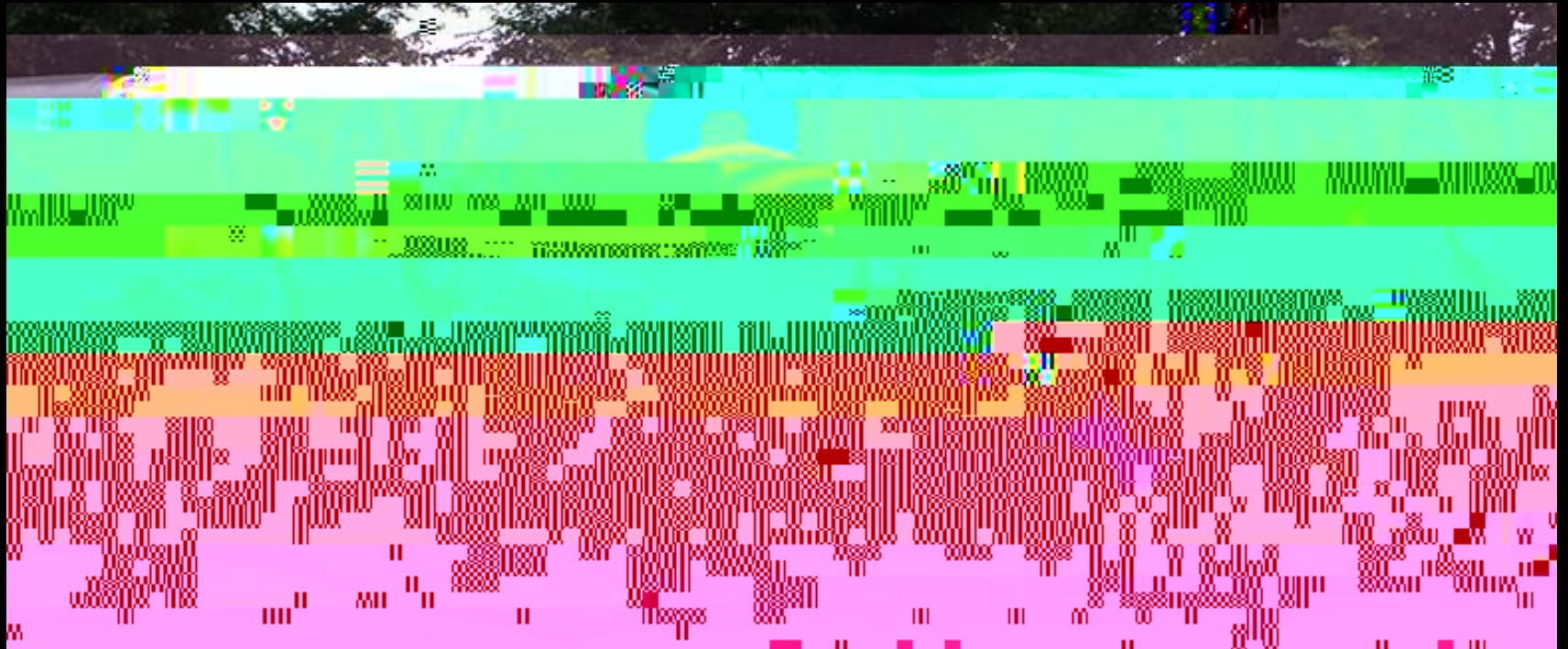


Environmental Debate



12.1 The Economics of Pollution

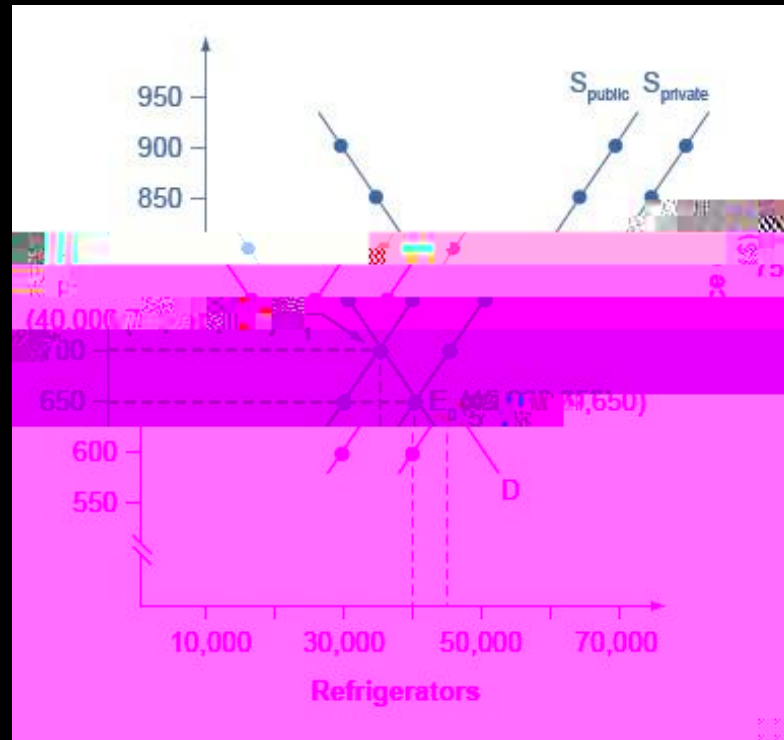


Externalities



