

Is increased pollution the key to economic growth? Can we increase economic growth by dropping restrictions on air and water pollution and ramping up climate change?

Donald Trump believes that the answer is yes – indeed, if that if we just get rid of those pesky environmental regulations, we can create 500,000 new jobs every year, add \$7000 to the average family's income, and increase GDP by \$500 billion per year. In fact, he says, the Obama Administration has destroyed “millions of jobs” through its regulations. Increased pollution is apparently the equivalent of “Miracle-Gro” fertilizer for plants.

I had hoped that we had moved past the job-killing regulation meme now that unemployment is below 5%, but I guess not. Trump relies on think tanks associated with the tea party movement and the Kochs as support for these assertions. The empirical evidence, however, points to small job losses connected with regulation. You can find some discussion of that [here](#) and [here](#). Some people do lose jobs, but others gain jobs, so things net out in terms of the *overall* effect on the economy. In fact, since 1980, the most pro-regulatory administrations (Clinton and Obama) had dramatic job growth. But let's not confuse ourselves with facts.

Trump's economic claims were central to the speech on the economy that he gave today. Rather than interpose myself between him and the reader, I'll just let the man speak for himself.

The first growth booster is supposed to be elimination of government regulation, which according to Trump will by itself create enormous economic benefits. In Trump's words:

“In 2015 alone, the Obama Administration unilaterally issued more than 2,000 new regulations – each a hidden tax on American consumers, and a massive lead weight on the American economy. It is time to remove the anchor dragging us down. Upon taking office, I will issue a temporary moratorium on new agency regulations. * * *

“I will also immediately cancel all illegal and overreaching executive orders.

“Next, I will ask each and every federal agency to prepare a list of all of the regulations they impose on Americans which are not necessary, do not improve public safety, and which needlessly kill jobs. Those regulations will be eliminated. We are in a competition with the world, and I want America to win. When I am president, we will.”

In particular, Trump promises huge benefits from eliminating air pollution

**restrictions on coal-fired plants and other pollution regulations for fossil fuels.
Again, in his own words:**

“The Obama-Clinton Administration has blocked and destroyed millions of jobs through their anti-energy regulations, while raising the price of electricity for both families and businesses.

“As a result of recent Obama EPA actions coal-fired power plants across Michigan have either shut down entirely or undergone expensive conversions. The Obama-Clinton war on coal has cost Michigan over 50,000 jobs.

“Hillary Clinton says her plan will “put a lot of coal companies and coal miners out of business.” We will put our coal miners and steel workers back to work.

“Clinton not only embraces President Obama’s job-killing energy restrictions but wants to expand them, including going after oil and natural gas production that employs some 10 million Americans.

“According to the Heritage Foundation, by 2030, the Obama-Clinton energy restrictions will eliminate another half a million manufacturing jobs, reduce economic output by \$2.5 trillion dollars, and reduce incomes by \$7,000 dollars per person.

“A Trump Administration will end this war on the American worker, and unleash an energy revolution that will bring vast new wealth to our country.

“According to the Institute for Energy Research, lifting the restrictions on all sources of American energy will:

- “Increase GDP by more than \$100 billion dollars annually, add over 500,000 new jobs annually, and increase annual wages by more than \$30 billion dollars over the next 7 years;
- “Increase federal, state, and local tax revenues by almost \$6 trillion dollars over 4 decades;
- “Increase total economic activity by more than \$20 trillion dollars over the next 40 years.

More oil! More coal! More pollution! Hooray!