Information Disclosure Policy: Do States' Data Processing Efforts Help More than the Information Disclosure Itself?

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ABSTRACT

The Toxics Release Inventory (TRI) was expected to reduce health risks stemming from emissions of hazardous chemicals by increasing public pressure on polluters invoked by disclosed toxic release information. However, the raw TRI data fails to transmit accurate information fitted to the public's interest. TRI is a massive and complex dataset, published in the pounds of toxics released in its raw form, not a health risk indicator which is the true quantity of interest. Consequently, the raw TRI data needs to be refined and interpreted in terms of health risks by the users/public but those processing data procedures often overwhelms their capability. State governments have attempted to increase of the usefulness of the TRI's information via two types of policies: (1) selection and dissemination of raw TRI data for plants within the state, and (2) data processing activities producing more refined reports and further data analysis. This study assesses the effectiveness of those two types of policies with the hypothesis that the latter might increase the accuracy of the TRI information contributing to the true policy outcome (reducing health risk), more than the former. Our results show that state-level data dissemination efforts lowered the total number of pounds of chemicals released, but had little effect on health risks. State-level data processing efforts, in contrast, did lead to significant reductions in health risks. We conclude that simple dissemination of the data was ineffective (and even counterproductive in some instances), and that the states' data processing efforts have played a critical role in achieving the TRI's intended policy goal by providing accurate information with which users can find the right signal of interest.

Key words: Information disclosure policy, Toxics release inventory, Information overload