**Introduction —> Conrad**

* Opponents argue that environmental regulations impose huge costs on business, lowering productivity and forcing firms to move to places with less stringent regulations.
* Proponents argue that regulation can foster innovation, thus providing economic benefits as well as decreasing pollution.

In a global world, the environment has become a scarce resource, and since economics deals with the allocation of scarce resources the two have become interrelated. A lot has happened since the first Earth Day on April 22nd, 1970 to raise going concerns of the environment. Businesses have been the catalyst of an exponential increase in temperature over the last years but have also boosted the regular conditions of living for people overall. In order to make sure that these industries have a ceiling of the amount of scarce resources they can use before having negative long-term effects on the basic human right to a clean environment, regulations must be put in place. However, just putting in these regulations doesn’t necessarily make the world cleaner, governments must make sure they are effective and actually followed in order for their purpose to be fulfilled. In this paper we further analyze the effects of pollution on the environment, its pros and cons, the effects of regulations, and whether or not they propel the economy or slow it down.

**Limitations → Conrad**

* Inefficiency of certain regulations and the need of more effective ones.
* Not enough information on the subject matter (impact and costs of regulations).
* Greater flexibility needed.

Environmental regulations have been put in place since the beginning of globalization to ensure that the businesses can operate smoothly while maintaining a balance with their environment and ensuring that the scarce resources, they are using don’t have irreversible negative effects on the environment. Regulations have helped mitigate the damages done by pollution, but also have had their effects on the economy. There are two sides of the arguments; one is that regulations have helped the environment and resulted in boosting the economy, but also that some have been ineffective and resulting in hurting the economy more overall. When analyzing the results of regulations, one must first look into how effective they are and whether or not they are even enforced, or if companies find loopholes around the regulations.

A study by the UN Environment Program done in 2019 shows that weak enforcement of environmental regulations to be a global trend that is exacerbating environmental threats, despite prolific growth in environmental laws and agencies worldwide over the last four decades.[[1]](#footnote-1) Despite the environmental laws having increased significantly since 1972, failure to fully implement and take these laws into effect have done less to mitigate the carbon dioxide levels in our atmosphere and reduce pollution. Some of the main reasons why are poor coordination across government agencies, weak institutional capacity, corruption and lack of access to information. Another problem is that donor funding focuses on very specific areas rather than to one collective issue that everyone should be trying to tackle. This is due to the lack of information, because ff there was a more civic organization that tailored towards the most urgent needs of the environment, then we could provide more consistency with implementation and enforcement by not sending confusing messages to the regulated community and the public. Therefore, the effective engagement of a more informed civic society will result in better decision making by government, more environmentally responsible companies, and more effective environmental law.

Although there is lack of organization in the public due to lack of information, crowdsourcing has helped put these regulations into place. When analyzing how economics and the environment interrelate, there must be some sort of way of calculating the pros and cons of a certain regulation or economic activity. Many times, when making these decisions you can’t have the best of both worlds, so there must be a median where both sides can meet and minimize the costs on both ends. One way of using economics is to ensure that the costs and benefits of the environmental measures are well balanced, and although this is hard to analyze, it can be done through determining the net returns of an economic project over a period of time, as shown in a scholarly article that analyzed the economy and environment.[[2]](#footnote-2) To use this, environmental impacts on investments should be used as data. Then, certain regulations must be put in place to keep the industry and environment in balance; this is referred to as the Environmental Impact Assessment. It is an approach which analyses the effects of an economic activity which impacts its environment and therefore should be analyzed further in the decision making to ensure a balance. This is used also when making treaties between countries like the Paris Accord Agreement to reduce our carbon footprint of nations in this world.

The Paris Accord Agreement was created so that countries would work closely together in order to reduce the pollution that each of them are contributing to reach a collective goal. More specifically, it was created in 2015 between 196 parties to transform their development trajectories so that they set the world on a course towards sustainabler development, aiming at limiting warming to 1.5 to 2 degrees Celcius above pre-industrial levels.[[3]](#footnote-3) It also states that it “requires all parties to put forward their best efforts through nationally determined contributions (NDCs) and to strengthen these efforts in the years ahead.”[[4]](#footnote-4) The NDCs are more specifically aimed towards the regulation powers of the government in that nation.

So far the results of the Paris Accord are unclear since this is aimed at reducing the accelerated heating process of the Earth as a way to achieve long-term goals. However, some conclusions can be drawn so far, both positive and negative. So far, most countries are rated as either insufficient or highly insufficient in their efforts to keep the temperature at their goal. This is an prime example of how countries don’t effectively regulate their industries in order to combat climate change.

1. “Dramatic Growth In Laws To Protect Environment, But Widespread Failure to Enforce.” *UN Environment*, Environmental Governance Programme, 24 Jan. 2019, www.unenvironment.org/news-and-stories/press-release/dramatic-growth-laws-protect-environment-widespread-failure-enforce. [↑](#footnote-ref-1)
2. Unal, Gunes. “Sustainable Environment and in the Context of Environment Economy Necessary and an Analyze.” *ProQuest*, JCU Library, 2014, search.proquest.com/abiglobal/docview/1660471309/6AEA578ED637418APQ/1?accountid=130118. [↑](#footnote-ref-2)
3. “The Paris Agreement.” *UNFCCC*, 12 Dec. 2015, unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement. [↑](#footnote-ref-3)
4. “The Paris Agreement.” *UNFCCC*, 12 Dec. 2015, unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement. [↑](#footnote-ref-4)