



Regulatory Process Reform

From Ford to Clinton

by Murray Weidenbaum

Because the costs imposed by federal regulations are so huge (exceeding the budgets of all the domestic discretionary spending programs of the federal government), every president from Gerald Ford to Bill Clinton has established a formal system to review new government regulations before they are issued. Each of those efforts has involved units of the Executive Office of the President, with the specifics varying over a fairly modest range of differences. After more than two decades of experience, it is appropriate to take stock of the results of those efforts, focusing on recurring themes across the five administrations. Because it has been covered so extensively elsewhere, this article does not deal with the related and important subject of deregulation. Rather, the focus is on the efforts to reform the regulatory apparatus and the effectiveness of process reform.

The Ford Administration

The precursor of all modern reform efforts was the Quality of Life review process established by President Richard Nixon in October 1971. Supervised by the Office of Management and Budget, the review process required the agencies to consider various regulatory alternatives and their costs when developing "significant" regulations. However, many agencies ignored the process and the OMB's authority was very limited.

President Gerald Ford's concerns about the inflationary impact of federal government activities, especially regulation, marked the beginning of an organized, comprehensive effort at regulatory reform. Ford's first formal reform action was the establishment of the Council on Wage and Price Stability (CWPS) in August 1974. The council's charge included reviewing government programs to determine their impact on inflation and monitoring the private sector economy. In November 1974, President Ford's Executive Order 11821 established procedures for preparing Inflation Impact Statements that were designed to illuminate the economic impact of regulatory proposals, specifically their effects on productivity and competition. The statements were prepared by the various executive agencies and reviewed by the CWPS.

The driving force behind that review process was the Review Group on Regulatory Reform, a subcommittee of the Domestic Council, which was a policy-coordinating mechanism used in the Ford White House. The Review Group focused on legislative and process changes in the regulatory system. The group was cochaired by a member of the Council of Economic Advisers and the deputy counsel to the president. Senior-

level officials from other parts of the administration, including the OMB, served on the group.

In July 1975, President Ford met with the members of ten independent regulatory commissions and urged them to reform their regulatory processes. Because the so-called independent agencies are not subject to the jurisdiction of presidential executive orders, President Ford and his staff tried to coax them into following the spirit, if not the letter, of his directive. Ford focused on four reforms: (1) measuring and considering the costs and benefits of proposed regulations; (2) reducing the backlog and delays in regulatory proceedings; (3) suggesting changes in the legislation under which each regulatory commission operates, including deregulation where appropriate; and (4) assuring that the consumers' interests prevail in regulatory proceedings.

The Federal Trade Commission undertook a self-examination, which was similar to the Inflation Impact Statements required of executive departments and agencies. The Nuclear Regulatory Commission established the Office of Policy and Evaluation for a similar purpose. Other agencies merely paid lip service to reforming the regulatory process. The major accomplishments occurred in the departments and agencies that came within the direct purview of the president.

In December 1976, the Inflation Impact Program was extended by Executive Order 11949, which changed the name of the required analysis to the Economic Impact Statement. Under both executive orders, many burdensome regulatory proposals became subject to critical review and some were deferred, revised, or abandoned. This approach to regulatory review, in different forms, has continued under each successive administration.

The Carter Administration

In February 1978, President Jimmy Carter established the Regulatory Analysis Review Group (RARG). That cabinet-level body was granted review authority over the most important regulations proposed. Senior officials in the Office of Management and Budget, the Council of Economic Advisers, and the White House formed the effort's core, with the bulk of the analytical work performed by the CWPS.

To formalize regulatory review during his administration, President Carter issued Executive Order 12044 in March 1978, replacing Ford's Economic Impact Statement with the Regulatory Analysis. The OMB was responsible for seeing that the president's directive was carried out and delegated to the CWPS the authority to review agency submissions. For all new regulations that would have an economic impact of \$100 million or more, the program required presentation of a Regulatory Analysis prior to publishing the regulation in the *Federal Register*.

Carter's executive order extended the regulatory reform effort by requiring agencies promulgating regulations to prepare a Regulatory Analysis and to make it available to the public at the time of proposed rulemaking. Included in the analysis were a description of the problem, an identification of alternative ways of achieving the policy goal, and an analysis of the potential economic impact of the regulation. A rudimentary cost-effectiveness test was also required to enforce the requirement that "the least burdensome of acceptable alternatives has been chosen."

