

## FAQ

1. How are public goods different from private goods?

Ans. In public good is one whose consumption of individual does not affect consumption of others. In a private good is a product that must be purchased to be consumed and its consumption by one individual prevents another individual from consuming it.

2. Is education public goods?

Ans. The benefits of college and schools are not all public and they are not all private. Firstly it benefited privately and after wards welfare of society it means. Education is a private good with positive externality.

3. What is non- rivalness?

Ans. The non rival good is one then can consumed by person without reducing the amount left It can use again and again. For example movies, televisions, patents etc...

4. What are the examples of rival goods?

Ans. Rival goods are type of that may only to be consumed by a single user. And it can be also durable they user may use them one at a time where consumption destroys the good. For example food, shelter, clothes etc...

5. What are the merits and demerits goods?

Ans. Merits goods are those goods that give advantages to the society that health education, well being culture as well as good virtues. It is widely connected with the social welfare examples of merits goods are low price houses to poor people, fire protection, and education. Demerits goods are whose consumption is considered unhealthy it include tambaku, alcohol these goods are discouraged by laws and legislations.

6. Is national defense is public good?

Ans. National defense is one of the best examples of the public good, if one person in a geographic area is defended from foreign attack; other people in that same area are likely defended also. It is a characteristic of jointness. It means that additional consumers can be added without increasing the cost of production.

7. What is meant by club goods?

Ans. Club goods are a type of goods, sometimes classified as a sub type of public goods. This would involve like Road Bridge, hospital, toll road, as etc... in this cost shared by the members sharing cost illustrate both a willingness to pay and the principal of the exclusion of non members from the enjoyment of the facilities.

8. What are the key characteristics of public goods?

Ans. There are two characteristics of public goods

1. First is non rivalry it means when a good is consumed, It does not reduce the amount available for others.
2. Non excludability: This occurs when it is not possible to provide a good without it being possible for others to enjoy.

9. What are the examples of merit goods?

There are various examples of merit goods, as we all know health is ultimate wealth

1. Health care: If people do get a vaccination, follow the cleanliness and hygiene then there will be external benefits to rest to the society, because it will help to reduce the diseases and create healthy life style in the rest of the society.
2. Education: People may under value benefits of study. People don't realize the true benefits of education. Generally these goods have positive externalities.

10. What is free rider program?

Ans. Free rider program is when consumer can take advantages of public goods without contributing sufficiently to their creation. It depends upon a conception of human being considering only those benefits and cost directly affects him or her.