US seeks to 'rationalise' health and safety regulation in the interest of profits

The role of science in the regulatory process was a central theme in a meeting on science policy held last week by AAAS.

David Dickson reports

THE Carter administration is launching a concerted effort to rationalise its environmental and health regulatory mechanisms in a way that will ensure these mechanisms do not sap the vitality of the private sector. According to Mr Bowman Cutter, head of budget affairs in the Office of Management and Budget, the administration's overall aim is "to promote a structure in which decisions [about future investment] can be made rationally."

Precise details of the administration's proposals are expected to be announced shortly. Various alternatives are included among a list of possible decisions now facing President Carter on ways to stimulate industrial innovation, the results of a year-long study by the Department of Commerce.

However the general philosophy of the administration's approach was outlined by three of its principal architects — Mr Cutter, Dr Frank Press, director of the Office of Science and Technology Policy and Dr Jordan Baruch, assistant secretary of commerce — at a meeting on federal research and development policy held last week by the American Association for the Advancement of Science.

From this it emerged that a major emphasis will be placed not on ways in which direct intervention can aid innovation in private firms, but on ways of stabilising and "rationalising" the decision-making environment. And where the Commerce Department's report has provided the rationale, OMB has been studying institutional changes that will help make this possible, and OSTP looking at ways in which science and the scientific community can contribute.

Indeed having done much to set basic research funding on its feet in the first two Carter budgets — Mr Cutter told the AAAS meeting that basic science could expect a further modest amount of real growth in the 1981 budget — the role of science in the regulatory process has now become a central concern to OSTP.

Many companies blame excessive regulation as one reason for the poor performance of the US economy. "Industry has been compelled to spend more and more of its research dollars to comply with environmental, health and safety regulations — and to move away from longer-term efforts aimed at major scientific advances" is a typical complaint from Rawleigh Warne Jr., the chairman of Mobil Oil.

The problem facing the administration is that much of this regulation has been mandated by Congess. It is therefore suggesting, not less regulation as such, but that a distinction be made between necessary and "unnecessary" regulation — a distinction whose validity is questioned by many trade unionists — and that the regulatory burden be rationalised by cutting out the latter.

"Society has made decisions to repurchase clean air and water and to protect the health of workers," Dr Baruch, who was responsible for co-ordinating the Commerce Department study, told the AAAS meeting. "It is imperative that we do not sacrifice the goals of those decisions, but ask how they can be made compatible with the desire to stimulate innovation."

Dr Cutter described the significant impact such regulatory decisions have had on the political landscape. "Prior to the 1960s regulation was largely economic. But subsequently a very new form of regulation has begun to be developed linked to central social objectives," Mr Cutter said.

Similar points were made by Dr Press (in a speech delivered by OSTP associate director Dr Phil Smith), who criticised current regulatory efforts as being "highly-segmented, wide-ranging in impact, economically important, highly politicised, very aggressive, relatively independent, and almost totally uncoordinated."

Specific characteristics, he said, included that existence of distinct regulatory regimes, tough legislative mandates, single priority objectives with less consideration to other impacts (especially costs), the delegation of authority to separate agencies, and "a lack of any mechanism for weighing the overall impact of the sum of the separate programmes."

A major goal of the present administration, which had already implemented various activities to remedy this situation, was "improved care and rationalism, in both substance and process" he said. One area in need of improvement was the uniform application of scientific principles in the regulatory process. Another was the possible use of neutral experts to help "fence in" controversial areas so that debates on regulation "can be confined to legitimate differences in values."

University researchers could play an

"We figured the more regulators there were, the less they'd bother us — and it works!"

important role in these type of fields, he said, for example through campus based research centres. And there was no need for regulatory programmes to inhibit socially desirable innovations.

Both Dr Press and Mr Cutter admitted that rationalising the regulatory process was unlikely to be an easy task. Last year, for example, OMB had brought together seven agencies to compare their various programmes on toxic substances. But Mr Cutter admitted that the results of the exercise had been "not too successful".

This, he said, was partly due to substantial differences in objectives between the various bodies, with regulatory agencies, for example, claiming that the need to fulfil legal mandates was a principal reason for doing research, while basic research agencies gave highest priority to the expansion of knowledge.

"We will have to continue work on this. Research on the impact of regulation must increase; but before we do this, the federal government will have to get its house in order so that we know what we are spending money on and why we are doing it," Mr Cutter said.

Both speakers also agreed that the current position of "social regulation" was similar to that of economic regulation prior to the establishment of OMB by the Budget and Accounting Act of 1921, which for the first time brought the budgets of the various federal agencies together under direct presidential control.

Sceptics point out, however, that this act provided Presidents Harding and Coolidge with both the means and the authority to slash federal spending and keep it down, with total expenditures dropping from \$5.1 billion in 1921 to \$3.4 billion in 1922, and remaining low until the end of the decade. They are hoping that history will not repeat itself too closely. □

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