

If it's true that "the enemy of my enemy is my friend," environmentalists might want to take another look at cost-benefit analysis. The Trump Administration is certainly doing its best to gut economic analysis of its rollbacks. Both economists and environmentalists are resisting. Is this an alliance of convenience or will it be the start of a beautiful friendship?

Even a month into his presidency, Trump's approach was clear: cost-benefit analysis, but without the benefit part. He imposed caps on new regulations based on their cost, but with no consideration of their benefits. As I [wrote](#) at the time, cost-benefit analysis "doesn't play a starring role in Trumpworld and seems barely on the stage." More recently, after looking at three major proposed rollbacks, I [commented](#) that "the economic analysis of one is seriously defective, another admits to having severe limitations, and a third systematically reduces the scale of benefits."

The final versions of Trump's rollbacks are starting to emerge, and the economic analyses remain seriously flawed. The Trump Administration's strategy throughout remained the same: downplay the significance of environmental harms, so that the benefits of environmental regulation can be ignored.

Here are some examples:

**Downplaying the seriousness of climate change.** EPA's analysis eliminate any consideration of how reducing carbon emissions will prevent harm to the rest of the world. EPA also abused an economic technique called discounting in order to avoid considering the long-term effects of climate change.

**Limiting consideration of science.** EPA has come up with a rule that is cleverly designed to protect polluters. The rule limits consideration of important public health studies based on confidential data. EPA calls this a "scientific transparency" rule but has been more accurately called the "censored science" rule.

**Downplaying regulatory benefits.** EPA ignored important public health benefits to undermine restrictions on emissions of toxic mercury by power plants. In other air pollution regulations, it has minimized the significance of public health benefits that come along with reducing carbon emissions.

In short, Trump has used a rigged version of cost-benefit analysis in which the environment always loses. No wonder environmental economists are so appalled by

what EPA is doing.

If Trump is reelected, the only hope of stopping his rollbacks will be litigation. At that point, it will be important to see how courts reviewed the Administration's biased cost-benefit methodology. Environmentalists and advocates of cost-benefit analysis may find them on the same side, with both advocating that judges take a hard look at EPA's economic analysis.

If Trump loses, we'll have to see what happens to the current alliance between environmentalists and environmental economics. The new Administration may get courts to put the litigation over the Trump rollbacks on hold. In the meantime, progressives are likely to push the new Administration to eliminate cost-benefit or at least greatly downplay its significance. Some progressive groups are in the process of formulating such proposals.

If the Democrats win in November, it's unclear how much traction such proposals will have. Sanders would surely have done so, but whether Biden would go that direction remains an open question. He may instead adopt the view of many environmental economists that what is needed is not less cost-benefit analysis, but better cost-benefit analysis.