

Government Microeconomic Intervention

A-Level Economics ■ Topic 3

A-Level Economics



What we will cover

- 1 Reasons for intervention
- 2 Public and merit goods
- 3 Taxes & subsidies
- 4 Price controls & buffer stocks
- 5 Information & provision
- 6 Inequality



pollution spills onto others

1

Market failure

Start with the AS problem, then choose a policy

Three different problems

A valley lacks a warning service. Adults misjudge a course's value. An income distribution is very unequal.

AS core: syllabus 3.1–3.3. Externality diagrams and permits preview later A-Level work.

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Problem	First question to investigate
Public-good financing	Can non-payers be excluded?
Merit-good uptake	Information, affordability or too few places?
Inequality	Income or wealth? Which measure?

AS core: syllabus 3.1–3.3. Externality diagrams and permits preview later A-Level work.

Classify the service by how it is used

Which is a pure public good?

Compare a flood-warning broadcast to the whole valley, an individual cinema seat and a place in a free school lesson.

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Service	Rival in use?	Can exclude?
Warning broadcast	No: another listener does not use it up	Impractical within its coverage
Cinema seat	Yes: one user occupies it	Yes: tickets
School place	Capacity and teacher time are scarce	Admissions can restrict entry

Why a worthwhile warning may lack finance

One service, one period

A warning service costs £90. Three households value it at £50, £40 and £30. Each can hear it even without paying.

A **public good** 公共物品 has **non-rivalry** 非竞争性 and **non-excludability** 非排他性. These create a **free-rider problem** 搭便车问题.

Why a worthwhile warning may lack finance

One service, one period

A warning service costs £90. Three households value it at £50, £40 and £30. Each can hear it even without paying.

Combined benefit is £120, above cost. No household values paying the entire £90 alone. Each may wait for others to pay.

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Non-provision is a risk, not a universal law

Compare ways to fund the same warning

Households could agree contributions, donors could fund it, or government could use taxes. What does tax finance solve, and what must still be decided?

The incentive problem explains possible underprovision. It does not establish that every private or voluntary provider earns nothing and supplies none.

Non-provision is a risk, not a universal law

Compare ways to fund the same warning

Households could agree contributions, donors could fund it, or government could use taxes. What does tax finance solve, and what must still be decided?

Tax finance can collect payment despite individual free-riding. Government must still estimate benefits, choose coverage, run the service and compare the cost with other uses of funds.

The incentive problem explains possible underprovision. It does not establish that every private or voluntary provider earns nothing and supplies none.

A merit good need not be a public good

Keep the two tests separate

A school place may be scarce and admissions can exclude a pupil. Education may still be under-consumed if people overlook its benefits.

A smoker's underestimated own harm and smoke harming a **third party** 第三方 are separate effects. One activity may involve both.

A **merit good** 优值品 concerns misjudged benefit; a **demerit good** 劣值品 concerns misjudged harm. **Information failure** 信息失灵 is different from the inability to charge for a public good.

Diagnose why adults do not take a course

A £200 course, but only 20 places

Some adults wrongly believe its qualification has no value. Others know its value but cannot pay. There are 50 interested adults.

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Barrier	Policy mechanism to examine
Misunderstood value	Credible information on recognised qualifications
Cannot afford fees	Subsidy or free state place
Only 20 places	Staff and capacity; information alone cannot create 30 places

Later A-Level preview: identify the third-party effect

Who receives the cost or benefit?

A factory's smoke damages a neighbour's crops. Vaccination reduces another person's risk of infection. A smoker underestimates their own harm.

An **externality** 外部性 falls on someone outside the transaction. A private cost or benefit alone is not an externality.

Later A-Level preview: identify the third-party effect

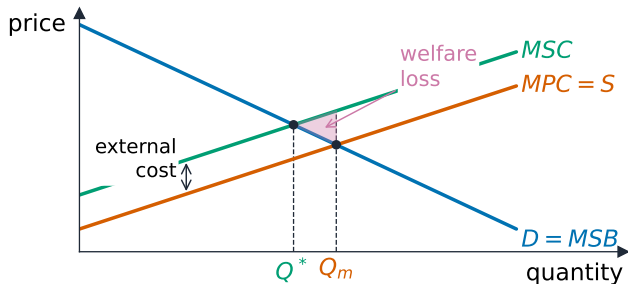
Who receives the cost or benefit?

A factory's smoke damages a neighbour's crops. Vaccination reduces another person's risk of infection. A smoker underestimates their own harm.

Smoke damage is an **external cost** 外部成本; infection protection is an **external benefit** 外部收益. The smoker's own misjudgement is information failure.

