

Recycling Means Big Money in the Big Apple.

When Mayor Michael R. Bloomberg proposes to dramatically reduce the City's recycling program, he talks about money. Those who want to save and expand the program talk about values. An extensive story in *The New York Times* (March 12, 2002) sums up the thinking well in its sub-headline, "Bloomberg Puts Doing Well Ahead of Doing Good."

Parenthetically, one should note that the economics of garbage is not always the determinative factor in the mayor's decision-making process. The \$200 million or more that the City could save each year by reopening Fresh Kills dwarfs the projected \$39 million a year in savings from reducing recycling. But politics eliminates that option from consideration.

There is no question that recycling embodies an ethic, a way of relating to the world, worthy of support. Yet as city after city has recognized, it can also be justified as a darn good investment. New York City recognized this back in 1992 when an internal analysis concluded the City could save money by emphasizing recycling.

Let's look at the numbers. New York City officials say that recycling metal, glass, and plastics costs \$240 a ton, far more than the \$130 per ton for simple trash disposal. Recycling paper, on the other hand, costs only \$87 per ton and thus will be continued.

In Seattle, Washington – one of a half dozen major cities in the United States that is approaching 50% recycling levels – there are individual bins for glass, both at the curbside and on the trucks, which allows other recyclables to be compacted. This makes collection more efficient and cost effective for all materials.

The second problem that one runs into when using disaggregated analysis to look at waste management costs is that it overlooks the fact that the more one recycles, the cheaper the per ton collection costs. If New York City doubled its recycling of glass and metals, the per-ton cost of collection would decline dramatically. Further, New York City has refused to implement proven waste reduction actions, which succeed in other cities. Reliable estimates put NYC's potential savings from prevention at close to \$10 million per year.

New York City's recycling policy should rest on two well-documented facts. First, the potential is far higher than that achieved by most cities. According to the Department of Sanitation, New York City's recycling rate is currently around 20%. In comparison, half a dozen cities of more than 500,000 have achieved 50 percent recycling rates. And in the best of them, the mayor's office is raising the bar even higher. Los Angeles, California, for example, approached its state mandated 50 percent recycling rate last year. The mayor immediately announced a new goal of 75 percent. The mayor of Oakland, California, did the same.

The second well-documented fact is that the more one recycles, the cheaper the per-ton cost. If recycling is treated as the bastard stepchild of solid waste collection, it becomes an add-on to the overall cost. At higher recycling levels, it actually displaces capital and operational costs of the overall collection system. Collection trucks can be smaller and less expensive to purchase and maintain. Recycling pickups can be combined with regular garbage pickups. Although, NYC is twice the size of the next largest city in the U.S., it can apply the same measures used in major cities across the U.S.

The economic impact in New York City could be dramatic. Recycling has been one of the best job producers in the U.S. economy since 1970, outpacing growth in both the healthcare and fast food industries. (See side bar.) At 50% recycling levels, NYC would create and sustain more than 9,000 jobs in this sector.

The New York Times reports that Sanitation Commissioner, John J. Doherty, believes New York is hitting a wall in recycling with each new increase becoming harder and more expensive to achieve. At some level that undoubtedly will occur, but right now New York City is at home plate and the wall is dead center in Yankee Stadium.

Recycling requires commitment. Past mayors of New York City have fought recycling. Mayor Giuliani gave lukewarm support to the idea. Now, Mayor Bloomberg looks to undermine even the modest progress made. Better to step back and rethink the garbage situation in New York. Recycling can save the City tens of millions of dollars a year, but it can do so only when the City makes a commitment to recycling.

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Comparison of jobs and gross sales growth for the recycling, fast food, and health care industries in the United States

	Jobs		Annual growth rate	Gross annual sales		Annual growth rate
	1967	2000		1967	2000	
Recycling industry	79,000	1.1 million	8.3%	\$4.6 billion	\$236 billion	12.7%
Fast food industry	NA	NA	NA	\$4.35 billion	\$140 billion	11.1%
Health care industry	2.4 million	10.1 million	4.4%	\$50.7 billion	\$1,299 billion	10.3%

NA = Not available

Recycling figures from R. W. Beck, Inc., *U.S. Recycling Economic Information Study*, National Recycling Coalition, Inc., Washington, DC, July 2001.

Fast food industry sales data from the US Department of Agriculture Economic Research Service.

Health care employment figures from the US Department of Labor, Bureau of Labor Statistics.

Health care expenditures from the US Department of Health and Human Services Centers for Medicare & Medicaid Services (formerly the Health Care Financing Administration).