

THE MYTH OF SOCIAL COST

公損之謎



張五常著
Steven N. S. Cheung

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《公損之謎》的回顧

「公損」是「私人成本與社會成本分離」(divergence between private and social costs)的古文譯法。高斯之後，經濟學行內簡稱「社會成本」(R. H. Coase, The Problem of Social Cost, 1960)。《公損之謎》(The Myth of Social Cost)是一九七八年英國經濟事務學社(The Institute of Economic Affairs)替我出版的一本小書。說是小「書」，其實是一篇四十八頁的長文，但加上該社的編輯寫了序言，又請了兩位專家教授寫了前言、後記，再加上零散的版權、扉頁之類，竟然近百頁，算是小書了。

據我所知，這小書重印過起碼一次，而停版則起碼十年了。曾經有兩個中譯本，我沒有讀過。見過西班牙文譯本，語言不通，沒有讀。據說還有其他譯本的，但沒有見過。也據說，好些大學曾經採用為教材。

是上述學社的老編邀請我寫的，說明是寫給傳媒大眾讀。該社以維護自由經濟知名天下，但「社會成本」是一個大題目，為什麼選中我？當時自己的解釋，是一九七〇年我發表了《合約的結構與非私產的理論》(The Structure of a Contract and the

Theory of a Non-exclusive Resource)，推翻了與社會成本有關的家喻戶曉的「界外效應」(externalities)，跟着在一九七三年發表了《蜜蜂的神話》(The Fable of the Bees)，把提出蜜蜂例子的後來獲諾貝爾獎的一位英國爵士殺下馬來。左一刀、右一刀，該學社可能見我斬得那樣過癮，就邀請我多斬一下。

說明讀者對象是傳媒大眾，但社會成本問題是產權的問題，也是交易費用的問題，再淺也不會淺到哪裡去。用心地寫，花了三個月的時間。沒有酬金，出版後得到十本贈書，不半天給學生及同事拿去了。老編說本來是贈書五本的，見我寫得用心提升一倍。

陳年舊事，往事如煙，《公損之謎》這本小書我差不多忘記了。不久前一位朋友說，在網上看到amazon.com旗下一間書店，專賣停了版的成為歷史陳迹的書，有《The Myth of Social Cost》出售，說明是用過的，叫價二十五美元（原價一點五英鎊），把我嚇了一跳。我於是想，如果價夠低，在香港再版應該有市場。英國的學社很客氣地把版權回贈給我。我要求花千樹訂價二十港元，與《壹週刊》同價，香港的二樓書店可能還打個八折！經濟不景，折後作者、出版、設計、發行、零售等各獲二元，大家打個平手，和氣生財。聽說香港某快餐店早餐叫價五元，另一家晚餐八元，是深圳之價打個六折。

私人與社會成本分離是經濟學的一個大題目，好之者甚眾，可能是因為說來說去都是說故事。除了庇古(A.C.Pigou)的工廠污染鄰居而需要政府干預的不

雅例子，其他的多是如詩如畫的故事，但一般都不可信。

最早的名例是米爾（J.S.Mill）的燈塔。故事說在黑夜中航海船隻利用了燈塔的指引，但不付費用。高斯引經據典，指出在英國歷史上有幾個私營燈塔的人，發了達。但高斯的典故也不可盡信：燈塔收費由航海公會協助，而「發達」是政府通過法例收購。高斯沒有說，而我也沒有作過考查，但我的揣測是燈塔大都是建造在機要地點，不容易代替，地權為塔主所有，政府要收購倒要破費一番。

庇古的麥田例子，大地如茵，可惜火車從中經過，火花損害了麥稻，但不需補償，是以公損。我說過一九六九年史德拉（G. J. Stigler）與艾智仁（A. A. Alchian）暢遊日本，火車穿過禾田，他們問火車的管理員車軌兩旁是否地價較低，得到的回應正相反，軌旁地價較高，因為火車把吃稻的飛鳥嚇跑了。史氏以之為笑話，但事實卻不是那麼可笑。後來華特斯（A. Walters）告訴我，他研究新機場的建造，飛機的噪音損害了鄰居，但鄰居的地價必定上升，因為機場帶來商業生意。那是說，噪音愈多對鄰居愈有利。

錯得最重要的應該是庇古的農地租用例子。地主不自耕的被認為無效率，或有公損浪費，因為租耕的農民沒有長期合約的保障。庇古也引經據典，但我追查過他的所有典據，發覺完全不是那回事，而中國三十年代的詳盡資料，都顯示租耕地比自耕地有略高的