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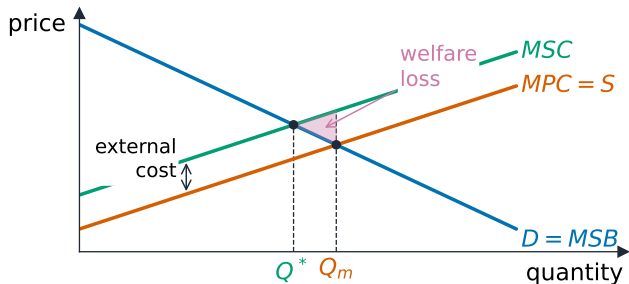
Later A-Level preview: read the pollution diagram



Find the market quantity at demand = supply. Then include harm to others: which quantity balances marginal social benefit and cost?

$$MSC > MPC \Rightarrow Q_m > Q^* \cdot \text{DWL from over-production}$$

Later A-Level preview: read the pollution diagram

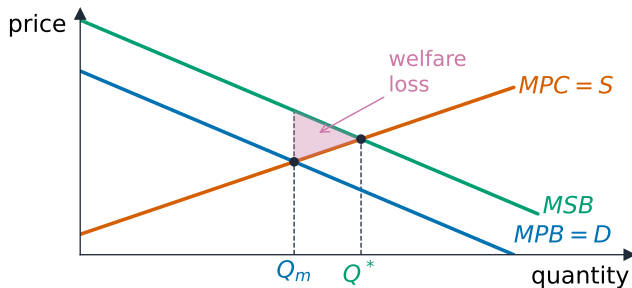


$MSC > MPC \Rightarrow Q_m > Q^*$ · DWL from over-production

Find the market quantity at demand = supply. Then include harm to others: which quantity balances marginal social benefit and cost? Here

social cost 社会成本 exceeds **private cost** 私人成本. The ignored **negative externality** 负外部性 gives $Q_m > Q^*$.

Later A-Level preview: read the vaccination diagram

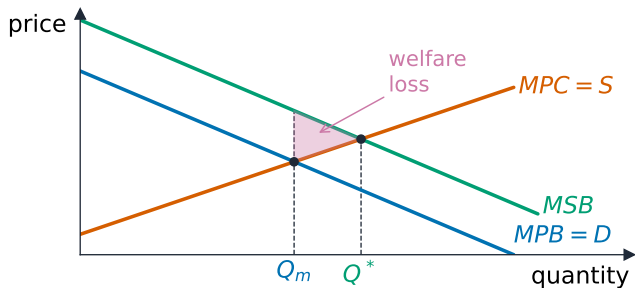


$$MSB > MPB \Rightarrow Q_m < Q^*$$

Welfare loss from under-consumption

Identify the private benefit curve, the benefit including others and the two quantities. Why is there too little consumption here?

Later A-Level preview: read the vaccination diagram



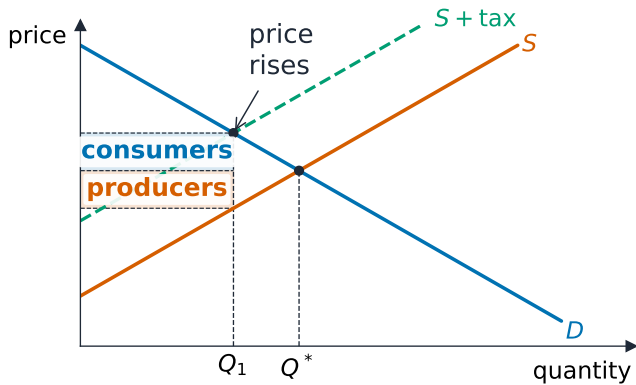
$MSB > MPB \Rightarrow Q_m < Q^*$
Welfare loss from under-consumption

Identify the private benefit curve, the benefit including others and the two quantities. Why is there too little consumption here? The **positive externality** 正外部性 raises social benefit above private benefit. Ignoring it gives $Q_m < Q^*$.

2

Intervention

A specific indirect tax creates a price wedge



Indirect tax 间接税: charged on goods or services. Here:

demand $P = 12 - Q$, supply $P = 2 + Q$, tax **3 pounds per unit**.

Find what **buyers pay** and what **producers keep**: the legal payer need not bear the **economic burden**.

Calculate the tax outcome before judging incidence

Q per period; prices in pounds per unit

Demand $P = 12 - Q$, supply $P = 2 + Q$. Before tax, $Q=5/P=7$. A specific tax 3 creates $P_b = P_s + 3$.

