

## BACK TO NATURE

*The eighties were a time of upheaval and neglect for the Environmental Protection Agency. The nineties are supposed to be different.*

BY SHERRI DALPHONSE



Look at this room," says William Rosenberg. There is no desk, no bookshelf, no filing cabinet, no leather sofa—only a long oval table surrounded by 12 chairs. "I don't have an office. I have a conference table. That says something about the way we do business around here."

The Environmental Protection Agency's assistant administrator for air and radiation can take a lot of credit for the way the EPA operates now.

"The traditional way of doing business," he recalls, "was that the EPA would talk to state regulators, and then talk to industry, then talk to environmentalists, and then do what it wanted to do. Now we're having big round tables with the enviros here, and the states, and the EPA, and the industries. It's a consensus-building process."

That the EPA is doing business at all surprises a lot of people. What many perceived as a non-entity during the Reagan years is now one of the most influential agencies in Washington. Some 60 percent of all regulations issued by the federal government last year came from the EPA, according to Rosenberg, who earned a bachelor's degree in American studies from SU in 1961.

Public demand for a cleaner environment helped revive the agency. But it is primarily George Bush's attention to the environment—far greater, Democrats and Republicans agree, than Ronald Reagan's—that has renewed the EPA's vigor and clout.

"People in Congress believe that the Bush administration feels more strongly about environmental issues," says Michael Lewan, a 1974 Maxwell School graduate (M.P.A.) and administrative assistant to Senator Joseph Lieberman of Connecticut. "Therefore the EPA is elevated in the eyes of all of us."

President Bush demonstrated his commitment to the environment and to the EPA in November, when he signed into law the Clean Air Act Amendments of 1990, hailed as the most significant environmental legislation in a decade.

Rosenberg, sometimes called the "pit bull of clean air," is said to have provided the major push needed to enact the amendments, which had languished for years.

A Michigan real estate developer who served briefly in the seventies as chairman of Michigan's Public Service Commission and then as head of the Federal Energy Administration under President Ford, Rosenberg had been invited to discuss alternative fuels with Vice President Bush in 1987. He later helped

prepare campaign speeches on alternative fuels, and won his appointment to the EPA after Bush's presidential election.

The new clean-air legislation went further than expected, requiring industries to implement expensive changes. It will ultimately reduce the exhausts emitted by cars and trucks, as well as some toxic pollutants and acid-rain-causing sulfur emissions from factories, utilities, and other sources. The amendments mean that automakers, refineries, paint shops, and even dry cleaners must look for ways to curb emissions—taking some 56 billion pounds of pollutants each year out of the air we breathe. That's 224 pounds per American.

Another of the bill's promising features is its call for cleaner fuels. It requires that gasoline be mixed with ethanol—a cleaner, grain-based fuel—in areas that fail to meet ozone standards. Industry may now feel more incentive to explore other alternative fuels, including natural gas and methanol (natural gas in liquid form), which are found in abundance in America. Their use would lessen the country's dependence on foreign oil.

"The greatest progress we have made since 1970 is to reduce the pollution from cars 90 percent or more," says Rosenberg. "What we're hoping for is another 80 or 90 percent. And that will come both by cleaning up what we put into the car as well as how the car processes those fuels."

