

Name _____ Date _____

Public vs. Private Goods

Learn more about this topic! Each section gives more detail on one of the lyrics from the song. Read each section, and then respond by answering the question or taking notes on key ideas.

1. b'

The word "good" can mean many things. It can mean kind, as in, "She's a good person." It can mean fine, as in, "Good, how are you?" And it can mean great, as in, "This library book is good!"

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But when we say "public good" and "private good," the word "good" means something very different. A public good is a thing or service that is available to everyone. A private good is a thing or a service that is available to only one person or group.

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Notes

2. b'

Suppose you want to get your house painted, so you buy some paint and hire a painter. The paint is a private good. It belongs only to you. What about the painting work? That's a private good, too! Painting is a service that is, a type of good in which work is done by someone for someone else. Other examples of private services are babysitting and house cleaning.

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Firefighting is work that is done for someone else, so it's a service, too. But it's not a private service. It's a public service, because fire departments are available to everyone. Other examples of public services are road repair and police work.

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Notes

3. b'

Notes

Public goods are paid for by the government. Where does the government get the money? From us! We pay taxes to the government, and the government uses that money to pay for public goods.

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Some public goods also charge fees to the people who use them. City buses are an example. They are a public good, but usually cost a little money to ride. The money that people spend on bus tickets helps to pay for the buses and the drivers. It doesn't cover the whole cost, though. The government pays for the rest.

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