

## **Smoke and Smears**

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In the closing weeks of the presidential campaign, Vice President Al Gore is returning to the theme that Texas has become an abysmal place to live under Governor George W. Bush. It is a hard case to make--Texas is today the fifth-fastest growing state and fifth in net influx of Americans from other states, and Bush is one of the nation's most popular governors.

Gore's earlier attacks on the governor's education record were set aside following the release in July of a comprehensive RAND study showing that student proficiency in math and reading has been improving more in Texas than in any other state. His subsequent assertions about the number of Texans lacking health insurance seem to have fizzled as well (it turns out that the number of uninsured has been falling in Texas while rising in the nation as a whole). That leaves environmental quality, where the vice president and his ad writers have leveled a fusillade of dramatic allegations about increasing pollution in Texas's cities and streams. But the ecoscare attacks are as unfounded as the others.

Environmental quality presents rich opportunities for misleading data and rhetoric. Measuring air and water pollution involves a host of variables: One can measure pollution by emissions or by the quality of the air and water, and measurements of air and water quality depend on the placement of monitors, the use of peak versus average levels, and adjustments for population exposure and for the widely differing health and amenity effects of different kinds of pollution. Rankings of states are much more problematic than rankings for school performance or health care, because all states that are more urbanized and industrialized have higher pollution levels. Texas accounts for 60 percent of the nation's petrochemical production capacity and 25 percent of its oil refining, and it is the only state with two metropolitan areas among the nation's top ten (Houston and Dallas-Ft. Worth). Measured by simple gross quantities, Texas, California, and New Jersey will have "more pollution" than most other states under any circumstances; the rest of us can enjoy the products of their industries without having to bother so much with the pollution-control challenges.

Gore's charges exploit these opportunities to the hilt, combining misleading statistics with a few outright fabrications to create an impression that bears

little relationship to reality. The charges, however, are easy to debunk, and it is surprising that they have been reported with little scrutiny by media that have otherwise grown wary of the vice president's loose ways with facts.

The Gore campaign's favorite charge is that Houston has passed Los Angeles to become "the smog capital of the United States," "No. 1 in air pollution," and "the dirtiest city in the nation." (We will ignore Democratic National Committee chairman Joe Andrew's claim that Houston has become "the dirtiest city in the world," which was evidently uttered in a fit of enthusiasm for the latest party line.) The charge is false. According to the U.S. Environmental Protection Agency, air quality in Houston is improving and is unambiguously better than in Los Angeles, and is also better than in many other cities.

The Houston charge is based on 1999 city data on ambient levels of ozone--one of six "criteria" air pollutants regulated under the national Clean Air Act--as measured by numbers of days of "exceedences" of the EPA's national standard. Ozone levels are highly sensitive to weather conditions, especially temperature. They have been essentially flat in Houston in recent years (and other southern cities such as Atlanta), but they fell sharply in Los Angeles in 1999 because of unusually cool summer weather. As a result, Houston topped Los Angeles (and all other cities) in ozone exceedences--but its air quality was nevertheless better than L.A.'s. Houston's ozone level was 10 percent higher than that of Los Angeles, but its particulates level was 20 percent lower (particulates are the other major component of "smog," and according to the EPA a far more serious health risk than ozone; there is no separate measure of "smog"). Houston did vastly better than L.A. for three of the four other Clean Air Act pollutants: 63 percent lower for nitrogen oxides, 64 percent lower for carbon monoxide, and 78 percent lower for lead (the cities' sulfur dioxide levels were identical). While Houston was out of compliance with EPA's national standard for only one pollutant, ozone, L.A. was out of compliance for three: ozone, particulates, and carbon monoxide.

We hasten to add that we are comparing Houston with Los Angeles only to demonstrate the falsity of Gore's allegation. If Houston is not No. 1 in air pollution, neither is it No. 2 or even No. 6 (Houston is the nation's sixth-largest metropolitan area). According to the EPA Air Quality Index, which aggregates levels of all six air pollutants and weights them according to the health risks of each, air quality in Houston is better than in ten other metropolitan areas. Houston also bests ten other cities on a separate EPA index of ozone alone. (These data are for 1998, the most recent year

available; rankings for 1999 and 2000 will probably be similar.)

A related charge, and a particularly egregious falsehood, is Vice President Gore's assertion that Governor Bush "made key air pollution rules in Texas voluntary." In 1999, Governor Bush signed two laws concerned with "grandfathered" sources of air pollution. Under the Clean Air Act and almost all state air pollution programs, old power plants and industrial facilities are subject to much more lenient emissions standards than new ones. It is a serious loophole that has been bad for the economy as well as the environment--inducing firms to maintain old facilities (both less efficient and more polluting than new ones) for longer than they otherwise would, and leading to protracted litigation over the difference between renovating an old facility and building a new one. Under the 1999 legislation, Texas became one of the first three states to begin closing the loophole through tighter standards for old facilities. The step was praised by environmental groups and helped coax Gore, who had not previously confronted the problem as a legislator or vice president, to propose a national program of his own for old power plants. (Bush has also advanced a national proposal.)

