

Do NOT write your name anywhere. (Canvas will tell me who turned in the assignment.) All answers must be typed, except for mathematics and graphs. Take pictures of your written answers and use your own software or <https://pdfcandy.com/> to create a single PDF size A4. (pdfcandy.com will convert many file types to PDF, resize PDF, merge PDF and many other things for free. However, Apple phones may require using [CamScanner](#) before using pdfcandy.com.) Failure to follow these directions will cost you 10 points.

- 1) (25 points) What is the main advantage of “collective” property rights over “private” property rights? What is the main disadvantage of “collective” property rights over “private” property rights? Which do you feel is better? Explain your logic.
- 2) (20 points) What are *public goods*? Explain why they require government intervention. Why isn't the police a public good? Explain your logic.
- 3) (20 points) What is meant by *adverse selection*? Give an example of it. Use your example to explain why adverse selection makes decision making difficult.
- 4) (15 points) I added the outcome of “long-run environmental viability” to the book’s list of desirable outcomes? Why is that an important outcome?
- 5) (20 points) There are two ways to achieve economic growth. Use a PPF to explain both types of growth.