

The Daily Dish

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DOUGLAS HOLTZ-EAKIN | AUGUST 18, 2015

The NLRB punted on the issue of Northwestern University football players looking to unionize. The board refused to exercise their jurisdiction over the issue, neither upholding nor reversing the ruling from last year that deemed players to be employees. From the ruling, "By statute the Board does not have jurisdiction over state-run colleges and universities, which constitute 108 of the roughly 125 FBS teams...In addition, every school in the Big Ten, except Northwestern, is a state-run institution."

AAF estimates that the cost to clean up the EPA's spill of toxic chemicals into the Colorado's Animus River could amount to between \$338 million and \$27.7 billion. Using estimates from similar scenarios as a guide, it is clear that the agency's mistake will be very expensive to rectify. Interestingly, the president's last "budget proposed to cut more than \$555 million from clean water protection while increasing the climate change budget by more than \$46 million."

Eakinomics: Green Jobs

The Associated Press reported yesterday about the utter failure of a California initiative to "create" "green jobs." Specifically, it wrote "Three years after California voters passed a ballot measure to raise taxes on corporations and generate clean energy jobs by funding energy-efficiency projects in schools, barely one-tenth of the promised jobs have been created, and the state has no comprehensive list to show how much work has been done or how much energy has been saved. Money is trickling in at a slower-than-anticipated rate, and more than half of the \$297 million given to schools so far has gone to consultants and energy auditors. The board created to oversee the project and submit annual progress reports to the Legislature has never met, according to a review by The Associated Press."

It is hardly a surprise that the program is three years old and has accomplished little. Voters have been continually disappointed by public works projects and the Recovery Act aka Obama stimulus was a stark reminder of the abject lack of government nimbleness on this front. It is equally unsurprising that the oversight and accountability are apparently so low. Indeed, I suspect many would have anticipated both these outcomes.

It should be equally unsurprising that there are so few "green jobs". To begin, there is nothing "green" about a job. These are, in the end, construction and retrofitting jobs. More importantly, they are not organically created by market forces — that is what created the existing lighting and cooling systems in these schools. Instead, these are attempts to use taxpayer dollars to fight those very market forces. Moreover, these retrofits are one-time affairs and temporary programs are never as powerful as permanent incentives.

If advocates want to move to wind, solar, hydroelectric, nuclear and other alternative and renewable fuel sources, the best way to do so is permanent, price-based incentives to do so. But notice that in the process these economy-wide incentives would not create green jobs; instead, every job would become "greener" regardless of which occupation or sector it occupied.

From the Forum

What will EPA's Toxic Animus River Spill Cost? by Sam Batkins, AAF Director of Regulatory Policy

Fact of the Day

Modest regulatory reform could save \$48 billion in costs and 1.5 billion paperwork hours