In 1978 the president established the Regulatory Council. Composed of representatives from twenty executive departments and eighteen independent agencies with major regulatory authority, the council was responsible for preparing the semiannual schedule of proposed regulations required by Executive Order 12044. Although it was viewed by many reformers as a reaction by the regulatory agencies to the concentration of power in the cabinet-level RARG, the council's schedule of proposed regulations became a lasting reform. The Regulatory Flexibility Act now requires the semiannual publication of that information.

By the end of the 1970s, some agencies appeared to be warming up to the concepts advocated by regulatory reformers. For example, in order to quantify the benefits of regulatory actions, in 1978 the Occupational Safety and Health Administration began employing economists. Although OSHA was not required by statute to consider costs and benefits when developing regulations, it did so in response to the influence of the RARG's actions. (In 1981 the Supreme Court, in *American Textile Manufacturers Institute v. Donovan*, ruled that the law required OSHA to use feasibility rather than cost-benefit analysis as a basis for regulation.)

The Food and Drug Administration came under fire from the RARG when it attempted to require informational inserts with prescription drugs. The "patient packaging insert" was intended to outline the proper use of medication and possible side effects. The RARG sided with opponents of the measure who proposed an alternative, more economical means of getting such information to the consumer. The Department of Energy also locked horns with the RARG. Proposed energy efficiency standards for eight categories of major appliances would have removed 50 percent of those products from the market. The RARG believed that the DOE had failed to show that benefits would justify costs, arguing that consumer preference for energy-efficient products would compel manufacturers to respond voluntarily. In both cases, the agencies decided not to pursue the regulatory alternative.

On balance, however, the 1970s will be remembered for an outpouring of federal rules and an expansion of regulatory agencies that resulted in greater government intervention in the private economy. As shown in Table 1, the employee head count at federal regulatory agencies rose from fewer than 70,000 in 1970 to about 122,000 in 1980. More substantial progress towards regulatory process reform came later when cost-benefit analyses were mandatory and incorporated into the regulation design process.

The regulatory reform efforts of Presidents Ford and Carter encouraged weighing the costs and benefits of proposed regulations, but the final authority for rule promulgation remained with the regulating agency. There was no requirement that an agency refrain from promulgating a regulation whose costs would exceed benefits. The advisory nature of the cost-benefit standard was only part of the reason for the limited success of early regulatory reform efforts. Further undermining regulatory reform efforts were the inherent limitations on the role of regulatory analyses in the rule-writing process.

Economic impacts were not systematically considered during the design of regulation or during the legislative process for writing and approving regulatory statutes, and no president could unilaterally deal with that fundamental legislative shortcoming. In addition, the independent regulatory agencies, such as the Federal Trade Commission, were not subject to presidential directives. The regulatory agencies that were subject to presidentially ordered regulatory review generally viewed cost-benefit analysis merely as the final hurdle to cross after they had completed the regulation design.

Presidents Ford and Carter recognized the shortcomings of their regulatory reform efforts. To address the major limitations, both presidents attempted to get congressional committees to insert requirements for cost-benefit analyses directly into new regulatory statutes; however, they were not successful. In contrast, their attempts to foster deregulation by altering the statutory basis for regulation made substantial headway. In 1978 Congress eliminated the Civil Aeronautics Board and in 1980 it reduced the regulatory power of the Interstate Commerce Commission.

Two procedural reforms were enacted in the last year of the Carter administration. The first reform, the Regulatory Flexibility Act of 1980, required rulemaking agencies to write regulations in a manner that would minimize the burdens on small business. Compliance with this provision was minimal. Many agencies simply attached a perfunctory statement to new rules in order to meet the law's formal requirements. Moreover, enterprises that had been adversely affected by a regulation could not take an agency to court for violating the act. Without the ability to stand in court, businesses benefited little from the act.

The second and far more useful procedural law was the Paperwork Reduction Act of 1980. The act created the Office of Information and Regulatory Affairs, in the Office of Management and Budget, to supervise the enforcement of the law's objective to reduce the burden of federal reporting requirements. The law took effect after President Carter left office. Early in 1981 President Reagan, by executive order, expanded OIRA's mission to encompass the review of regulations promulgated by executive branch agencies.