Pollution as a Negative Externality

Taking Social Costs into Account: A Supply Shift



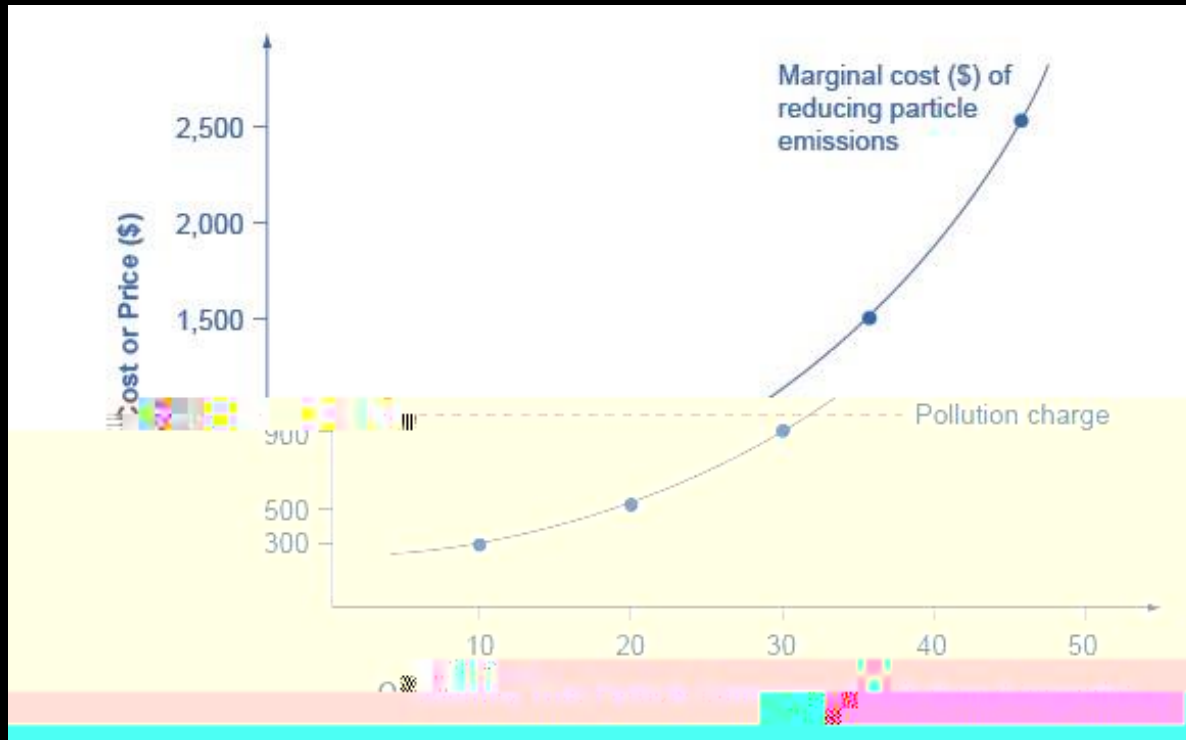
Market Failure



Difficulties with command-and-control environmental regulation