But there was a wrinkle in the Texas initiative: The law covering utilities enacted mandatory standards (which will result in huge reductions in power plant emissions over the next three years), but the law covering industrial facilities enacted a "voluntary" compliance schedule coupled with increased fees for noncompliance. There is legitimate disagreement over just how effective the fee-incentive program will turn out to be; there have been some initial reductions in the first year, apparently of about 25,000 tons of air pollution, but it is too soon to estimate likely future reductions. What is not in dispute is that both the "mandatory" and "voluntary" prongs of the Texas program constitute an extension and tightening of air pollution controls--and an innovation that powerful business opposition has thwarted at the national level and in most states. Nor is it disputed that the use of economic incentives rather than regulatory mandates may significantly improve the effectiveness of our environmental laws and deserves a try; indeed, that is precisely the approach of the vice president's national proposal for old utilities, which consists not of mandatory standards but of "voluntary" tax incentives.

For Gore--a self-described environmentalist and reformer--now to turn on the Texas reforms and describe them as having *weakened* pollution standards ("Bush made key air pollution rules voluntary") is an act of striking mendacity. Gore's latest campaign ad adds a particularly ruthless twist: It couples the "made voluntary" fabrication with the Houston air

quality fabrication to produce a triple falsehood--that air pollution got worse in Houston *because* Governor Bush weakened air pollution standards.

The vice president's most plenary charge is that, under Governor Bush, Texas has become "last among all states in air quality," "No. 1 in industrial air pollution," and "No. 3 in water pollution." Although the Gore campaign has occasionally relied on newspaper articles and rankings produced by environmental groups, its primary and only official source for these claims is an EPA compilation called the Toxic Release Inventory. The TRI, however, is not a useful measure of air or water pollution and is not a measure of environmental quality at all. Instead, it measures "releases" of certain substances that the EPA classifies as toxic--and "releases" includes not only those that pollute the air and water but also those that conform with EPA-approved hazardous waste management and water treatment practices. The agency's annual TRI reports warn that its estimates "reflect releases and other waste management activities of chemicals, not exposures of the public to those chemicals," and that they are not sufficient to determine exposure or harm to the environment or public health.

So the TRI numbers cannot possibly support Gore's assertions. But even in their own terms, they tell a story that is the opposite of what the vice president would like voters to believe. Texas has always been near the top of the various TRI ratings, reflecting the state's huge share of national petrochemical and refining capacity. But it did not become No. 1 in the overall ranking under Governor Bush, as the Gore campaign insinuates. Rather, Texas was No. 1 under Bush's predecessor, Democratic governor Ann Richards, and it has improved significantly since he took office. The EPA's 1999 release of TRI data through 1997 noted that "Texas, the state with the largest production-related waste managed in 1997, was also the state projecting the largest absolute reduction . . . over the next two years." The data for 1998, released earlier this year, show Texas leading the nation in reduction of toxic releases--with 43 million pounds eliminated between 1995 (the first year Bush was governor) and 1998. The new report also finds Texas leading all other states in energy recovery and waste treatment, and second in on-site recycling. In part because of these improvements and in part because of improved nationwide reporting, Texas has now dropped from first to fifth place in the TRI composite index.

Environmental quality in Texas has improved under Governor Bush by virtually every useful measure. Here are a few selected statistics of our own: According to the Texas Natural Resources Conservation Commission, industrial air emissions in Texas fell 11 percent from 1994 through 1998.

According to the EPA, ambient air quality in Texas improved for five of the six national air pollutants for the same period; all Texas cities but one now meet the national standards for four or more of the six pollutants (the exception, El Paso, receives cross-border pollution from Mexico); and half of Texas's cities are now below the national average for all six pollutants. According to the EPA, Texas's proportion of rivers and streams classified as "impaired" is better than the national average. And according to Environmental Defense, a research and advocacy group that has generally been highly critical of Governor Bush, Texas is not "No. 3 in water pollution" but No. 37--its water quality, as measured by percentage of substandard water under Clean Water Act criteria, is better than in 36 other states.

Governor Bush does not deserve all of the credit for this solid record; it is also due to the progressive tightening of national environmental standards and, perhaps even more, to progressive improvements in production technologies. But a share of the credit does belong to him, for his own decisions and those of his appointees. And in several critical areas of environmental policy, he has been a national leader--closing the old-plants loophole, redeveloping "brownfields" laid waste by the perverse incentives of the Superfund program, providing positive incentives to businesses for "pollution prevention" and to private landowners for conservation and species protection, and improving the financing of public parks and recreation areas. "Texas-style environmental regulation," which the Gore campaign invites us to fear, is, like Texas-style school reform, something Americans can welcome.

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