The Reagan Administration

Regulatory reform was a basic component of President Reagan's economic agenda—one of the "four pillars" of his initial program for economic recovery. One of Reagan's most important actions was the establishment of a high-level group to oversee the effort, the Task Force on Regulatory Relief chaired by then-Vice President George Bush. Executive Order 12291 issued February 1981 stated, "Regulatory action shall not be undertaken unless the potential benefits to society from the regulation outweigh the potential costs to society." The presidential directive required agencies to prepare a regulatory impact analysis for each "major rule" pending, subject to review by the OIRA. A federal agency could not publish a notice of proposed rulemaking until an OIRA review was complete and its concerns had been addressed.

One of the order's strengths was that it allowed the OIRA to identify any rule as a "major rule." But the real power of Executive Order 12291 was twofold: first, it required the regulatory agencies to demonstrate that the benefits of a proposed regulation exceeded the costs; second, it gave the OIRA power to delay rulemaking to ensure that broader economic issues were appropriately addressed by the regulatory agencies prior to issuing a new regulation. At an organizational level, President Reagan abolished the CWPS and transferred its regulatory review function to the OIRA.

The Task Force on Regulatory Relief often acted as a court of appeals for issues on which the OIRA and the regulatory agencies could not agree. The staff director of the task force also headed the OIRA, with the rank of assistant director of the OMB. Thus, the coordination between the two groups was close and at a high level.

Due to the mood of Congress and the declining political clout of traditional constituencies of regulation, the opportunity for regulatory reform was high. The administration's initial efforts were much more substantial than those of any previous administration. Reagan's early, decisive steps to alleviate the burdens of government regulation—Executive Order 12291 and the Task Force on Regulatory Relief—resulted in fewer new rules.

As shown in Figure 1, the regulatory review process during the Reagan administration had a substantial impact, as measured by the large portion of proposed regulations that were returned, changed, or withdrawn. From 1981 to 1989, the Department of Labor was especially affected, with over 40 percent of its regulations failing, at least initially, to obtain approval from the OIRA.

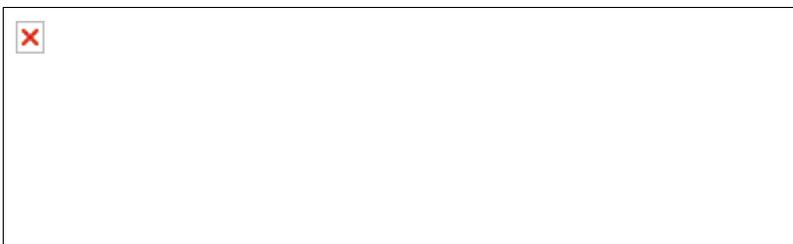
In its first term the Reagan administration also substantially reduced the staffing and budgets of the regulatory agencies. The number of full-time equivalent employees of federal regulatory agencies declined 16 percent, from a peak 121,791 in 1980 to a low 102,192 in 1985. Since then, the upward trend has resumed, reaching a total 129,955 in 1995 (see Table 1).

Some analysts have argued that the administration's focus on process reform prevented a substantial reduction in the regulatory burden. The timidity with which the administration approached environmental regulation has been contrasted with its bold action in changing the enforcement of the antitrust laws. From this viewpoint, the Reagan administration seemed to settle for minor corrections and procedural changes. In fact, any major effort to reform the regulatory system via legislative changes was deliberately deferred by the White House in order to avoid diluting support for the administration's ambitious and controversial agenda of tax-and-spending cuts.

At the statutory level, President Reagan's major accomplishment was the avoidance of new regulation. Unlike other recent administrations, it neither advocated nor authorized a new regulatory agency or major regulatory program. With respect to procedural reforms, the administration chalked up a long list of successes. Early achievements included improvements in the Department of Agriculture's guidelines for Milk Marketing Orders, an acceleration in drug approvals, and revisions in the inspection and enforcement actions of the Environmental Protection Agency and the Occupational Safety and Health Administration.

The more stringent review process reduced a variety of compliance costs, ranging from the \$3 million annual savings in the Department of the Interior's Federal Coal Management Program to the \$1 billion savings in the EPA's Emissions Trading Policy. In total, the Reagan regulatory reforms resulted in an estimated \$9 billion to \$11 billion in one-time savings and an additional \$10 billion in annual savings.

In its second term, the administration de-emphasized regulatory reform. The budgets and staffs of the federal regulatory agencies began to rise in 1984, although at a slower rate than during the previous administration.