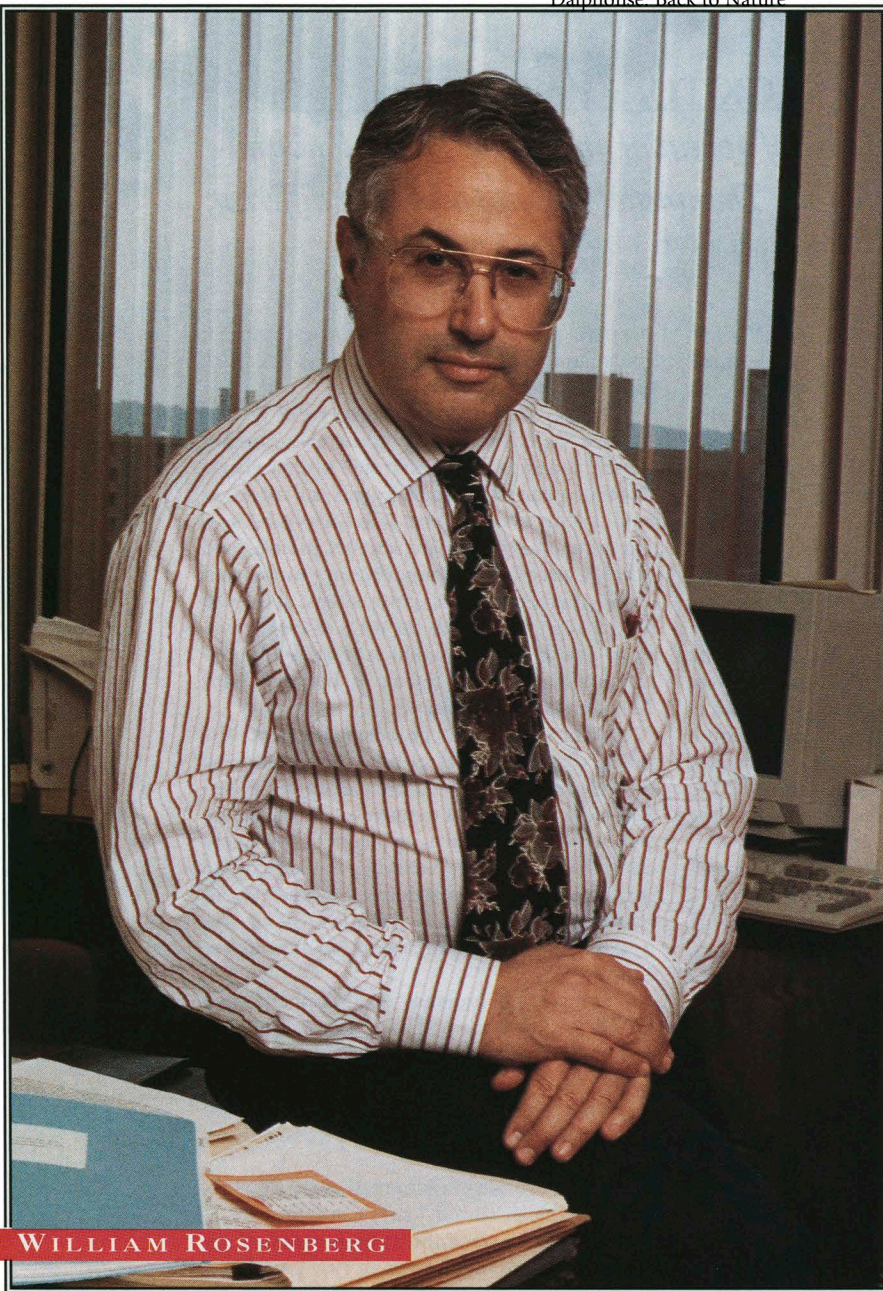
"I think even environmentalists are shocked about the clean air bill," says Carol Stevens, a journalist who covered the environment for *USA Today* in the early eighties, and a 1977 journalism and international relations graduate of SU. "They probably didn't expect this much."

Unintentionally, Ronald Reagan probably did more for the environmental movement than anyone else. By appointing administrators who eased the enforcement of federal regulations, gutted existing programs, and blocked new proposals, he awakened grassroots environmental groups.

"The EPA would go into communities where people were worried about this and that and say, 'This isn't going to hurt you,'" Stevens recalls. "It was more a defensive position, not advocacy. You think of any disaster, like Love Canal, and they were in there doing damage control."

It fell to groups like the Sierra Club to spread the word about overflowing landfills, carcinogenic pesticides, global warming, and ozone depletion. Activists chained themselves to redwoods in the Pacific Northwest and to the gates of nuclear-power plants. States enacted their own pollution-control legislation. The "environmentalists"—once a derisive label—became a

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WILLIAM ROSENBERG

larger, more mainstream lot. By the 20th anniversary of Earth Day in 1990, the public was clamoring for a cleaner environment.

"The eighties were a dirty decade, when you had people in the agency who were opposed to the goals of the agency," says the Sierra Club's Daniel Weiss, one of the lead lobbyists for clean air. "You now have people in the EPA committed to the policies of the EPA."

Bush's choice to head the EPA, William Reilly, former president of the Conservation Foundation and the World Wildlife Fund, was the light at the end of a decade-long tunnel for environmentalists.

"The EPA had been arguing for the clean air act for 13 years," Rosenberg says. "Only when Bill Reilly became EPA administrator and the President made the commitment to give this a high priority were we able to break the log-jam."

