newables has grown exponentially and so has the impact of that use. There is broad agreement today that the result of this intensifying exploitation of our resources is increasing pressure on the environment, both locally and globally. As a result, one of the most fundamental conflicts between the trade and environmental files is the presumed conflict between economic growth and protection of the environment. Is this conflict real or imagined?

The intuitive answer many would give is that there is such a conflict. Careful analysis, however, does not bear out this conclusion. To understand why, one must begin with an appropriate concept of the goal of environmental protection, one that is consonant with public policy in a democratic society. If the goal is to halt all activities that may in any way alter the current state of the environment or return it to earlier conditions, then there may be no alternative to conflict. Such an approach to environmental regulation, however, is neither reasonable nor necessary. From time immemorial man has altered his physical environment, either consciously or unconsciously. The only constant has been continual adaptation. The operative question, therefore, is whether man has altered his environment for better or for worse. More specifically, has the human species, in changing its environment, added to or subtracted from the overall well-being of the species? When viewed from a sufficiently long and broad perspective, the answer is no. As the environment and circumstances have changed, the general well-being of most of the species has improved.

It was Thomas Malthus who first suggested some two hundred years ago that the planet's resources were finite and that if the global population continued to grow, there would eventually not be enough food to feed everyone. Since then, the basic Malthusian thesis has been refined and adapted to a wide variety of predictions about the capacity of the planet to sustain life as we know it, all of them sharing his basic pessimism. Neither Malthus nor his spiritual descendants accept the Darwinian concept of adaptation nor the potential impact of improvements in technology. Malthus' prediction of mass starvation would have happened by now if it had not been for the constant improvement in agricultural techniques as well as transportation and distribution systems, all fueled by economic growth.

A few examples should illustrate why some of the pessimism of environmental extremists is not well founded. When Malthus was writing, the combination of coal fires and the particular climatic conditions in southeastern England produced the infamous London smog. Its impact on human, animal and plant life and health was clearly unacceptable. The addition of industrial and car exhaust fumes in the twentieth century made conditions intolerable. Today, as a result of the introduction of newer technologies and stricter regulation, made possible because the inhabitants found conditions intolerable and were prepared to pay for improvements through higher prices, taxes and regulatory burdens, London smog has become an historical phenomenon. It would not have disappeared,