The Bush Administration

President Bush deviated little from Reagan's regulatory process

reform program. The Council on Competitiveness, established March 1989, replaced the Task Force on Regulatory Relief. Like the previous task force, the Council on Competitiveness was headed by the vice president. Its charter authorized it to review all federal regulations with the aim of eliminating those that inhibited U.S. competitiveness. The council intervened in many specific regulatory matters. For example, it stopped an EPA proposal that would have required municipalities to divert 25 percent of their solid waste destined for incineration into recycling programs.

However, the Bush administration also supported a number of new regulatory statutes including the Americans with Disabilities Act, the Clean Air Act Amendments of 1990, and the Civil Rights Act of 1991.

In January 1992, following substantial criticism by advocates of regulatory reform, Bush placed a three month moratorium on the issuance of new regulations. During that period, agencies were called upon to evaluate existing regulations and accelerate action on initiatives that would "eliminate any unnecessary regulatory burden."

As a practical matter, many exceptions to the moratorium were allowed, including regulations that (1) faced statutory or judicial deadlines; (2) responded to situations that posed "an imminent danger" to human health or safety; (3) fostered economic growth; (4) were essential to criminal law enforcement; and (5) concerned military or foreign functions.

That effort represented a philosophical return to the Reagan administration's emphasis on minimizing the burden of regulatory activities on the economy. The Bush administration claimed that the moratorium led to hundreds of regulations being changed. Although it is difficult to pinpoint specific changes that resulted from the moratorium, it is significant that opponents of the new Bush policy charged that it "delayed, weakened, or discontinued" many environmental, health, and safety regulations.

All in all, the efforts of Bush's regulatory reformers may have held at bay an even more regulation-inclined Congress. Nevertheless, the Council on Competitiveness was frequently criticized on procedural grounds, especially for permitting business interests to make their cases against pending regulation in special ex parte presentations. The whole idea of presidential review of regulatory decisions was questioned on constitutional grounds. The effective response boiled down to the point that the Constitution empowers the president to see that laws are "faithfully executed."

The Clinton Administration

With considerable fanfare, the Clinton administration rescinded the existing executive orders on regulatory review and abolished the Council on Competitiveness. Nevertheless, regulatory reform continues to have a place in President Clinton's agenda, currently as a component of the Reinventing Government Initiative. In September 1993, Clinton issued Executive Order 12866, replacing the Reagan-Bush directives.

President Clinton reaffirmed the OMB (via OIRA) as the central agency charged with review of proposed regulations. However, because the previous Republican

administrations had been criticized for allowing regulatory discussions to go on behind the closed doors of the OMB, the new executive order made the process more accessible to the public. Specifically, the OIRA must publicly identify its recommended changes for regulatory actions.

The new executive order reaffirmed the primacy of federal agencies in the regulatory decisionmaking process. According to the General Accounting Office, "Rule writers and rule reviewers [are] learning to work together as partners rather than as adversaries." However, that new harmony has come at the cost of eliminating the substantive content of the regulatory review requirements imposed by Presidents Reagan and Bush. Whereas Executive Order 12291 prohibited publication of a rule until the OMB's concerns were addressed, Order 12866 reverted to the standards of the pre-Reagan years.

The regulatory agencies only have to meet a very subjective requirement; they must find "that the benefits of the intended regulation justify its costs." The OMB retains no formal power to holdup rulemaking or to require a demonstration that the benefits generated by a regulation exceed the costs imposed. Perhaps for a variety of reasons, including substantive policy shifts by the new administration, the OMB and OIRA's regulatory powers seem to have diminished.

On the surface, Clinton's executive order requires the agencies to do many sensible things in the process of drafting rules, including identifying alternative ways of meeting governmental objectives, considering benefits and costs, and using market-based alternatives and performance standards. The recent reduction of ten thousand pages of environmental and pharmaceutical regulations, including the deletion of 11 percent of the total pages of EPA regulations and the rewriting of another 70 percent, is a positive result of that effort. However, many of the eliminations were perfunctory, covering regulations that had not been enforced for some time. An example is the FDA's elimination of rules governing products that are no longer sold.

Furthermore, new regulations have been added at such a rapid rate that they more than offset the reductions. In some important instances, new regulatory burdens are considerable. For example, the EPA's own regulatory analysis of its proposed air quality standard for ground-level ozone (smog) estimates benefits of \$1.5 billion at most but with costs between \$600 million and \$2.5 billion.

