A new book by Michael Livermore and Richard Revesz discusses what they consider the growing use of CBA outside of the United States, where it got its start as a tool for assessing regulations. Perhaps the most interesting part of the book concerns developing countries.

Use of CBA in developing countries poses special challenges. Valuation data is rarely available for those countries, so regulatory benefits have to be extrapolated from studies of developed countries (often the U.S.) Resources are smaller, and expertise may be scarce. Even the authors, despite their enthusiasm for CBA, admit that it probably makes little sense to expect it to be used by governments in the poorest countries. Emerging countries like China, Brazil, and India may be a different story.

For those who are not fans of CBA, its international spread may seem like a worrisome possibility. But for environmentalists, CBA may work out better than it has in the United States. For one thing, because environmentalism is weaker in most developing countries than the desire for economic growth, putting an economic spin on CBA may be the best hope for environmental quality. In addition, as Livermore and Revesz point out, because so little has been done to address environmental problems in emerging and developing countries, the initial efforts are likely to have very favorable cost-benefit ratios. Finally, as they also observe, the use of CBA here has been tainted by errors ideological biases that could be avoided elsewhere. So there *may* be a pragmatic case for using CBA elsewhere even for those who dislike its use in the U.S.