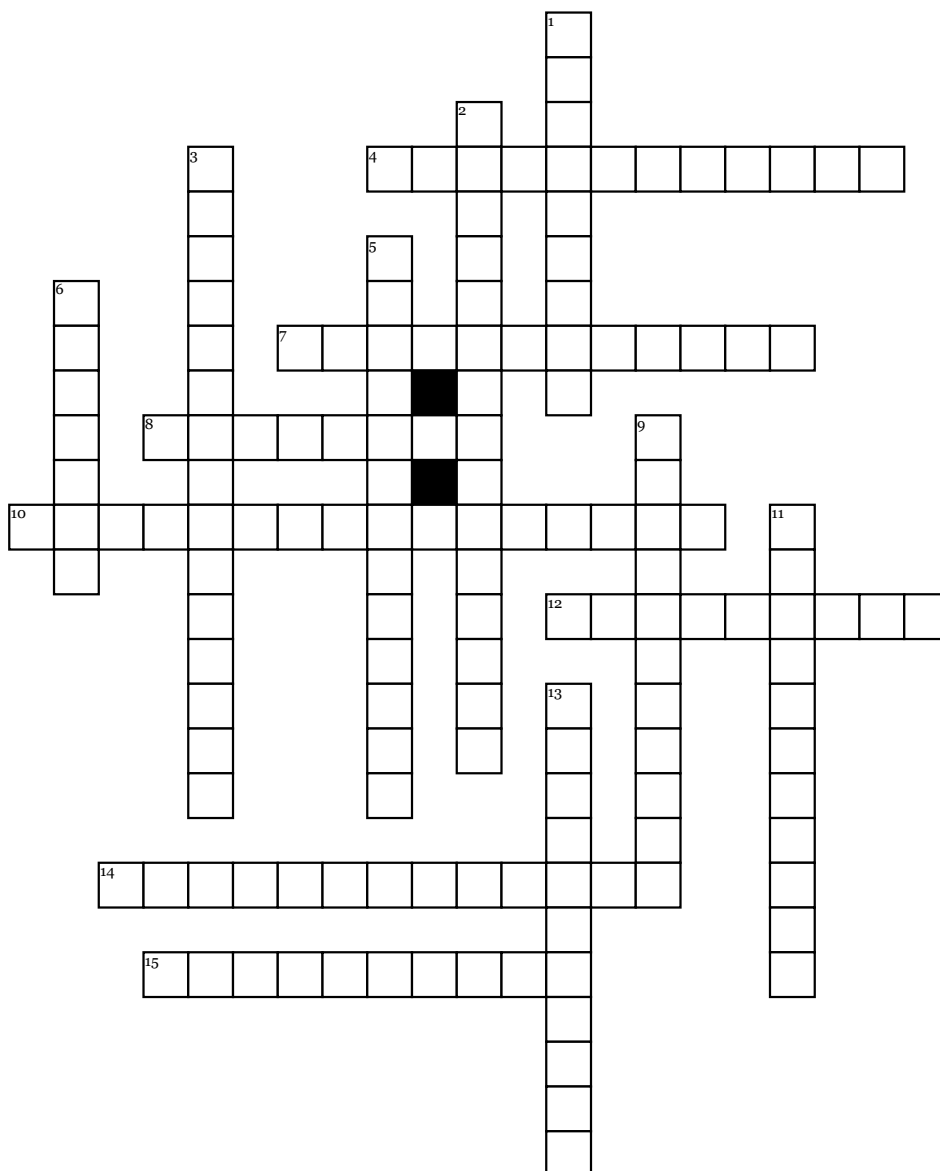


# Public goods, market failure, and imperfect information



## Across

- 4.** the proposition that if private parties can bargain without cost over the allocation of resources, they can solve the problem of externalities on their own
- 7.** goods that are both excludable and rival
- 8.** a situation where the allocation of resources in the market is determined in part by political decision making and favours rather than by economic forces
- 10.** the costs that parties incur in the process of agreeing and following through on a bargain

- 12.** a good which can be provided by the market but may be under-consumed as a result
- 14.** the property of a good whereby a person can be prevented from using it if they did not pay for it
- 15.** the agreement between politicians to exchange support on an issue

## Down

- 1.** a person who receives the benefit of a good but avoids paying for it
- 2.** a good which is excludable but non-rival

- 3.** goods that are rival but not excludable
- 5.** the transfer of publicly owned assets to private sector ownership
- 6.** the property of a good whereby one person's use diminishes other people's use
- 9.** the cost or benefit of one person's decision on the well-being of a bystander (a third party) which the decision maker does not take into account when making the decision
- 11.** a tax enacted to correct the effects of a negative externality
- 13.** goods that are neither excludable nor rival