A more substantive review of the rulemaking process shows an even less-benign picture. In the case of the EPA, the largest regulatory agency, from April to September 1994 only six of forty-five rules labeled "significant" contained a determination that the benefits justified the costs; only three contained a determination of a compelling public need; and, only nine considered alternative approaches to regulating. Of the other 177 rules issued by the EPA during that period, none were supported by the determination that the benefits justified the costs.

In the aggregate, the federal rulemaking list has grown. In November 1996, the U.S. Regulatory Information Service Center released the latest semiannual regulatory plan. The 1,688 page document contains summaries of the multitude of regulatory actions that the federal departments and agencies are working on, including over two hundred entries by the EPA covering the Clean Air Act alone. A few examples give the flavor of the information provided: "Sequence Number 3804, 'Integrated Rule for Paper, Film, and Foil Coating and Coatings; MACT for NESHAP; and BAC for National VOC Rule'"; and, "Sequence Number 3841, 'Deletion of Saccharin From the List of

Hazardous Wastes Under RCRA and the List of Hazardous Substances Under CERCLA.'" (We must wonder how saccharin got on the EPA's list in the first place.)

Few listings in the semiannual regulatory plans contain estimates of benefits or costs. Thus, it appears that Executive Order 12866 and the reinventing effort of which it is a part have given the American public the appearance, rather than the substance, of improvement. As shown in Table 1, the staffing of the federal regulatory agencies hit an all-time high in 1995 of approximately 130,000, a 27 percent increase from the low point reached a decade earlier.

Recent Congressional Actions

Over the years bills have been introduced in the Congress to legislate a generic regulatory reform effort. However, until 1995, none gathered enough support to be enacted. In 1995, with Congress controlled by the Republicans, the House of Representatives approved a host of regulatory reform bills but only a few passed the Senate. The proposed Comprehensive Regulatory Reform Act of 1995—the proposal to require the regulatory agencies to show a detailed cost-benefit analysis prior to issuing a new rule—failed by one vote in the Senate. Yet, some important changes were legislated. The Unfunded Mandates Reform Act of 1995 requires federal agencies to prepare written assessments of the costs and benefits of significant regulatory actions that may result in the expenditure by state, local, and tribal governments or the private sector of at least \$100 million annually. Independent regulatory agencies were exempted, as were a few politically sensitive programs such as civil rights. The UMRA requires that the agency identify and consider "a reasonable" number of regulatory alternatives and select the least costly, most cost-effective, or least burdensome alternative that achieves the proposed rule's objectives.

In 1996 Congress passed the Small Business Regulatory Enforcement and Fairness Act that established a procedure for congressional review of "major" rules—that is, rules involving annual costs of \$100 million or more—before they become effective. Under this statute, Congress has sixty days from the publication of the final rule in the *Federal Register* to review and stop the proposal, subject to presidential veto. It is too soon to tell whether or not this new law will be effective.

Conclusions

The history of regulatory process reform deals with the ultimate paradox: relying on the bureaucratic process to remedy the shortcomings of the bureaucracy. Nevertheless, in this imperfect world in which policy is not written on a clean slate, some limited progress can be noted.

The formal systems of review that have been established by every president since Gerald Ford have helped convince the often reluctant officials of the federal regulatory agencies to analyze the implications of their rules before issuing them. That approach has been somewhat successful in getting regulators and their supporting interest groups to think about the costs and the benefits they impose on society. Also, the public has begun to realize that regulations have disadvantages as well as advantages. For example, in late 1996 the EPA issued for comment preliminary new rules governing ozone and particulate matter emissions. The news media pointed out the costs to consumers, notably higher gasoline prices and utility bills, as well as the benefits in

terms of reductions in adverse health effects. Such balanced coverage is fairly new on the environmental policy front.

As would be expected, the very serious shortcomings of the regulatory review process have become increasingly apparent over the past two decades, although some of them have existed from the outset. The most serious of these is the inherently limited scope of executive branch review. The most crucial stage of the regulatory process, when Congress writes and enacts the statutes under which the regulatory agencies operate, is completely exempt from any requirement to examine the potential impact or effectiveness of the proposed law. None of the recent legislative proposals to enact generic regulatory reform contained any requirement for the Congress or its staff to include such reviews in their deliberations.

