clearing the Air

• What goes around always seems to come around. And in the case of the Clean Air Act, the government is finding that its regulatory excesses and zealous, for-the-common-good legislating may have backfired—as it so often does. People in high places are questioning the effectiveness and rationality of the government's automotive anti-pollution regulations, and one of the loudest dissenters is the man whose job it was to enforce those very laws—Eric Stork.

As the Environmental Protection Agency's deputy assistant administrator for mobile-source air-pollution control from 1970 to 1978, Stork was the not-so-faceless functionary responsible for implementing and enforcing that section of the Clean Air Act applying to motor vehicles.

Stork, 53, a self-described "regulatory bureaucrat," has just resigned from the EPA to become a consultant for Environmental Research & Technology, Inc. He spent the last two years in "academic exile" as a visiting professor at Purdue University, where a good portion of his time was devoted to consulting with foreign governments on automotive emissions control. But he didn't hand them the company line by extolling the virtues of our anti-pollution program. In fact, he did just the opposite. Stork disagrees with his former superiors on the effectiveness of the EPA's emissions-certification process, among other things, "which is why I ended up in academia," he says.

C/D: Did you try to change the system?

Stork: I did. But it's hard to remember, when you're up to your ass in alligators, that your mission was to drain the swamp. First you've got to figure out the best alternative, then get the law changed to incorporate it, and that takes years. In 1973 I assigned my best man to make a major study, but then the sulfuric-acid flap with catalysts came up and I had to pull him off of it. I never had the time to think of alternatives in depth because I was fighting alligators all the time.

C/D: Why wasn't the system designed better in the first place?

Stork: When a regulatory agency gets a job to accomplish something, it's under tremendous pressure to get it done, and it doesn't have the benefit of ten years of experience. When the first law was enacted by the Congress in 1966, there was no time at all before having to start certifying cars for the '68 model year. So [the EPA] just had to adopt the California Air Re-

sources Board system developed six years earlier.

C/D: What's wrong with the system?

Stork: The emissions test itself, to determine whether a vehicle complies with a given set of standards at a given point in time, is fine. It's the durability test, the process of determining whether a specific emissions system will perform as designed for 50,000 miles, that's inadequate. It's predicated on false assumptions. Instead of motivating the manufacturers to build systems that will last 50,000 miles, it motivates them to design for the test itself ... to jump through certain hoops in the procedure.

C/D: Are you saying that the program has been ineffective all these years?

Stork: I would say that the industry as a whole has done a pretty darn good job of meeting the standards *in spite of*, not because of, the certification system.

C/D: What did you tell the Swedish government in your recent report?

Stork: I told the Swedes, and the Austrians before them, what I would recommend here if anyone asked me. I would scrap the entire pre-production certification system in favor of economic sanctions. I would establish standards and have the manufacturers build their cars to them, and then would check a representative sampling of them sometime down the road—say in one to three years—for mean compliance, and collect predetermined fees or fines for non-compliance. The more the cars exceeded the standards, the more they would cost their manufacturers. This would change the motivation from jumping through largely meaningless hoops to an economic incentive.

C/D: You say "mean" compliance. Some cars above and some below the standards?

Stork: Requiring each and every car to comply makes little technical or economic sense. Because of production tolerances, it forces the manufacturers to aim for levels twice as stringent as the standards. I was always opposed to that and did everything I could within the agency to change it ... obviously without success.

So Eric Stork, caught in the middle ground between government mandates and hard realities, has been pushed aside. We hope that this situation will not be permanent. Thoughtful, reasonable solutions to the highly political problem of air-pollution control are needed now more than ever.

—Gary Witzenburg

six months of the year—more than in any other half-year in the twenty-year history of the trade paper's survey.

• But when you're small, you've at least got a chance. It looks as though **Lamborghini**, like