A Pollution Charge Example



Marketable Permits



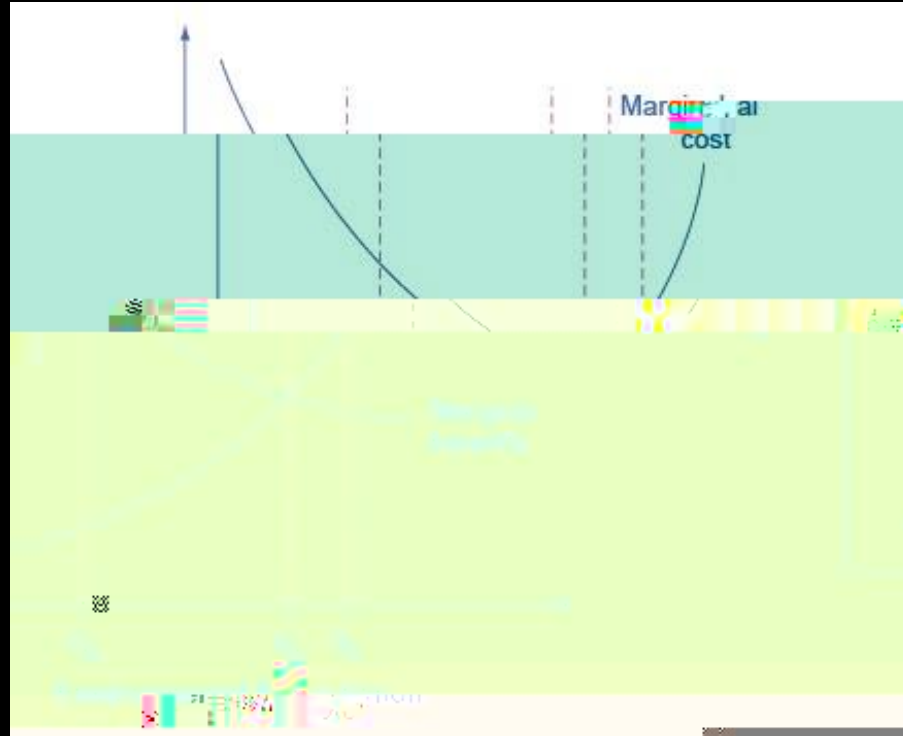
12.4 The Benefits and Costs of U.S. Environmental Laws