平均產量。

庇古之後，最有名的例子是米德（J. E. Meade）的蜜蜂與蘋果了。這例子着實迷人。大自然風和日麗，蜜蜂採蜜，優美如莫札特的音樂。可惜蜜蜂的主人付錢給果園的主人買蜜漿，而蜜蜂傳播花粉的服務也沒有收費，於是前者植樹太少，後者蜜蜂不足，皆要政府的干預。我的調查證實不僅採蜜與花粉傳播的服務皆有合約，而且成交之價甚為精確。更過癮的是，蘋果的果花根本沒有蜜漿可採！（我們在市場常見的蘋果蜜糖，是從蘋果園鄰近的野花採得的。）

在社會中，一個人的行為往往影響他人，而人與人之間的交往或利害衝突可在市場以市價解決。凡是無價而有利害關係的，經濟學者就認為有公損的問題。到了六十年代，這些「凡是」的被稱為界外效應，分門別類，屈指難算。一九七〇年我指出，利害關係的處理是合約的問題，而因為交易費用的存在，不可能所有的利害行為都寫清楚，或每項有價，而那所謂界外效應只不過是漠視了合約的結構。我又同時指出，合約沒有說明的可以不言自明，而風俗、禮教、不成文法等約束，通常是合約的代替。只看利害關係有沒有價，不可能知道有沒有公損的效果。

一九七三年我再指出，一個人的行為影響他人，沒有合約，沒有價，也沒有風俗或不成文法等約束，公損不一定存在。這是比較複雜的分析，《公損之謎》一書內有詳述。其中的含意是加強了上述的結論：單看一些損人利己而不需付價的行為，是無從作出公損

的判斷的。

今天，合約理論在經濟學的專業文獻上大行其道，但可惜術語多而內容少。什麼不整合約（incomplete contract）、默約（implicit contract）之類的，滿紙皆是。這些我早於一九六九與七〇年提出，但也指出考查要牽涉到風俗、習慣、禮教、不成文法等等局限才可以有少許認識。不管世事、只管方程式的治學方法，好比學物理的沒有進過實驗室而去研究天體的黑洞，所得的應該只是黑洞一個而已。以為自己是愛因斯坦或是霍金的經濟學者似乎是太多了。

很抱歉，我認為今天經濟學行內的所謂學問，一般是指能在什麼名學報發表過一些文章，與真實世界是風、馬、牛不相關的。可不是嗎？數之不盡的合約理論專家，連一紙合約也沒有研究過。我這一輩是比較麻煩的。當年我和幾位助手研究合約，真實的合約版本堆積如山，前前後後、大大小小達二萬份，有時審查千多份才可以安心地下一個註腳。

張五常

二〇〇二年六月

The Myth of Social Cost

*A critique of welfare economics
and the implications for public policy*

STEVEN N. S. CHEUNG

*Professor of Economics,
University of Washington*

With a Prologue by

CHARLES K. ROWLEY

*Professor of Economics,
University of Newcastle upon Tyne*

and an Epilogue by

JOHN BURTON

Principal Lecturer in Economics, Kingston Polytechnic

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PREFACE

The *Hobart Papers* are intended to contribute a stream of authoritative, independent and lucid analysis to the understanding and application of economics to private and government activity. Their characteristic theme has been the optimum use of scarce resources and the extent to which it can best be achieved in markets within an appropriate framework of laws and institutions or, where markets cannot work or have disproportionate defects, by better methods with relative advantages or less decisive defects. Since the alternative to the market is, in practice, the state, and both are imperfect, the choice between them is effectively made on the judgement of the comparative consequences of 'market failure' and 'government failure'.

The most damaging criticism of the market for some decades but especially in recent years has been that buyers and sellers who exchange goods and services by contract often create costs and benefits ('externalities') for third parties not directly involved in the exchange, so that the market suffers from a serious 'failure' in these bargains. It generates excessive production of goods/services that impose costs on others who cannot be compensated, and insufficient of those that yield benefits to others for which they cannot be made to pay. From this diagnosis has followed a series of conclusions for policy varying from a structure of taxes (to discourage output with social/external costs) and subsidies (to stimulate output with social/external benefits) to suppression of the market entirely and its replacement by government.

For some years economists, especially in the USA, have contested the original diagnosis of externalities. They have offered alternative explanations of the supposed divergences between private and social costs/benefits. They have argued that the parties to private contracts will *not* fail to take the externalities into account in their dealing provided there are no barriers to 'trading' in external effects. The newer conclusion for policy is the possibility of re-drawing the boundaries of property rights so that such 'trades' over external effects can

take place. This new perspective on externalities has been slow to filter through to thinking on policy in the UK.

