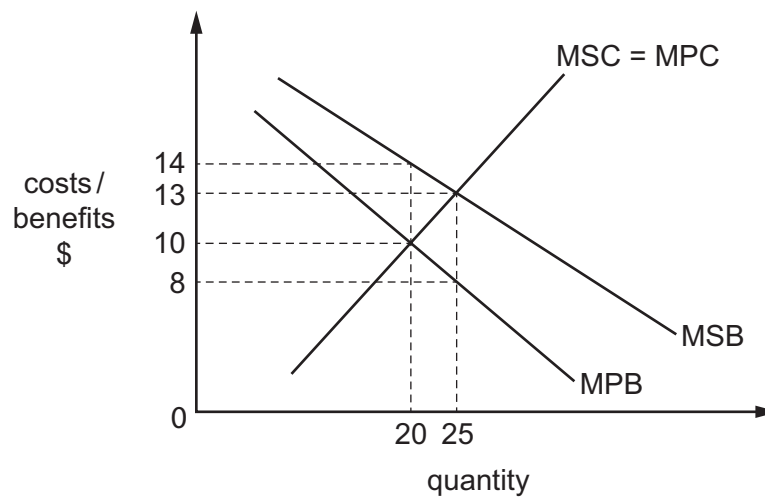


- 15 The diagram shows the private and social costs and benefits that arise from the consumption and production of a good.



If there is no government intervention, what is the value of the marginal external benefit?

- A** \$2 **B** \$3 **C** \$4 **D** \$6
- 16 What can be provided only as a public good?
- A** road use
B security services
C street lighting
D TV broadcasting