Marginal Benefits and Marginal Costs

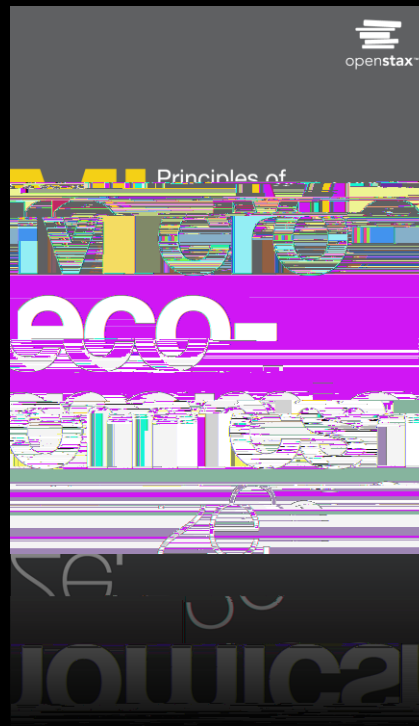


Marginal Costs and Marginal Benefits of Environmental Protection, Continued



PRINCIPLES OF MICROECONOMICS 2e

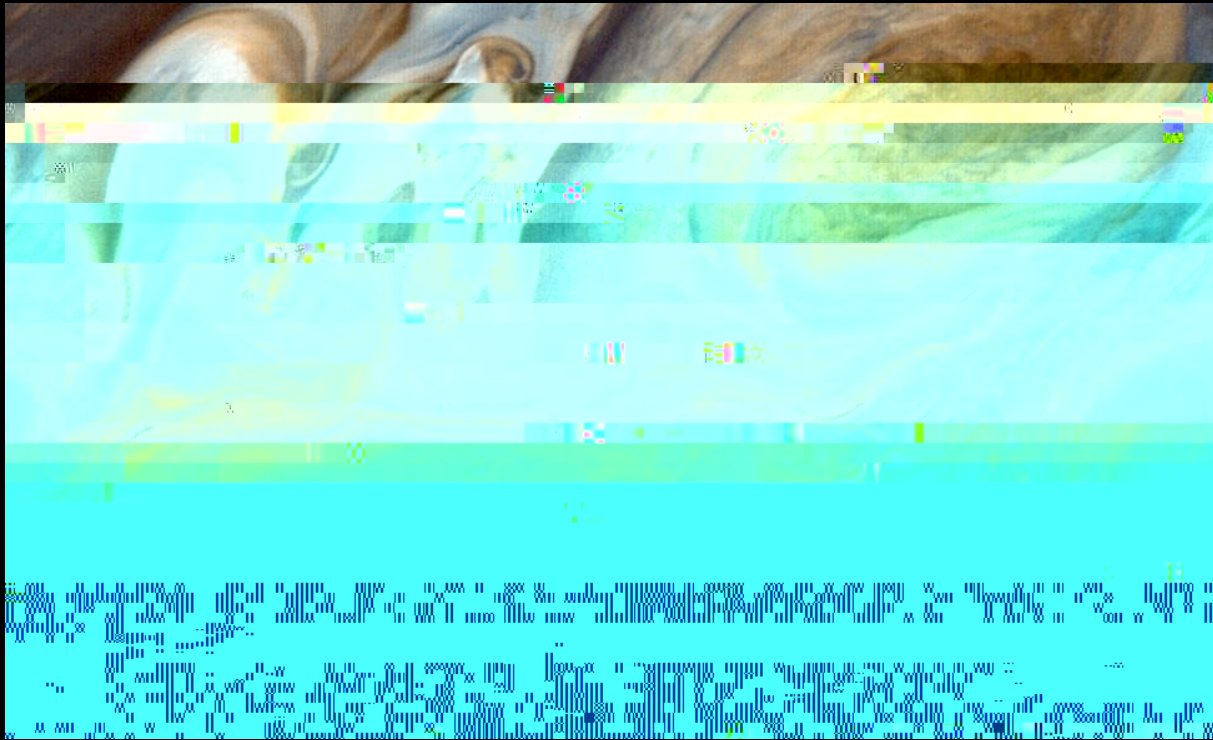
Chapter 13 Positive Externalities and Public Goods



