

FOR RELEASE: August 30, 2010 Contact: Ben Somberg 202.747.0698 / 202.658.8129 (cell) bsomberg@progressivereform.org

## What's Behind Recent Regulatory Failures?

## Experts Go Beyond Finger-Pointing at Regulators, Identify Systemic Problems in Washington's Approach to Regulation

Washington, DC ---- Multiple product and workplace safety disasters over the past few years have awakened Americans to a growing problem with the nation's health and safety regulatory system. They include salmonella-infected peanut butter and eggs, Toyota vehicles that accelerate out of control, imported toys and trinkets slathered in toxic metals, as well as mine explosions, the BP oil spill disaster, and more.

In a new book on the subject, law professors Rena Steinzor (University of Maryland) and Sidney Shapiro (Wake Forest University), respectively the President and Vice President of the Center for Progressive Reform, argue that these and other incidents reveal a fundamental failure of the American regulatory system. But rather than pointing fingers at the staffers and agencies themselves, Steinzor and Shapiro delve into the details and conclude that such failures are the inevitable result of years of attacks on the regulatory system in the form of unrelenting funding cuts, the breakdown of the legislative process, the increase in the number of political appointees, the concurrent loss of experienced personnel, chaotic and interfering White House oversight, and ceaseless political attacks on the bureaucracy.

In the book, "The People's Agents and the Battle to Protect the American Public," published by the University of Chicago Press, the authors reject the common analysis that incompetent regulators are to blame for such disasters. "The hard truth is that We the People have chosen to have a regulatory system that doesn't work," Steinzor says. "We've elected and reelected candidates who have taken a cleaver to the regulatory system – politicians who've told us that regulation doesn't work, and then set out to prove it by making it unworkable. In general, Republicans attack regulation as an article of faith, and Democrats never really join the battle long enough to offer a defense. In some cases, our politicians have appointed political overseers whose philosophies are fundamentally at odds with their agencies' statutory mission. And they've allowed regulated industry to become a virtual partner in the regulatory process, even to the point of allowing them to write rules to govern themselves in a way that is minimally inconvenient. Sad to say, but we're getting exactly the regulatory system we've voted for."

Shapiro agrees. "The BP spill is a classic example of what's wrong with the regulatory system. It's no accident that the Minerals Management Service had a conflict of interest—collecting fees, approving

applications and regulating drilling. It was built at the convenience of the oil industry, and the revolting stories about MMS staff cavorting with industry representatives are an extreme example of 'agency capture' by industry. The mission of the agency had long since been diverted by its political stewards. Staffers' new role was to be friendly to the industry, to avoid being a nuisance, to clear the way for them. We need regulators to function as cops on the beat, and that means giving them the authority and tools they need to get the job done, and leadership that demands strict enforcement."

For interviews or review copies of the book, contact the Center for Progressive Reform media office at 202.747.0698, or by email at <a href="mailto:bsomberg@progressivereform.org">bsomberg@progressivereform.org</a>.

Read more about the book, at <a href="http://www.progressivereform.org/peoplesagents.cfm">http://www.progressivereform.org/peoplesagents.cfm</a>.

The Center for Progressive Reform is a nonprofit research and educational organization whose network of scholars across the nation is dedicated to protecting health, safety, and the environment through analysis and commentary. For more information, contact Matthew Freeman at 301-762-8980 or at mfreeman@progressivereform.org. Visit CPR on the web at <a href="www.progressivereform.org">www.progressivereform.org</a>.