Reilly and Rosenberg's approach to acid rain provides insight into how the clean air bill

came to pass. Its acid-rain provisions, which require industry to switch to costly low-sulfur coal, were its most controversial section. Key to the proposal, which eliminates about 10 million tons of sulfur dioxide from the air each year, was a system of allowances that can be traded among factories and utilities. Each factory is granted a specific number of emission allowances (each unit represents one ton of sulfur dioxide). If a plant manages to produce less emissions than allotted, it may sell its remaining allowances to another plant, allowing the latter to overrun its anticipated emission levels. The plan, criticized by some as a license to pollute, enables progressive companies to recoup their investment in pollution controls.

While this sort of marketing may have saved the bill, critics feel that compromise is inappropriate where the environment is concerned.

"We're not simply here to protect the environment," Rosenberg responds. "We want to

protect the environment in a way that creates sound energy policy and sound economic policy. In fact, we have a concept here—E to the power of three. Achieve our environmental objectives consistent with energy and economic-growth objectives.

"You know, the Sierra Club will say with certainty something that might not be certain. And General Motors will do the same thing. The EPA has to balance the different interests in society. We're called upon to make the decisions and to justify them before the Congress and before the President and the American people, and we can't just take the most popular point of view."

Because of this "balancing," the clean air act fell short of its original goals in several areas. The alternative-fuels component, for example, proved less ambitious than first drafted.

But compromise is the way of Washington, and it's sometimes better to settle for a series of small victories than sacrifice those for a greater, possibly unattainable good.

"The clean air act is not a perfect bill. No bill is perfect," admits Michael Lewan. "It was the construct of a great many compromises. The environmental community didn't get everything it wanted, but it got a lot. And industry didn't protect everything it wanted to protect, but it did protect some things. Everyone gave a little bit, so we ended up with the bill we have now. It was legislation at its best."

One of Bill Rosenberg's strengths, say those who have worked with him, is convincing business that clean air regulations create jobs and markets, not destroy them.

For example, opponents of the clean air bill contended that miners of high-sulfur coal would lose their jobs, an argument to which Rosenberg responds matter-of-factly: "The acid-rain bill, which is perceived by some coal advocates as restricting the use of coal, in my opinion will actually force the development of clean coal technologies that will accelerate the use of coal." His business judgment is not to be taken lightly. He reportedly made millions in real estate.

And in a speech to auto-industry executives in January, he pointed out that just as Chrysler has capitalized on its drive to put air bags into cars and vans, another auto maker could be the first to manufacture the "cleanest car." In turn, he added, clean air technology developed in the United States could find markets abroad.

What Rosenberg and Reilly bring to the EPA is not only a firm knowledge of the complexities of environmental policy, but the ability to play politics.

"One of the fundamental problems [of the EPA] is how do they develop individuals who, while they may be scientists, or technically oriented and trained, can operate in a political environment?" says Al Zuck, who served on the transition team sent by the White House to the EPA in 1983, when

*W*e're not simply here to protect the environment," says William Rosenberg, the EPA's assistant administrator for air and radiation. "We want to protect the environment in a way that creates sound energy policy and sound economic policy. ∞ "We have a concept here—E to the power of three. Achieve our environmental objectives consistent with energy and economic-growth objectives."

William Ruckelshaus replaced Anne Burford Zuck, who is now executive director of the National Association of Schools of Public Affairs and Administration, earned an M.P.A. from the Maxwell School in 1958.

Toward the end of the clean air debate, some members of the administration, under pressure from lobbyists and politicians opposed to the bill, wavered in their support. On the last weekend of congressional negotiation, Daniel Weiss recalls, the White House composed a letter filled with statistics that could have been used to weaken the acid-rain provisions. But when White House staffers went looking for Reilly and Rosenberg to sign it, they were nowhere to be found. Both had vanished for the weekend. Some committee members later told the *Washington Post* that, had such a letter been endorsed by the EPA, the bill might have been held up.

Now Rosenberg and his staff face 788 pages of legislation needing to be implemented. According to Clarence Hardy, deputy office director of human resources at the EPA and a 1969 Maxwell School graduate, the EPA will hire about 500 new employees to help implement the directives. Hardy, who has been at the EPA since 1978, says the current work force stands at 17,000—an increase of at least 5,000 employees since the mid-eighties.

"The Council of Economic Advisors estimates that over the next 10 years, the cost [of enacting the bill] will be \$25 billion a year," Rosenberg says. "That's 25 cents per person per day." While most people are probably willing to pay 25 cents a day—some \$91 a year in taxes—to breathe clean air, some have criticized the cost of the plan.