Compounding the problem, many regulatory statutes, especially in the areas of environment and job safety, prohibit or severely restrict any use of economic analysis in the executive branch's rulemaking process. For example, the Supreme Court, in two related decisions, *Industrial Union Department, AFL-CIO v. American Petroleum Institute* (1980) and *American Textile Manufacturers Institute v. Donovan* (1981), undercut the role of cost-benefit analysis in the development of regulations under the OSHA. Thus, it is often futile for any president to direct a regulatory agency to choose "the most cost-effective approach." That is certainly the case when the governing statute closely prescribes the specific actions to be taken, which may be far from the most "cost-effective" approach. The detailed requirements and timetables of the almost eight hundred pages of the Clean Air Amendments constitute a relevant case in point. Moreover, activists do not hesitate to take the EPA to court if the agency attempts to deviate from any of the provisions contained in the act.

The insight that regulatory problems mainly originate in the legislative stage is hardly new. In 1980, in the lead article in a symposium on regulatory reform, I noted, "The fundamental shortcomings of government regulation result more from statutory than from executive deficiencies." (See "Reforming Government Regulation," *Regulation*, 1980 No. 6.) Unfortunately, that statement is as pertinent today as it was then.

Another shortcoming of the regulatory review process is that it has been established by presidential executive order rather than statute. As a result, the various independent regulatory agencies are exempt from the process. As noted earlier, they may voluntarily choose to follow some of the procedures. In practice, that limitation means that large agencies of the regulatory establishment are beyond the purview of reform efforts, namely the Federal Communications Commission, the Federal Energy Regulatory Commission, the Federal Trade Commission, the International Trade Commission, the National Labor Relations Board, the Nuclear Regulatory Commission, the Securities and Exchange Commission, and the Federal Reserve Board.

Many regulators, whether subject to the presidential directive or not, appear to be out of sympathy with the reform approach. Or, at least, they seem very suspicious of the results that flow from subjecting their regulatory programs to economic analysis. Moreover, experienced bureaucrats are accustomed to offering lip service to the various circulars issued by the OMB to implement presidential policies. The regulators sincerely believe that they have an overriding duty to protect their programs from the "green eyeshade economists" at the OMB and from the political pressures emanating from the White House.

The resultant response, a ritual performance of some perfunctory economic analysis, enables the agencies to ignore the spirit of the entire effort while still meeting the formal requirements. At a more technical level, estimating benefits and costs is very difficult and thus quite controversial. Those shortcomings are accentuated by the fact that few widely accepted standards are available to guide the reviews of proposed regulations. Like its predecessors, the Clinton administration has issued formal guidance on the subject, but it seems to be honored mostly in the breach.

Recommendations

In order to attract the public support necessary for regulatory relief, it would be desirable to develop a program that avoids the earlier notions of providing relief from regulatory requirements or minimizing the costs of regulation. The challenge is to modernize the federal government's regulation of economic activity to make optimum use of the vast resources that are now devoted to meeting the numerous requirements imposed by regulations. A systematic and thorough review of regulatory proposals is likely to result in a more modest scale of regulation. But to be fair-minded, all players must be willing to accept the results of the analyses, even if they do not reduce the regulatory burden.

The point of view that needs to be reflected for such a new effort should not be that of the government, businesses, or other large and powerful interest groups. Rather, the new formulation should primarily reflect the concerns of the average citizen and taxpayer who simultaneously cares about health, safety, and the environment, as well as jobs, inflation, and American competitiveness.

Regulation is a powerful tool that should be used reluctantly and with great care and discretion. In view of the large and growing magnitude of resources devoted to regulatory purposes, with annual estimates of costs ranging from \$400 billion to approximately \$700 billion, the public deserves better. Although defenders of the status quo likely will not believe it, regulatory reform is not a Neanderthal plea to ignore the real problems of pollution, hazards on the job, and the like. Indeed, every task government undertakes should be performed well. Surely the existing regulatory process does not meet that elementary standard.

As for the counterargument that regulatory review itself is costly and burdensome, economist Paul Portney of Resources for the Future contends that it would not be extravagant to spend \$1 billion a year to analyze whether resources are being devoted to the right problems, to see if the benefits of regulations exceed the costs, and to determine if the goals of regulation could be met with less expense. Portney estimates that government agencies and the OMB now spend a paltry \$50 million or less annually for this type of analysis.

It is important to respond to the fact that the process of imposing regulatory costs is not subject to the budgetary constraints faced by the president or the Congress. Moreover, the unelected decisionmakers who impose those burdens on American consumers, workers, and investors usually have little knowledge concerning the magnitude of those costs. The objection by special interests to using facts and figures in the regulatory decisionmaking process, especially considering the data required in the conventional budget process, is not very convincing. The case for using such data is compelling.

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