

1. It is argued that many environmental regulations are too costly. Do the economic effects of environmental public policy outweigh the costs? Cite 3 pieces of evidence to support.
2. Cost-benefit analysis is an economic tool that is applied to environmental policies. How does this tool work? What are the benefits of the last 25 years of environmental policy? Cite 3 pieces of evidence to support.
3. Politics often play an important role in the development of environmental public policy. What new developments have occurred in this arena over the last few years? List 3 ways that this can happen.

## Resources:

- Pearson Public Policy Discussion (PDF on weebly)
- Pearson CBA – image below

## Calculating Ecological Footprints

Critics of command-and-control policy often argue that regulations are costly to business and industry, yet cost-benefit analyses (p. 94) repeatedly show that regulations bring citizens more benefits than costs, overall. Each year the U.S. Office of Management and Budget assesses costs and benefits of major federal regulations of administrative agencies. Results

from the most recent report, covering the decade from 2003 to 2013, are presented in the table (shown are averages from ranges of estimates). Subtract costs from benefits, and enter these values for each agency in the third column. Divide benefits by costs, and enter these values in the fourth column.

Agency	Benefits	Costs	Benefits minus costs	Benefit : Cost ratio
Department of Energy	15.6	5.9	9.7	2.6
Department of Health and Human Services	32.4	4.6		
Department of Transportation	25.4	11.6		
Environmental Protection Agency (EPA)	507.2	42.2		
Other departments	25.1	8.1		
<b>Total (billions of dollars)</b>	<b>605.7</b>	<b>72.4</b>		

Data from U.S. Office of Management and Budget, 2014. 2014 draft report to Congress on the benefits and costs of federal regulations and unfunded mandates on state, local, and tribal entities. OMB, Washington, D.C.