



Okay, that's even worse

than a mixed metaphor: that's [a Friedmanism](#). But it still applies today. [Reuters reports](#):

Two U.S. governors asked the United States government on Tuesday to waive this year's mandate for making ethanol from corn, adding pressure on it to relieve meat producers from high corn prices spurred by the worst drought in more than 50 years.

As legendary Hollywood screenwriter William Goldman once commented, "nobody knows anything." But even then, everyone *should* know that ethanol is a zit on the face of US energy and environmental policy. As a matter of lifecycle calculations, it takes so much energy to produce ethanol, and ethanol is itself such a mediocre fuel that it hardly saves any carbon emissions at all. But there it is, copiously subsidized by Congress, thanks to Archer Daniels Midland and the rest of agribusiness.

The environmental and energy aspects, of course, can hardly be counted on to move Congress. But don't mess with a cattleman — or a pigman. The National Pork Producers Council has also [petitioned EPA, USDA, and DOE](#) to waive the ethanol mandate. From the piggies' perspective, ethanol subsidies (UPDATE: and the accompanying mandate, of course,) are bad because they raise the price of corn, and in the midst of a horrible drought (which of course has nothing whatsoever to do with nonexistent anthropogenic climate change), corn prices are high enough already.

When I first read this story, I wasn't even aware that these agencies could waive the ethanol subsidy. And when I read the statutory language, it opened up even more possibilities.

[Section 211\(o\)\(7\) reads, in relevant part:](#)

The Administrator, in consultation with the Secretary of Agriculture and the Secretary of Energy, may waive the requirements of paragraph (2) in whole or in part on petition by one or more States, by any person subject to the requirements of this subsection, or by the Administrator on his own motion by reducing the national quantity of renewable fuel required under paragraph (2)—

(i) based on a determination by the Administrator, after public notice and opportunity for comment, that implementation of the requirement **would severely harm the economy or environment of a State, a region, or the United States**; or

(ii) based on a determination by the Administrator, after public notice and opportunity for comment, that there is an inadequate domestic supply.

(Emphasis added) Now, just think about this for a moment. The agencies can waive the mandate when it would “severely harm the economy or the environment of a State, region, or the United States.” That’s ***always***. The ethanol mandate *always* severely harms the environment, and *always* severely harms the economy by saddling us with a horrific and inefficient subsidy. Okay, there is the matter of the word “severely”, but a few implementing sub-regs and some *Chevron* deference could do the trick there. And the Blue Plate Special for the whole thing could be an amicus brief supporting this determination co-written by the Cato Institute and the Center for American Progress. What’ya say, people? Policy wonks of the world, unite! You have nothing to lose but some subsidized corn!