|  |
| --- |
| Explain the reasons for government intervention |
| Explain how the following can correct various market failures:   * Indirect taxation (using diagrams) * Subsidies (using diagrams) * Price controls (maximum and minimum price diagrams) * Buffer stocks * Pollution permits * State provision * Regulation |
| What is government failure? |
| Explain a range of examples of government failure such as:   * Inadequate information * Conflicting objectives * Administrative costs |
| Assess the role of markets and the government in areas such as:   * Healthcare * Housing * Agriculture (including Common Agricultural Policy (CAP)) * Transport * Environment |