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Falling gas prices bring relief in financial crisis

By Grant Schulte, USA TODAY

DES MOINES — Barbara Warner is one of many people here and across the USA relieved about plummeting gas prices.

For months, the mother of three fretted as gas prices climbed. She traveled less from her home in Martensdale, Iowa. She canceled routine doctor's appointments for her children. And she blamed the government, she said, for failing to intervene.

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"It's been hard," Warner said as she filled her Chevy Venture last week in West Des Moines. "I miss the days when gas was 98 cents."

Warner, like motorists nationwide, is enjoying a silver lining to the world economic crisis. Last week's gas prices in Des Moines held at around \$2.50 per gallon, among the lowest in the nation, compared with the \$4 high reached in April.

Statewide, Iowa's gas prices ranked fourth-lowest nationwide on Sunday at \$2.61 per gallon, according to gasbuddy.com, a gas price website. Prices in Des Moines, the state capital and largest city, held even lower at \$2.45, according to a partner site, desmoinesgasprices.com. Nationally, gas prices had not been below \$3 since February, according to auto club AAA. The national average for the price of regular unleaded gas was \$2.95 a gallon on Sunday, AAA says.

The price drop comes after some places across the country experienced \$5-a-gallon pump prices and gas shortages after Hurricanes Gustav and Ike shut down some of the nation's refinery capacity along the Gulf of Mexico. As refinery capacity has come back online, prices dropped.

So while they remain worried about their savings and their jobs, some motorists are no longer facing the kind of gas prices that had forced them to eat out less, avoid travel and bike to work.

Joe Dennis, a Des Moines maintenance worker, said the lower gas prices had eased the financial burden of driving among the 10 local rental properties he oversees. On Friday, he said he saved about \$15 filling his red Ford Ranger pickup compared with three months ago.

"Oh my God," Dennis said. "It's marvelous."

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Mark Meyer, president of Keck Oil in Des Moines, said the city's gas prices will likely continue to drop in the coming months as the cost of crude oil declines.

Although motorists welcome the decline in prices, they are wary given the huge fluctuations over the past couple of years, said Kit Yarrow, a consumer psychologist at San Francisco's Golden Gate University who has studied how high oil prices have affected Americans' buying behavior.

"People have learned that they can't trust gas prices to stay low," she said.

Not everyone was sure the lower prices were completely positive. "It's a mixed bag," said Steve Cooper of Des Moines. "I love paying the lower prices, but I also realize we have an addiction. We're only going to break it if we're forced to invest in new technologies."

Schulte reports for The Des Moines Register.

Contributing: The Associated Press

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