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Breathing Room for Business, in a Bubble

Hard times can be especially hard on the environment. When jobs are at stake, the stench of dirty air can seem sweet. That is why regulatory reforms just announced by the Environmental Protection Agency are especially timely. By embracing the so-called "bubble" concept, the agency is offering private enterprise a new way to control air pollution effectively at far lower cost than standard regulatory techniques.

The bubble is so sensible an idea that one wonders why it took so long to surface. Under Federal law, the E.P.A. must set ambient air quality standards — what's safe to breathe, and where. It is then up to the states to design plans to meet these standards and enforce them, stack by stack. But the trouble with this strategy is that it is wasteful, costing much more than necessary per ton of gunk removed from the air. Stack-by-stack enforcement also virtually guarantees that the process will remain wasteful, acting as a powerful brake on private initiative in discovering new cleanup technologies.

Consider, for example, an auto manufacturing complex spewing hydrocarbon fumes from a dozen different sources. The way things now work, the regulators fix limits on emissions from each source. But under the bubble approach, which E.P.A. now officially encourages, the auto company will be told how much it will be permitted in total emissions from a hypothetical "bubble" surrounding the entire complex.

That gives the company an opportunity to offset emissions that are particularly expensive to contain by improving controls at other sources. In the case of the auto maker, the company might give up trying to control the fumes produced by rust-proofing steel parts,

but, in compensation, install a new system for drying paint. The concept also gives the engineers who know the plant best — those who run it — an enduring incentive to figure out cheaper solutions. Rather than having to renegotiate every modification of their equipment, the plant's managers can try any approach that meets the overall pollution standard.

Just how much may be saved by the bubble concept is suggested by a Du Pont Company analysis. Du Pont spends \$136 million a year to comply with air-quality regulations. With bubbles, the chemical company figures it can do the same job for \$55 million. Cost-cutting innovation specifically encouraged by the bubble policy would save still more.

But E.P.A. alone can't make bubbles work. That requires the cooperation of state regulators. No less important, the reforms depend on changing the attitude of the regulated. Du Pont and other large, research-oriented companies are eager to be left to find their own solutions to environmental problems. Many polluters, however, are trapped by their view of government as enemy, having long ago forgotten that the goal is clean air at minimum cost, not some license to pollute.

In a survey of 48 member companies, the Business Roundtable found that 77 percent of their costs of Federal regulation were associated with the environment. Simply maintaining current air quality standards could easily mean increased expenditures in coming years as more polluters compete for a fixed amount of biosphere, and as the economy increasingly relies on dirtier, homegrown fuels for power. The bubble is a way of fighting back.

The Soares Legacy in Portugal

Portuguese democracy has taken some new turns with the apparent electoral victory of Francisco Sá Carneiro's rightist coalition. Despite gains by hard-line Communists, conservatives are likely to predominate in the Government for the first time since soldiers toppled the Caetano dictatorship in 1974. And for the first time since parliamentary democracy began in 1976, a Prime Minister should emerge with an absolute majority.

Paradoxically, this smooth transition from left to right owes much to the election's main loser, Mário Soares, the former Prime Minister and leader of the Socialist Party. When Mr. Soares inaugurated constitutional government more than three years ago, Portugal had become accustomed to deciding its political fate in the streets. To many observers, a new authoritarian takeover seemed inevitable.

Mr. Soares proved them wrong. With extraordinary agility, he embraced the right, then the left, then the right again. For two crucial years, he was the indispensable man of the center, forging a consensus where there was no majority, winning grudging support from disparate groups that agreed only in their commitment

to democracy. He faltered in mid-1978, but by then Portugal's political passions had calmed. Problems of economic management had become acute. Consistency and attention to detail replaced political bargains as the qualities most in demand. The caretaker Governments following Mr. Soares were too weak to govern boldly. New elections were the only answer.

The flamboyant Mr. Sá Carneiro, who expects to become Prime Minister, offers a new style as well as ideology. Mr. Soares was primarily a conciliator; Mr. Sá Carneiro has a deserved reputation for posing dramatic, sometimes divisive choices. Fortunately, that is a luxury that Portuguese democracy now seems able to afford.

However the new Government performs, Portugal will vote again in ten months to elect yet another parliament, which will have the power to amend the revolutionary 1976 constitution. This week's impressive turnout shows that the Portuguese are by no means tired of their new freedom. For decades, they were denied the chance to choose their political future. Not long ago, they came near to losing it again. They appear now to be relishing their hard-won votes.

