

[Yes, planning law is red tape that we want to get rid of](#) [1]

Written by [Tim Worstall](#) [2] | Sunday 27 May 2012

We know that everything has a price: no, not that you can buy any and everything, rather, that whatever it is that is done there is a price to that being done. Good old Bastiat and what is unseen and all that. And of course, this applies to planning laws just as much as anything else. The difficult thing is trying to work out what those unseen costs are, not their mere existence.

So, here is some research showing what the costs are of the planning laws that we impose [upon supermarkets](#) [3]:

We use unique store-specific data for a major UK supermarket chain to estimate the impact of planning, which restricts both the size and location of stores, on store output. Using the quasi-natural experiment of the variation in planning policies between England and other UK countries and a difference-in-difference approach, we isolate the impact of Town Centre First (TCF) policies. We find that space contributes directly to the productivity of stores and planning policies in England directly reduce output both by reducing store sizes and forcing stores onto less productive sites. Our results suggest that since the late 1980s planning policies have imposed a loss of total output of at least 18.3 to 24.9%. This is equivalent to more than a 'lost decade' of output growth in a major sector generated directly by government policy.

I know we're supposed to be at the fag end of laissez faire neoliberalism but that's not really quite true, is it? The direct planning and direction of the economy by government has been, to a large extent, replaced by the red tape of bureaucracy. Something Tories are as guilty of as anyone else.

And the point to all of this is that in recent decades we've not really seen wonderful productivity growth. And productivity growth is what makes us all richer in the long run. Here we have a clear example of red tape reducing productivity growth: these rules are quite literally making us collectively poorer.

Which is just yet another reason why we want to get rid of some of this red tape: so that our children will be richer than we are.

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