

THE PUBLIC POLICY

All That Gold

By Daniel Oliver on 1.24.11 @ 6:08AM

As Republican politicians look frantically for ways to solve the country's financial problems, they should not overlook the mountain of gold towering before them. That mountain is the accumulation of federal regulations that now occupies more than 82,000 pages in the Federal Register.

No one knows for sure what the cost of all those regulations is, but it is probably at least \$1.75 trillion, or 14 percent of U.S. national income. By comparison, the income-tax burden is about \$2.3 trillion.

The current Congress is not likely to be successful in repealing much of anything, given the veto power of the liberal progressive in the White House. But the House of Representatives could at least set the stage for massive repealing in preparation for the Republicans' taking control of the government in 2012.

High on the list of regulations that should be repealed is the Occupational Safety and Health Act (OSHA), enacted in 1970 with, alas, President Richard Nixon's enthusiastic support. OSHA was just one reason, and a good one, why conservatives suspended their support of Nixon -- until Watergate.

The mandate of the Occupational Safety and Health Administration created by that act is to protect workers from job-related injuries and illnesses. Its regulating is fanatically intrusive, and is estimated to cost around \$65 billion a year. Its existence is justified in the literature with phrases like, "Since the 1970 enactment of OSHA, workplace injuries are sharply down..." Yes, and since the 1970 enactment the tides have been going in and out too.

In fact, despite all that oppressive regulating, the record indicates, remarkably, that OSHA has had no effect at all. A graph published by the CATO Institute shows that the decline in workplace fatalities was steady over a sixty-year period that began long before OSHA was created. Looking at the graph, it is impossible to point to the moment when OSHA commenced its massive meddling. The graph of non-fatal workplace injuries, on the other hand, is almost flat, also indicating that OSHA has made no difference.

What the science shows, therefore, is that OSHA has been completely ineffective. But who cares about science?

of my Administration on a wide range of issues, including improvement of public health...

But in practice, this administration has already indicated it doesn't care the square root of π about science -- which is certainly taking a back seat when it comes to regulations put out by the Department of Transportation.

As reported by Holman W. Jenkins Jr. in the *Wall Street Journal*, Ray LaHood, the secretary of transportation, is on a campaign against "distracted driving" caused by cell-phone use, which he labels an "epidemic."

But there are problems with Secretary LaHood's campaign, especially in an administration that says it wants to restore scientific integrity to government decision-making.

What does science tell us about using cell phones while driving? The Insurance Institute for Highway Safety reported that a study by researchers at its affiliate, the Highway Loss Data Institute (HLDI), found no reductions in crashes after laws that ban texting by drivers took effect. A previous HLDI study had found no reductions in crashes after bans on hand-held phones had taken effect. In fact, crashes increased in three states after texting bans were imposed. No one knows why yet, but one theory is that drivers' attempts to be clandestine in using their phones may cause accidents.

Secretary LaHood, a man undistracted by science, should be exquisitely tortured in the appropriate congressional hearing. But his campaign is a mere Pinto, or Lada, compared to the war waged on business by the Occupational Safety and Health Administration.

Is there any indication that bureaucrats are capable of learning from science? Very little. In 2009, the District of Columbia cancelled safety inspections of automobiles, having discovered that states that did not require inspections did not have higher accident rates than states that did. A 2005 report by the District's Department of Motor Vehicles "clearly showed there was not a positive effect of safety inspections on traffic safety" in the city.

Lest you start having fuzzywarm thoughts about D.C. bureaucrats and think they were concerned about the inconvenience that inspections caused the citizens of the city, you should know that the District discovered it could save \$400,000 a year by cancelling the inspections -- raising the question: If the city fathers knew in 2005 that there was no benefit from the inspection program, why did they wait until 2009 to cancel it? But we digress.

Or do we? Like the D.C. inspection program, OSHA has not done what it was supposed to do, and instead of \$400,000 a year, it has cost billions. It should be abolished now. Why wait?

Abolishing OSHA is an idea whose time must be advanced. It would have tremendous support from the business community, especially small businesses, for which the epidemic of regulations the country has been suffering from for the last half-century are a far greater burden than they are for big businesses.

The Republican House should start laying the groundwork immediately. It could appoint a commission (a Team B?) to study regulations -- en masse, not just OSHA -- and recommend

Enter

nearings, now, to prepare for wholesale reform later. They could move quickly because much of the research has already been done.

All that gold. The mountain towers. And waits.

Daniel Oliver is a Senior Director of White House Writers Group in Washington, D.C. He served as Chairman of the Federal Trade Commission under President Ronald Reagan.