The Daily Dish

Staying the Deregulatory Course

DOUGLAS HOLTZ-EAKIN | APRIL 25, 2018

Eakinomics: Staying the Deregulatory Course

One of the less appreciated aspects of the Trump Administration has been its success in reducing regulatory burdens. AAF's regrodeo.com has documented the amazing u-turn. Over the eight years of the Obama Administration a costly regulation was finalized at the rate of 1.1 per day. The total *self-reported* cumulative cost — that is, the cost reported by the agencies themselves issuing the regulations — of those regulations was $890 billion. One would not be shocked to find that adding over $100 billion annually in hidden taxes saps economic vitality, and the slow recovery from the Great Recession is now a well-documented reality.

From the inauguration of President Trump in January 2017 to the close of fiscal 2017 (on September 30, 2017), the Trump Administration added only $5 billion to the regulatory burden. For all practical purposes, that number is zero and the administration achieved a regulatory freeze. It was something that I did not think was possible. But the executive order that President Trump issued on regulation at the beginning of his term went further. It empowered the Office of Management and Budget's (OMB's) Office of Information and Regulatory Affairs (OIRA) to issue regulatory budgets to the agencies for 2018. OIRA did so, and for the first time the regulatory state had a genuine constraint on how much it could burden the private sector. This constraints is, in itself, a valuable step toward sensible regulatory policy.

But the striking thing about the regulatory budgets is that all of them were zeros or negative numbers. The plan was to actually shrink the regulatory burden by $9 billion. Again, I was skeptical. However, at least so far, the Trump Administration is staying the course. As AAF's Dan Goldbeck documents in the most recent AAF update, to date in 2018 the federal government has finalized 75 regulations at a regulatory burden reduction of $3.9 billion (and nearly one million fewer paperwork hours). That's a saving of $11.83 per person

in the United States.

What are you doing with your $12 of economic freedom?