



## HOW PLASTIC BAG BANS IMPACT THE ECONOMY & ENVIRONMENT

There are many different viewpoints on whether plastic bags are bad for the economy and the environment. While some of the loudest voices are proponents of a ban on plastic bags, there is evidence that shows these bans have negative effects on the economy and the environment.

### Economic Effects

Business sales and profits are negatively affected by plastic bag bans. Plastic bag bans not only provide an unfair advantage to retailers in a geographic area without a plastic bag ban, they also have additional unintended consequences. The theft of store shopping carts and shopping baskets is higher in areas with plastic bag bans. Additionally, customers use more plastic produce bags, which undercuts the effect of the ban. Overall, plastic bag bans increase prices for consumers, decrease profit for producers, and decrease economic activity in the area affected by the plastic bag ban.

### Employment Effects

Banning plastic bags reduces retail employment. According to a survey on the economic effects of the plastic bag ban in Los Angeles County, stores that were inside the ban area reduced their employment by more than 10% while stores outside the ban area increased their employment by 2.4%.

Retail jobs are not the only jobs that would be affected if a plastic bag ban were implemented. A large portion of plastic bags are made in the United States, and the plastics manufacturing industry employs more than 30,000 people whose jobs would be at stake if plastic bag bans became widespread.

### Environmental Effects

While the economic and employment effects of plastic bag bans are substantial, there are no environmental benefits to banning plastic bags. Plastic bags require less energy to produce and recycle, and they create less municipal waste than cloth bags. Cloth bags need to be used 104 times before they have an environmental advantage over plastic bags, and most cloth bags are used half that amount. Reusing cloth bags also has potential negative health effects as this practice can lead to cross-contamination and disease.

As studies have shown, there is much evidence in favor of using plastic bags over cloth bags. Banning plastic bags will likely have a negative impact on jobs, the economy, and the environment.

**Source:** National Center for Policy Analysis, <http://www.ncpathinktank.org/pdfs/st340.pdf>