

StanfordSOCIAL INNOVATION^{REVIEW}

Books

Valuing Life

By Cass R. Sunstein

Review by Peter A. Ubel

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BOOKS

REVIEWS OF NEW AND NOTABLE TITLES

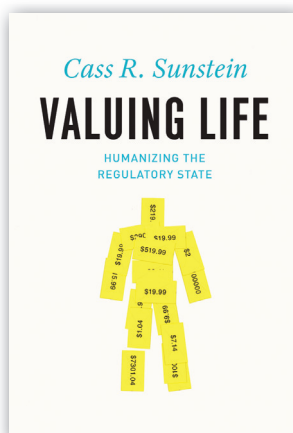
Nuance in Government

REVIEWED BY PETER A. UBEL

Cass Sunstein is one of the most influential public intellectuals alive today. He's a tremendously balanced and rigorous thinker, and he's a prolific author. Several of his earlier books have had an enormous impact both on legal thinking and on public policy. His book *Nudge*, for example, which he co-authored with Richard Thaler, led to the creation of behavioral research units within national governments on multiple continents. In his latest book, *Valuing Life*, Sunstein brings a vast intelligence to bear on some of the most important public policy problems of our time. It's an informative read, with many fascinating nuggets for readers to think about. Unfortunately, it does not show the kind of attention to detail or obsession with quality that I hope to encounter in Sunstein's work.

From 2009 to 2012, Sunstein served as the administrator of the White House Office of Information and Regulatory Affairs (OIRA). In that position, he led efforts to evaluate whether the benefits of proposed regulations exceeded the costs and whether those regulations were crafted to maximize their cost-benefit ratio. His office also sifted through public comments on proposed regulations and helped resolve turf battles between competing government agencies. Sunstein, a recognized expert on cost-benefit analysis, was an ideal person for this job. His approach to these issues is informed not merely by traditional economic theory, but also by a deep knowledge of behavioral economics and moral philosophy. In particular, he has written extensively about the limits, as well as the benefits, of cost-benefit measurement. (Sunstein is now a professor of law at Harvard University.)

At one level, *Valuing Life* serves as a kind of new-employee orientation manual for people who might join OIRA. Sunstein's



VALUING LIFE: Humanizing the Regulatory State

Cass R. Sunstein

248 pages, University of Chicago Press

descriptions of agency procedures are full of rich detail and provide compelling insight into the workings of this important part of the US government. Consider the process known as “elevation,” in which a lower-level analyst bumps an issue up the chain of command. “There are multiple levels of elevation, ultimately to the President himself,” Sunstein writes. “For example, the issue might rise to the level of an Assistant Secretary at one of the departments, who might discuss the question with counterparts at other offices or departments, with OIRA acting as convener. If there is a dispute about the assessment of cost and benefits, and if a member of the Council of Economic Advisors has a strong view, OIRA might arrange a call or meeting with the relevant Assistant Secretary.”

Sunstein also lays out the technical and practical considerations that shape how OIRA evaluates regulations. He describes the analysis that went into evaluating one regulation as follows: “The annual costs of a regulation are \$300 million. The regulation is expected to prevent forty premature deaths. The agency uses \$9 million as the value of a statistical life (VSL), and therefore estimates the benefits as \$360 million. In the absence of various imaginable problems, the regulation will likely go forward.”

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With each case that he presents, Sunstein adds a little twist, a little nuance, to his discussion of how such analysis works. We learn about what happens when costs are known, when the range of costs is known but the precise cost is not, and when even the range of costs is hard to define. It's inspiring to see how much careful, nuanced thought goes into these evaluations.

Valuing Life reads a bit like a series of law review articles lightly joined together—and that, in part, is exactly what it is. (Most of the book's chapters originated as articles published in law journals between 2003 and 2014.) Legal scholars and economists, especially those with an interest in cost-benefit analysis, will find much of value in this book, but it's unlikely that the audience for it will extend very far beyond academia. Still, it's handy to have these writings pulled together into a coherent narrative. Sunstein's prose, moreover, is clearer and more engaging than much of what passes for writing in academia today.

Sunstein, meanwhile, needs to slow down the *pace* of his writing—to raise his standards so that he can maximize his impact. The writing in *Valuing Life* is filled with redundancy. Phrases like “I have said” and “as noted” clutter up the text. More important, neither Sunstein nor his editor has made it easy to follow Sunstein's many examples. (It would be helpful, for instance, to include summary tables within the body of the text.) In his urgency to publish one or two books per year, Sunstein is missing the chance to write a truly monumental book. With regard to this work, I wish that he had taken time to write in-depth stories about regulatory controversies that occurred while he was at OIRA. Stories of that kind would add drama to a book that is often dry and abstract.

Those of us in academia are lucky to have Sunstein in our midst. Those of us who are US citizens are lucky to have had him in our government. Reading *Valuing Life*, in fact, boosted my faith in the ability of government leaders to make informed decisions about regulation. That, in itself, is an important accomplishment. ■