Hobart Paper 82 presents this counter-critique by American, and more recently British, economists on two planes. The central portion is the work of Professor Steven N. S. Cheung of the University of Washington, who has developed the counter-critique in a series of studies known best in the USA. His argument is addressed chiefly to economic specialists in the subject who will find it a microcosm of his writings for some years brought up-to-date in the light of the latest developments in the debate between economists. He has explained his analysis by arithmetical tables designed to show alternative methods of measuring private and social costs. He follows the evolution of the theory of social cost/benefit from its originator of 50 years ago, the Cambridge economist A. C. Pigou, into its most recent forms, and claims that they are all defective. His essay is mainly intended for students and teachers of economics with special interest in the theory of social cost and externalities. His main conclusion is that the originators of 'externality' theory relied on invalid assumptions and did not test their results. He holds that the evidence, when examined, reveals flaws in their reasoning. He joins issue both with Professor Pigou, on the basis of counter evidence derived from land-tenure contracts and farming behaviour in China, and with Professor J. E. Meade by contesting his analysis of the pollination and nectar extraction services of bees.

In view of the difficulty that newcomers to economics may have in following this closely reasoned analysis, we invited Professor Charles K. Rowley of the University of Newcastle upon Tyne, a British authority on this development in economics, to outline briefly the importance of Professor Cheung's analysis. Professor Rowley is, with Professor A. T. Peacock, the author of the deepest British economic study of the subject, *Welfare Economics: A Liberal Restatement*.¹ The opening sentence of his Prologue graphically states his verdict: 'Society might be far better off if the "problem" of social cost had never been discovered'. The importance of the economics of social cost is that it has considerably influenced British economists and other academics and the governments they have advised. Professor Rowley's exposition will be found easy to follow by beginners in economics and by non-economists.

¹ Martin Robertson, London, 1975.

For readers interested in discussion of public policy, such as of various forms of environmental controls, we also invited Mr John Burton to write a longer Epilogue designed to apply Professor Cheung's central analysis more fully in language again suitable for the non-specialist and to illustrate it by topical examples from Britain and overseas. Like Professor Rowley he indicates the alternative approach from the study of property rights and of public choice¹ as a more fundamental insight to the reasons for external effects and the naïveté of the proposals for policy drawn from the Pigovian analysis. Both British authors indicate the conclusions that follow for government policy from this superior perspective of property rights and public choice.

If our three authors are right, the continued teaching in Britain of the simplistic conventional approach to social cost/benefit is seriously flawed and dangerously misleading. A wide range of British policies from technological and industrial policies and the third London airport to town and country planning, subsidies for the arts, and measures for the protection of the environment are based on this flawed analysis. There is urgent need of re-examination in the light of the more realistic analysis presented in this *Paper*.

The Institute's Trustees, Directors and Advisers do not necessarily share the analysis of the authors, but it offers this *Hobart Paper* as a scholarly and severely realistic contribution, for both specialists and non-economists, to the debate among economists and the advice they can properly give to policy-makers.

August 1978

ARTHUR SELDON

¹ J. M. Buchanan and others, *The Economics of Politics*, IEA Readings No. 18, 1978.

THE AUTHOR

STEVEN N. S. CHEUNG was born in Hong Kong in 1935 and received his doctorate in economics at the University of California at Los Angeles in 1967. He taught at the California State College at Long Beach from 1965 to 1967, where he received the Distinguished Teaching Award of the Board of Trustees of the California State Colleges. His dissertation on *The Theory of Share Tenancy* won him the Fellowship of Political Economy awarded by the University of Chicago in 1967, where he was appointed Assistant Professor of Economics in the following year. In 1969 he went to teach at the University of Washington, since 1972 as a Professor of Economics.

Professor Cheung's main approach to research is empirical—he formulates hypotheses and then tests their implications against evidence. His conviction of the importance of property rights in affecting economic behaviour has led to an almost exclusive focus on various aspects of transaction costs. As a price theorist, Professor Cheung typically specifies alternative sets of transaction costs in deriving his hypotheses, and then proceeds to test the implications through thorough investigations of the real-world situations.

His research comprises the economic explanation of pricing and contractual arrangements, including sharecropping, bee-keeping rentals, ticket pricing, rent and price controls, patent and trade-secret licensing, and the pricing and contractual structures in various industries.