"I might point out that the *Wall Street Journal*, claiming that we were going to bankrupt America with the clean air bill, charges 75 cents a day for that newspaper," Rosenberg says, "versus our 25 cents a day for clean air. If we can live with the *Wall Street Journal*, we ought to be able to live with clean air."

Gasoline will cost as much as a nickel more per gallon in taxes, and car prices will rise an average of \$200, according to Rosenberg. Industries that invest significant amounts into containing emissions—including utility companies—will pass their costs on to consumers.

But "when you spend money on clean air," Rosenberg says, "you have less respiratory problems, less cancer, less carbon-monoxide poisoning, less mental retardation because of lead in the air."

Despite the success of the clean air act, the

EPA isn't breathing any easier these days. The agency must also attend to polluted waterways, hazardous-waste dumps, the disposal and recycling of garbage, pesticides and other toxic chemicals, and threats that weren't even envisioned when the agency was established two decades ago: indoor air pollution and radon, the destruction of rain forests and the depletion of old-growth forests, global warming, and ozone.

And, of course, more clean air regulations will be needed.

Environmental bills that have been tabled for years are being reauthorized on Capitol Hill. Senatorial aide Michael Lewan thinks many of them have a better chance of passing this time, encouraging assorted interest groups to make even more demands of the EPA.

A new clean water bill, for example, is in the works. "We're hopeful that the clean water act will be equally as good as the clean air act," Lewan says.

Some people think one of EPA's priorities should be cleaning up its own infrastructure.

"One problem the agency has," says Al Zuck, "is that historically [its staff] has been organized by media—air, water, hazardous waste, etcetera. But environmental issues cannot be compartmentalized like that. Emissions into the air affect water. Hazardous waste impacts air and water. There is a fundamental problem of how one implements policy when you're structured by a media basis.

"The EPA has a tremendously broad and difficult mandate in an area in which there is still emerging the technology, appropriate scientific evidence, and analysis," Zuck says. "There are a lot of objectives that have been defined for the EPA for which I'm not certain the technology and the scientific evidence is really quite clear."

What is clear for now is that the EPA has momentum. "The clean air act restored morale within the EPA considerably," Ned Helme, executive director of the Alliance for Acid Rain Control, says. "It made it all right for people in the agency who had strong views on clean air to express those views. I think it's a much more open process in the EPA now."

The agency's relationship with Congress—itsself under increasing environmental pressure from constituents—has also improved. The vote on the 1990 clean air bill: 401 to 25 in the House, 89 to 10 in the Senate. "Having gone through the clean air exercise," Michael Lewan says, "other bills

coming through may be handled that much better."

Industry, too, may be more receptive to the EPA. Helme thinks that the EPA may want to use a similar emissions-trading system in future environmental bills. The controls might then be seen not as costly add-ons, but as "more of a reward, an incentive," Helme says. "That's why it's important to move away from control and command. Instead of saying, 'You must do this,' you say, 'You must find a way to do this cheaply and efficiently,' and encourage innovation."

Already, says Rosenberg, oil companies are marketing cleaner, "reformulated gasoline." UPS and Federal Express are converting some delivery vehicles to use compressed natural gas. Auto makers have introduced new cars made with recycled aluminum, recyclable plastic parts, and body paint with no hazardous solvents.

Ironically, the Bush administration—which has opened the floodgate of environmental regulation—is being watched with skepticism by environmentalists, who wonder whether the White House intends to go any further than the clean air act.

"There are good people at EPA, like Bill Rosenberg and Bill Reilly, who could do a better job if they were allowed to," says the Sierra Club's Weiss.

There's talk of making the EPA a cabinet-level agency, but it's unclear whether such a move would improve its effectiveness. But cabinet status or not, the EPA seems to wield ever more influence, and on a global scale.

"Bill Reilly really spends a lot of his time, maybe more than half of it, focusing on international questions," Rosenberg says. "The Mexican-U.S. trade agreement, for example, which is very important to the economies of both countries, is being carefully viewed for its environmental side."

Rosenberg expresses great faith that a consensus can be reached on these and other sticky questions, and that the EPA will enjoy continued successes. Of course, he doesn't think the agency ever lost its visibility.

"If you compare success in the environmental area in the last 20 years with, say, success in education, housing, crime, drugs, whatever, we made more progress in the environmental area than any other," he says.

"And I don't think decisions we make in the next two years are going to be the last time the issues are reviewed. We want to lay the foundation for real progress, and then let other people fine-tune it or change it." ■