

## BOOK REVIEW

**Pollution, Property and Prices.** J. H. Dales. Toronto: University of Toronto Press, 1968. Pp. vii, 111. \$Can2.50.

In contrast to the general conception of pollution problems as polluters against pollutees, Dales argues that pollution problems are a social question to be dealt with by collective action. This book contains a delineation of the main aspects of pollution problems and of means for implementing a pollution policy.

Dales shows pollution to be an inevitable consequence of economic activity, the opposite reaction to the forces of production and consumption. The amount of waste materials or pollutants generated in an economy varies in direct relationship with the level of population and its affluence while technological improvements tend to reduce the amount of waste generated. However only under certain conditions does the pollution damage reach objectionable heights. The geographical concentration of population and production provides the conditions which cause an overloading of nature's waste disposal system, and lead to an obnoxious level of pollution damage.

In attempting to devise the best pollution control policy Dales demonstrates the limited usefulness of traditional benefit-cost analysis. A major drawback with the use of the benefit-cost technique in dealing with pollution control is the fact that pollution damages are non-marketable commodities and thus not easily quantified. Dales contends that politicians have the responsibility to determine the levels of pollution damage acceptable to the community. But, while the pollution control policy should be determined in the political arena, economics is given an indispensable role in social policy matters, namely, that of determining how best to implement the policy.

Dales briefly discusses the three common ways an economist has available to implement a social policy, viz., regulation, subsidization and charges, but prefers an "economicolegal" proposal for implementing a pollution control policy. Attention is drawn to the relationship between law and economics to the extent that outcomes of the economic process depend on the system of property rights underlying the market mechanism. Dales' proposal to control pollution is to establish pollution property rights up to the accepted level of pollution and to create a market for these rights.

On the whole this book presents a well ordered discussion of the problems associated with pollution and its control and is recommended to those concerned with the problem.

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