



## **Study: Plastic Bag Bans Have Harsh Economic, Environmental Impact**

**By: Capitol Confidential**

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Though banning plastic bags may be the latest fad sweeping up environmental activists throughout the nation, the reality of its impact on America's economy is becoming increasingly plain.

[A new study, released by the National Center for Policy Analysis \(NCPA\)](#), tackles the aftermath surrounding last year's ban on plastic bags in certain parts of Los Angeles County. While similar bans have been implemented in other cities, such as Seattle, the study zeroes in on the toll such measures have taken on incorporated businesses in Los Angeles County. Implemented in July of 2011, the ban first applied to retailers "with gross annual sales of at least \$2 million or with 10,000 square feet of retail space". Stage 2 went into effect on the first day of 2012 and placed the same regulations on the shoulders of businesses with less revenue and space.

In its research, NCPA keyed in on several items: shifts in employment for businesses dealing with the ban contrasted with those who did not, shifts in overall sales, the greater impact on American manufacturing, and the real environmental ramifications of such policies.

The results were stunning.

According to the study, commerce in incorporated businesses has been dealt a significant blow in the year following the bag ban. While unincorporated businesses, free of the regulations, reported nine percent overall growth, those within jurisdiction reported a decline around six percent. The decline in growth also brought a spike in unemployment for incorporated businesses. On average, the NCPA found an overall spike in unemployment by ten percent. Meanwhile, unincorporated stores experienced an employment rate increase of slightly over two percent.

Of course, proponents of bag bans will attribute a flagging economy to the losses for certain retailers, but this is not a one-way street. When the last two years are taken into account, the overall employment rate of Los Angeles County has decreased from 13.4 to 11.1 percent.

Should the trend of banning plastic bags grow more widespread, such stark unemployment numbers call into further question the damage that may be done to an entire sector of American manufacturing. The study notes that “most thin-film plastic bags are made in the United States, and the plastics manufacturing industry employs more than 30,000 people directly and many more indirectly.” In contrast, “most reusable bags are imported.”

As such, the study reasons that widespread deployment of bag bans nationwide would result in potentially crippling economic impact on an entire industry that has provided Americans with jobs.

Reinforcing the study’s notion is the sharp decline in bag production.

NCPA further challenges the supporters’ entire reasoning for banning plastic bags: that plastic bags deal woe to the environment. In terms of energy produced, the study notes that plastic bags require 182,361 kcal but recover “2,581.3 through combustion.”

However, paper bags fare far worse, observing that they require “three times as much energy consumption as plastic bags (626,672.9 kcal), whereas only 6,859.5 kcal can be recovered through consumption.”

The study closes with charging flacks and lawmakers to conduct economic and environmental studies before implementing future measures. Resolving that bag bans are “harmful to local economies and not environmentally justified,” these results are ones that will likely add more to the mix as similar measures are considered in other jurisdictions throughout America.