

Do Green Regulations Pay?

“Toward a New Conception of the Environment-Competitiveness Relationship” by Michael E. Porter and Claas van der Linde, and “Tightening Environmental Standards: The Benefit-Cost or the No-Cost Paradigm?” by Karen Palmer, Wallace E. Oates, and Paul R. Portney, in *The Journal of Economic Perspectives* (Fall 1995), American Economic Assn., 2014 Broadway, Ste. 305, Nashville, Tenn. 37203-2418.

When federal and state environmental regulations compelled the Dow Chemical Company to shut down certain wastewater evaporation ponds recently, Dow reaped an unexpected benefit. Engineers redesigned the production process to eliminate the need for such ponds, saving \$2.4 million a year in reduced waste at a cost of only \$250,000.

That kind of potential exists throughout corporate America, say Porter, a professor of business administration at Harvard Business School, and van der Linde, a management specialist at St. Gallen University, in Switzerland. Because reducing pollution often means improving the productivity of resource use, strict environmental regulations, if crafted to encourage innovation, can enhance a firm’s competitiveness. Such arguments are increasingly heard among advocates of “green” business practices.

Palmer, Oates, and Portney, all of Resources for the Future, a Washington-based

think tank, are skeptical. “With literally hundreds of thousands of firms subject to environmental regulation in the United States alone, it would be hard *not* to find instances where regulation has seemingly worked to a polluting firm’s advantage.” Officials at Dow Chemical and three other firms Porter and van der Linde cite, for example, each say that despite savings in some instances, environmental protection is “a significant *net* cost to his company.”

That is true in general, as well, Palmer and her co-authors say. In 1992, according to the Commerce Department’s Bureau of Economic Analysis, pollution abatement and control expenditures in the nation came to \$102 billion, while the cost “offsets” were estimated to be less than \$2 billion. “The underlying message from Porter and van der Linde about environmental regulation is not to worry, because it really won’t be all that expensive. But it will.”

SOCIETY

Here Comes the Groom . . .

A Survey of Recent Articles

Love and marriage, says the old song, go together like a horse and carriage. These days, however, the horse, though

healthy, may well elect to remain unhitched, and the shiny new carriage may soon be abandoned by the side of the road. In 1994,

Hip Is Out

American culture is hip—and that’s a real bummer, Tom Frank, editor in chief of *The Baffler*, declares in *The Nation* (Apr. 1, 1996).

Pick up any recent book of management theory: Today, hip is the orthodoxy of Information Age capitalism. It’s being your own dog, Reebok letting U.B.U., Finding Your Own Road in a Saab; it’s Ginsberg shilling for the Gap and William Burroughs for Nike; it’s business texts quoting Gurdjieff and Bob Dylan and bearing titles like Thriving on Chaos and The Age of Unreason. . . .

Clearly, hip is exhausted as a mode of dissent. As the affluent society amid which it once made some sense drains away, we need to recover that much more powerful strain of dissent that built the affluent society in the first place, to rediscover the language of class, the non-market-friendly concept of industrial democracy. Leave hip to the M.B.A.s.

people who were divorced or had never married together constituted almost 33 percent of the adult population, and the proportion of children living in one-parent families reached 31 percent.

With the institution of marriage thus in a dangerously weakened condition, along comes a proposal to change its very definition—to permit members of the same sex to wed. Proponents, such as Andrew Sullivan, author of *Virtually Normal* (1995), contend that this would be good for homosexuals and good for society. Opponents, such as political scientist James Q. Wilson, author of *The Moral Sense* (1993), argue that such a change could further undermine an already wobbly institution.

The issue appears to be coming to a head. Hawaii's Supreme Court held in 1993 that denying marriage licenses to same-sex couples is at odds with that state's constitution, which bars discrimination on the basis of sex. Even as Hawaii's courts reconsider the issue, Congress has been pondering a bill that would free the states of the Constitutional requirement to recognize same-sex marriages performed in other states. The bill also would deny federal recognition to such unions. President Bill Clinton has said he would sign such a measure if it reaches his desk.

"Let them wed," argue the editors of the *Economist* (Jan. 6, 1996). "Homosexuals need emotional and economic stability no less than heterosexuals—and society surely benefits when they have it. . . . Homosexuals do not choose their condition; indeed, they often try desperately hard, sometimes to the point of suicide, to avoid it. However, they are less and less willing either to hide or to lead lives of celibacy. For society, the real choice is between homosexual marriage and homosexual alienation. No social interest is served by choosing the latter."

For the government to withhold its sanction from same-sex marriages, maintains Andrew Sullivan, former editor of the *New Republic* (May 6, 1996), is to make "the most profound statement our society can make that homosexual love is simply not as good as heterosexual love; that gay lives and commitments and hopes are simply worth less."

But a marriage license "is not a prize for good citizenship, not a recognition of personal integrity, not a symbol of equality," observes Margaret O'Brien Steinfels, editor

of *Commonweal* (Sept. 22, 1995). "It is the hope and provision for future citizens." Men and women are "licensed" by the state, she says, "to form marriages into which children are born, cared for, educated, and raised to be good citizens, and in which a stable family provides material and spiritual resources for both its members and its community."

