

- 6** An economist undertakes a cost–benefit analysis of the pollution resulting from a manufacturing process.

Which outcome is most likely to guide any recommendation about the optimal level of manufacturing output?

- A** that the marginal social cost of manufacturing equals the marginal social benefit
- B** that the marginal cost of pollution is zero
- C** that the total revenue of manufacturing equals the total cost
- D** that the total benefit of pollution is maximised