CH.13 OUTLINE



View from Voyager



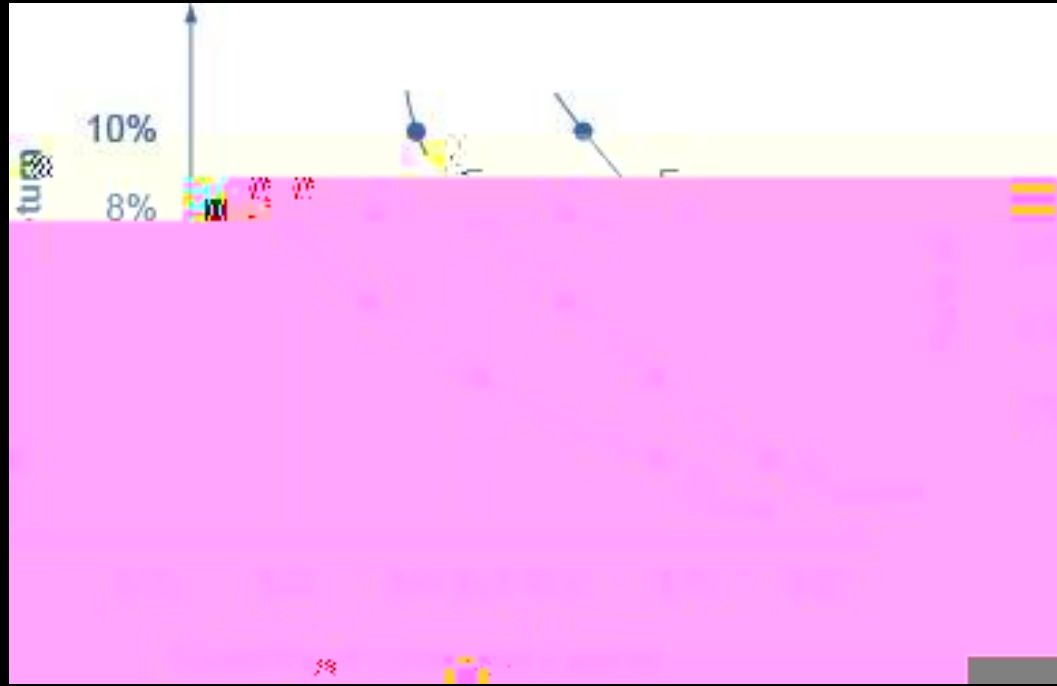
13.1 Why the Private Sector Underinvests in Innovation



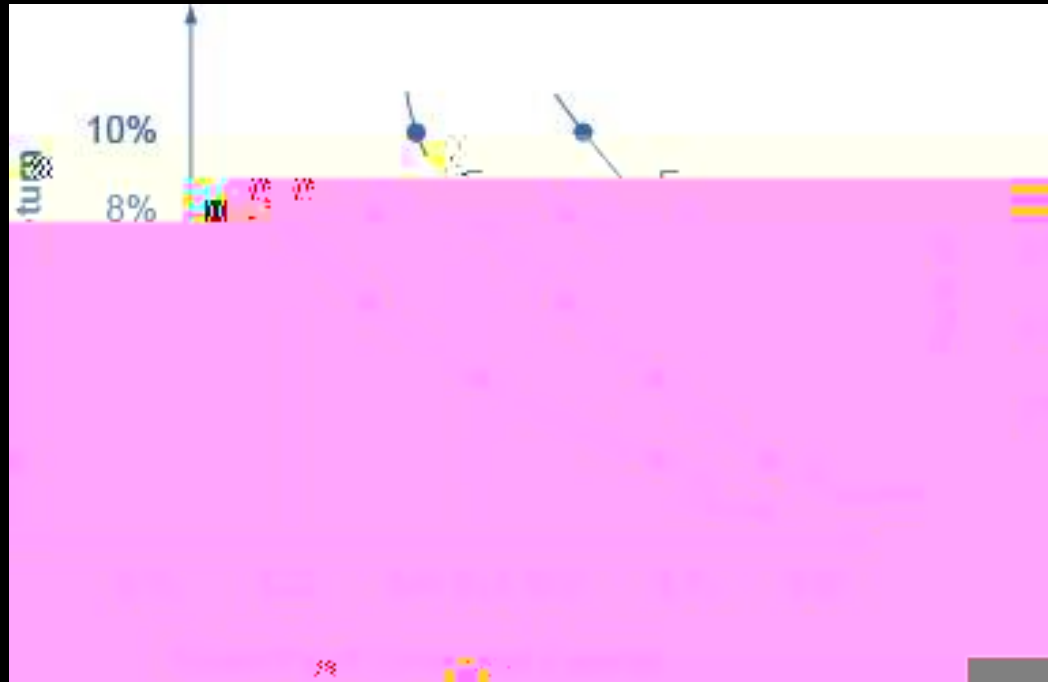
The Positive Externalities of New Technology



