

TIME TO DECENTRALIZE EPA

The controversy at the Environmental Protection Agency has obscured the real issue and diverted the Reagan Administration's attention from it. At question is not whether the environment should be protected. All sides agree on this. The real issue is strategy.

Conservatives favor a policy that eliminates unnecessary federal government intervention imposing enormous costs with little benefit and that shifts services and functions to state and local governments. This gives officials on the spot the incentive to write rules reflecting the needs of their community. Liberals, on the other hand, generally feel that a strong centralized government should dictate national environmental policy. The Reagan Administration is--or is supposed to be--committed to decentralize EPA and make it into an oversight body. Most of the EPA bureaucracy wants to centralize power in Washington and in their own hands.

The structure of EPA has turned what should have been an honest difference of approach into an environmental gunfight. The agency is divided into five major program areas, administering an alphabet soup of overlapping and often contradictory laws. This structure discourages technical innovation in pollution control and leaves little room for innovation at the local level. No wonder Washington has been inundated with business and environmental groups trying to change things. No wonder that EPA seems like an executive agency out of control, unable to implement its mandate.

What can be done? It is time to recognize that EPA's problems are structural, not one of personalities. Congress should move quickly to redesign the agency, transfer more functions to the states, where rules would fit reality, and limit EPA itself to overseeing broad national standards implemented by the states. Among the specific changes needed:

- 1) Eliminate the media (air, noise and radiation; water; solid waste and emergency response and pesticides and toxic substances) divisional policy research offices. Because they are not connected with the central Office of Policy and Resource Management, this leads to contradictory policies.

- 2) Transfer all but 40 of the Washington Headquarters' attorneys to the regions where they are needed. The bulk of EPA litigation is in the regions, not in Washington.

3) Revoke the "Memorandum of Understanding" between EPA and the Justice Department, whereby Justice has responsibility for litigating EPA cases. EPA has dozens of under-utilized trial attorneys, while Justice's environmental legal staff is overworked and less knowledgeable. The result: few cases go to litigation.

4) Audit every grant issued by the agency during the Reagan Administration. This includes Carter-era grants whose reimbursements were made by this Administration. The EPA grant program is extremely inefficient and loosely monitored. The list of grantees and the subjects of their research might provide clues for further reform.

5) Continue decentralization of appropriate functions and responsibilities to the states, leaving international and most interstate matters to be handled in Washington. The federal government should finance the process of transferring functions to the states. The environment is best protected if local officials accept responsibility for the burdens of locally caused environmental pollution.

6) Establish an aggressive legislative strategy for streamlining the nation's environmental laws to remove costly contradictions and discouragement of local initiative in developing disposal and protection techniques.

7) Encourage profitable uses of wastewater, sludge and other pollutants by permitting environmentally safe private sector alternatives to government programs. With rare exceptions, the private sector can protect the environment better and cheaper than the government--if it has the incentive to do so.

8) Appoint a bipartisan council to review the entire EPA administration and field structure to determine what precise format will best serve America's needs into the next decade. This report should be published by January 1, 1985.

EPA's current turmoil offers the opportunity to repair the structural faults at the agency. Concentrated regulatory power invariably leads to power politics, battles between consumers and producers and political grandstanding. The real solution is clear--move the power and responsibility, where possible, to state and local officials. They are more sensitive to local concerns than any federal bureaucrat can be.

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For additional information see:

"Potential Impacts of Reducing the Environmental Protection Agency's Budget," General Accounting Office Report No. GAO/RCED-83-75, December 30, 1982.

Lawrence Mosher, "Distrust of Gorsuch May Stymie EPA Attempt to Integrate Pollutions Wars," National Journal, February 12, 1983, p. 322.

"A Fresh Start for the EPA," Business Week, March 21, 1983, p. 156.