

## Are economists underestimating costs of European regulations on agriculture?

The precautionary principle provides non-farming interest groups with a pseudo-official means of influencing policy. The result is a drift towards overregulation and regulatory failures which are in conflict with the efficient working of the single market.

Pressure groups have used a broad definition of the precautionary principle to bring about regulation in the areas of food standards, animal welfare and the environment which create deadweight costs and do not seem to be aligned with consumers' preferences.

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It is unlikely that the benefits of the current regulatory burden outweigh the costs. The EU's precautionary approach discourages the development of technologies with even a low, theoretical probability of harm despite offering the likelihood of faster agricultural productivity growth. Attempts by authorities to demonstrate the positive net benefits of mandatory regulations are flawed because they do not take in the adverse effects for longer term technological advance and farm level operational efficiencies. The costs in terms of efficiency, competitiveness and living standards are likely to be high.

**The GLP aggregated and excerpted this blog/article to reflect the diversity of news, opinion and analysis. Read full, original paper: [Ploughing the Wrong Furrow The costs of agricultural exceptionalism and the precautionary principle](#)**