Positive Externalities and Technology



Positive Externalities and Technology, Continued



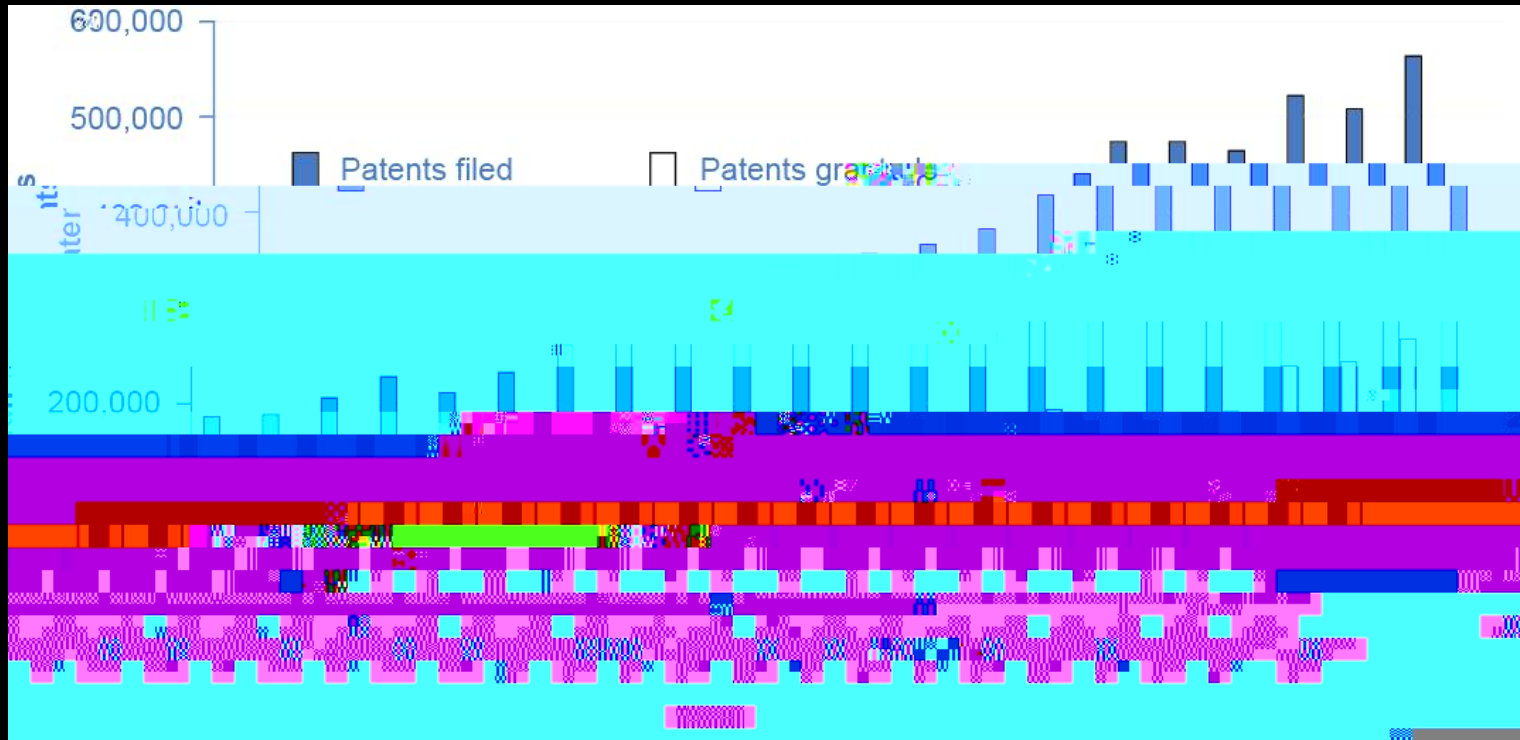
Society Gains When People Learn



13.2 How Governments Can Encourage Innovation



Patents Filed and Granted, 1981-2012



Government Spending on Research and Development



Tax Breaks for Research and Development



Cooperative Research



13.3 Public Goods

The Free Rider Problem of Public Goods



The Role of Government in Paying for Public Goods



