When Johnny Can’t Breathe
by Lisa Heinzerling

A study based at the Harlem Hospital Center and released in April showed that one-quarter of the children in Harlem have asthma, making the community the asthma capital of the United States. Among the several possible culprits is a pollution source widely thought to be one of the most significant causes of respiratory problems in the United States: diesel engines.

By chance, the study was released at about the same time the U.S. Environmental Protection Agency (EPA) issued draft rules regulating the emissions of “off-road diesel” vehicles – construction cranes, dump trucks and the like. Given the timing, one presumes EPA did not have the Harlem data, although when the public and various stakeholders file formal comments on the rule, the subject will certainly arise. The question is whether EPA will give such matters any real weight.

EPA’s system for weighing the costs and benefits of such regulations is badly slanted against children. For that matter, in the diesel study and others it was also slanted against the elderly, a practice EPA has since said it will discontinue. The approach was not EPA’s doing; the system was imposed by the Office of Management and Budget’s Office of Information and Regulatory Affairs (OIRA).

OIRA takes the view that it does not pay to be young or old. Deep in the 1,200+ page report explaining the proposed off-road diesel rules, careful readers found calculations for determining the value of preventing respiratory illness in children. Most telling was the Administration’s reckoning of the dollar value of protecting children from having to miss a school day because of illness caused by air pollution. That is an apt measure, because asthma is the leading cause of school absenteeism among young children in New York City.

So what is preventing that worth? Seventy-five dollars a day, according to EPA, the price of a movie and pizza for a family of four. Even more striking than the bare dollar figure is the way the Administration arrives at it. Administration economists figure that the best way to put a dollar value on a lost school day is to consider what it cost parents in terms of lost income. If a child misses school, they reason, a parent has to stay home, and that means lost wages.

Mind you, the Administration assumes that only mothers stay home with sick children. Thus it uses women’s wages, famously lower than
men's, to figure the dollar value of lost school days. But it is not the sexism that most offends. The Administration goes on to argue that since not all mothers work, not all absences result in lost wages. Therefore, the value of preventing an absence from school for a child whose mother has chosen to stay home is zero. The child's suffering isn't worth a penny according to the Administration, and neither is the lost school time. In the research business, that's the kind of stark conclusion that causes researchers to reconsider their assumptions. But not OIRA.

Elsewhere in the regulations, EPA gives short shrift to the elderly, effectively discounting their lives by 35 percent. No particular mathematical hocus pocus is involved; the Administration simply assumes that a lost life for an American 70 or older is worth 65 cents on the dollar compared to someone in their 40s. This "senior discount" was so controversial that departing EPA Administrator Christie Whitman says her agency will no longer use it. If her successor agrees, he or she will still have to tangle with OIRA chief John Graham, who has made no such commitment and who wields great power over the process.

Such calculations are more than just insulting; they also lower the bar for polluters. If no dollar value is associated with the child of a stay-at-home mom being sick, then there is no benefit from eliminating the cause of the illness, and therefore no reason to regulate.

Frighteningly, all of that mischief occurs on the benefit side of the cost-benefit scale. Similar problems are at work on the cost side, where taking industry's worst-case estimates for the costs of regulating is routine practice. So the dirty secret of the Administration's approach to regulating health and safety is not simply the weighing of costs against benefits. Rather, it is that they devalue the benefits and overstate the costs, all with the result, indeed, let us be frank, the purpose of watering down vital regulations, or eliminating them altogether. Who knows how much stronger the proposed diesel rule, or for that matter, rules in any number of other areas, might be, but for such cramped calculations? The children and grandparents of Harlem deserve better.

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