

Obama announces \$2.4 bln grant for electric vehicles

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A Chrysler Future Electric Vehicles Dodge Sports Car Ev is on display in April 2009 on Capitol Hill in Washington, DC. President Barack Obama Wednesday unveiled a 2.4-billion-dollar funding boost for the development of new generation electric vehicles and slammed critics of his economic rescue plans.

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The president traveled to a jobs crisis blackspot in the economically-struggling midwestern state of Indiana to announce a plan he said would

create tens of thousands of new jobs.

"For far too long we've failed to invest in this kind of innovative work, even as countries like China and Japan were racing ahead," Obama said.

"That's why this announcement's so important. This represents the largest investment in this kind of technology in American history."

"This is an investment in our capacity to develop new technologies tomorrow. This is about creating the infrastructure of innovation."

Obama spoke in a plant that formerly made recreational vehicles (RVs) but which closed down as the recession hit. The factory has since been reopened and is now making RVs and electric hybrid vehicles.

The initiative, funded from the administration's 787-billion-dollar economic crisis bailout, came against a backdrop of shifting political fortunes with Obama's high opinion ratings eroding and Republican opposition resurgent.

It also came ahead of government jobs data due out on Friday which some analysts believe could see the [unemployment rate](#) growing to 9.6 percent, just short of the politically perilous 10-percent mark.

Obama's tactic of appearing outside Washington is designed to place him metaphorically on the side of the people who sent him to power last November, rather than squabbling politicians in the US capital.

"You know, too often there are those in Washington who focus on the ups and downs of politics. But my concern is the ups and downs in the lives of the American people," Obama said.

He also hit out at critics peddling "misinformation" on his economic

recovery plans, which he said were starting to work and transition the US economy out of free-fall into a new, more sustainable era.

"There are a lot of people out there who are looking to defend the status quo," Obama said, touting political reforms to on energy, healthcare and economic policy.

"There are those who want to seek political advantage. They want to oppose these efforts -- some of them caused the problems that we've got now in the first place, and then suddenly they're blaming other folks for it."

The 2.4 billion dollars in grants for [electric vehicles](#) includes 1.5 billion dollars to US manufacturers to make batteries and components and to expand recycling, officials said.

A further 500 million dollars will go to US firms which produce components for vehicles including electric motors, electronics and other drive train items.

The grants gel with a wider Obama administration effort to wean the United States off foreign oil from volatile regions of the world and drive to slice into US greenhouse gas emissions blamed for global warming.

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