Formality & Informality in Cost-Benefit Analysis

Amy Sinden
James E. Beasley Professor of Law
Temple University School of Law
Amy.Sinden@temple.edu
**Axis 1: Assessment of Costs and Benefits**

- **Partial monetization**
- **Full (or partial) quantification but in different metrics**
- **Qualitative description**

**Potential failure**

**Axis 2: Precision of the Balancing Test**

- **Precise comparison to ensure benefits exceed costs**
- **Locating where marginal benefits roughly equal marginal costs**
- **Pinpointing where marginal benefits just equal marginal costs**

**Axis 3: Number of Alternatives**

- **Many different alternatives**
- **Numerous incrementally different alternatives**
- **A single alternative**
- **A handful of alternatives**

---

**Ben Franklin CBA**

**informality**

**Economic CBA**
Axis 1: Assessment of Costs and Benefits

Failure?

Ben Franklin CBA

informality

formality

Economic CBA

Axis 2: Precision of the Balancing Test

Axis 3: Number of Alternatives