Sullivan and others liken gay marriage to a childless heterosexual union: if the latter sort of wedlock is permitted, why not the former? The fact that some couples go childless or divorce, says Steinfels, does not alter the defining purpose of marriage as an institution. If the marriage bond is first of all a procreative one, then it necessarily must involve a man and a woman.

But marriage serves important social purposes other than rearing children, Jonathan Rauch, author of *Demosclerosis: The Silent Killer of American Government* (1994), points out in the *New Republic* (May 6, 1996). These purposes include "domesticating men and providing reliable caregivers. Both purposes are critical to the functioning of a humane and stable society, and both are much better served by marriage—that is, by one-to-one lifelong commitment—than by any other institution." Whether the marriage joins people of different sexes or the same one is immaterial.

So-called domestic partnerships, recognized in some places as a sort of "marriage-lite" for homosexuals, and qualifying them for health insurance, inheritance rights, and other benefits, are rejected by leading proponents of gay marriage. The concept of "domestic partnership" is so vague, Sullivan pointed out long ago in the *New Republic* (Aug. 28, 1989), that all sorts of "partners" who live together, gay or straight or not even in a sexual relationship at all, might qualify, getting "a vast array of entitlements" at little cost. Gay marriage "places more responsibilities upon gays."

Elizabeth Kristol, a Cincinnati-based writer, is skeptical about the advocates' portrait of gay marriage. Reviewing Sullivan's book in *First Things* (Jan. 1996), she points out that he fails to address the difference in behavior between most lesbians and most gay men: that the former tend to form long-term monogamous relationships, whereas the latter do not. On what marriage between gay men would be like in this regard, "Sullivan

sends us a mixed message.” On the one hand, she says, he portrays homosexuals “as sharing the same emotions, longings, and dreams as heterosexuals,” but on the other, he says that in gay relationships, there is (in Sullivan’s words), “more likely to be a greater understanding of the need for extramarital outlets between two men than between a man and a woman; and again, the lack of children gives gay couples greater freedom.”

Gay marriage would likely seem a parody

to most people, one that could further weaken an already beleaguered institution, James Q. Wilson suspects. Writing in *Commentary* (March 1996), he observes: “To me, the chief limitation of Sullivan’s view is that it presupposes that marriage would have the same domesticating effect on homosexual members as it has on heterosexuals, while leaving the latter largely unaffected. Those are very large assumptions that no modern society has ever tested.”

Farewell to a Factoid

“A Re-evaluation of the Economic Consequences of Divorce” by Richard R. Peterson, “The Economic Consequences of Divorce Are Still Unequal” by Lenore J. Weitzman, and “Statistical Errors, Faulty Conclusions, Misguided Policy: Reply to Weitzman” by Peterson, in *American Sociological Review* (June 1996), Dept. of Sociology, Univ. of Arizona, Tucson, Ariz. 85721.

In the ongoing debate about the consequences of relaxed divorce laws, one statistic has stood out: after divorce, women suffer a 73 percent decline in their standard of living, while men experience a 42 percent increase. This staggering finding first appeared in sociologist Lenore Weitzman’s award-winning 1985 book, *The Divorce Revolution*, and it has been repeated hundreds of times since, not only in scholarly journals but in newspapers, magazines, and court cases. Yet the dramatic statistic, Peterson contends—and Weitzman now concedes—is simply wrong.

Weitzman’s finding was based on interviews with people who were divorced in Los Angeles in 1977, seven years after the state introduced a “no-fault” divorce law; such laws allow a spouse to win a divorce without proving a “fault” such as adultery. This and other reforms (including equal division of marital property) were supposed to put women on an equal footing with men, but Weitzman’s work suggested that women (and children) now fared much worse. (All 50 states since have adopted some form of no-fault law.)

Peterson, a sociologist at the Social Science Research Council in New York,

replicated Weitzman’s analysis, using corrected data he derived from Weitzman’s raw data. His re-analysis found a 27 percent average decline in women’s standard of living and a 10 percent increase in men’s. These results are roughly in line with the studies done before Weitzman’s.

Although he performed various operations on the data, Peterson says he is at a loss to explain how Weitzman got her inaccurate results. So is Weitzman, who says that her own original corrected data file no longer exists. She claims that she herself was originally skeptical about the 73 percent figure but that “my computer expert” verified it, “and I accepted that.”

The “major finding” of her book, she says, still stands: “Women and children are unfairly and disproportionately burdened by divorce.” True, responds Peterson, but her argument about no-fault divorce and related reforms does not. Although she herself did not favor a return to fault-based divorce, others who did use her inaccurate data to bolster their case. But rolling back no-fault, it now appears, may not be much help to divorced women and their children.

Baseball Goes Uptown

“The Future of Baseball” by Shannon Dortch, in *American Demographics* (Apr. 1996), 127 W. State St., Ithaca, N.Y. 14850.

A baseball crowd “is a beer-drinking crowd, not a mixed-drink crowd,” Bill Veeck, the late owner of the Chicago White Sox, once observed. He never saw the cappuccino

and cheesecake stands at Oriole Park at Camden Yards in Baltimore, notes Dortch, senior editor of *American Demographics*. Baseball today, she argues, is a sport for the