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Q per period; prices in pounds per unit

Demand $P = 12 - Q$, supply $P = 2 + Q$. Before tax, $Q=5/P=7$. A specific tax 3 creates $P_b = P_s + 3$.

$$P_D = P_S + t$$

$$12 - Q = 2 + Q + 3$$

$$Q_t = (12 - 5)/2 = 3.5 \text{ units per period}$$

$$P_b = 12 - Q_t = 12 - 3.5 = \text{£}8.5 \text{ per unit}$$

$$P_s = P_b - t = 8.5 - 3 = \text{£}5.5 \text{ per unit}$$

Separate the burden from government revenue

Burden per unit

$$B_c = P_b - P_0 = 8.5 - 7 = \text{£}1.5$$

$$B_p = P_0 - P_s = 7 - 5.5 = \text{£}1.5$$

Revenue per period

$$R = tQ_t$$

$$R = 3(3.5) = \text{£}10.5$$

The **incidence of a tax** 税收归宿 is shared equally here. Neither side bears the full 3-pound tax.

Does inelastic demand prove that buyers pay most?

A different constructed market

$Q_d = 120 - 2P_b$ and $Q_s = 95 + 0.5P_s$. Initially P_{10}/Q_{100} . Absolute $PED_{0.2}$; $PES_{0.05}$. Which side responds less?

Holding supply fixed, more **elastic** 富有弹性 demand limits passing tax to buyers.
To compare who pays most, consider both sides.

Does inelastic demand prove that buyers pay most?

A different constructed market

$Q_d = 120 - 2P_b$ and $Q_s = 95 + 0.5P_s$. Initially P_{10}/Q_{100} . Absolute $PED_{0.2}$; $PES_{0.05}$. Which side responds less?

Demand is **inelastic** 缺乏弹性, but supply is even less responsive. Under the competitive model, the less responsive side bears more.

Holding supply fixed, more **elastic** 富有弹性 demand limits passing tax to buyers. To compare who pays most, consider both sides.

Verify the counterexample using a two-pound tax

For the previous market, $P_s = P_b - 2$. Equate quantity demanded and supplied:

$$Q_d = Q_s$$

$$120 - 2P_b = 95 + 0.5(P_b - 2)$$

$$P_b = (120 - 94)/2.5 = \text{£}10.4 \text{ per unit}$$

$$P_s = P_b - 2 = 10.4 - 2 = \text{£}8.4 \text{ per unit}$$

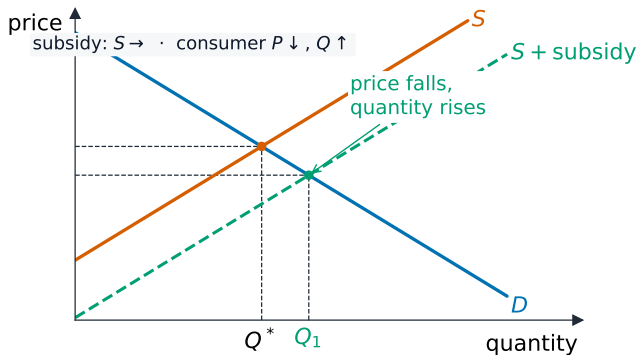
Buyers pay 0.4 more; producers keep 1.6 less. Burden shares 20%/80%: inelastic demand alone did not make buyers pay most.

Judge the tax against its stated aims

Aim	What evidence would support the judgement?
Raise revenue	Tax per unit and quantity still sold
Reduce consumption	Quantity response over the relevant period
Improve allocation	Whether the policy addresses the missing costs or incentives
Protect low incomes	Household burdens relative to incomes; use of revenue

A small quantity response does not establish that the policy has no benefit.
Avoid calling every tax automatically efficient or regressive.

A producer subsidy separates buyer price from producer receipts



Subsidy 补贴: a government payment. Here it is 2.4 pounds per unit sold. Separate market:

demand $P = 12 - Q$; supply $P = 2.5 + Q$.

Buyers pay P_b ; producers receive $P_s = P_b + 2.4$.
A fixed grant is not the same policy.

Work out the subsidy outcome and its fiscal cost

Before subsidy: $Q4.75/P7.25$. A payment 2.4 shifts buyer-facing supply down to $0.1 + Q$.

$$P_D = P_S - s$$

$$12 - Q = 2.5 + Q - 2.4$$

$$Q_{sub} = (12 - 0.1)/2 = 5.95 \text{ units per period}$$

$$P_b = 12 - Q_{sub} = 12 - 5.95 = \text{£}6.05 \text{ per unit}$$

$$P_s = P_b + s = 6.05 + 2.4 = \text{£}8.45 \text{ per unit}$$

$$G = sQ_{sub} = 2.4(5.95) = \text{£}14.28 \text{ per period}$$

Will a cheaper merit-good course attract more students?

Choose a response to low participation

A training course has few applicants. A production subsidy could reduce fees, but students may lack information or transport, and teachers may be scarce.

A balanced judgement needs a mechanism, a limitation and a relevant alternative; “merit good, therefore subsidise” is not enough.

Will a cheaper merit-good course attract more students?

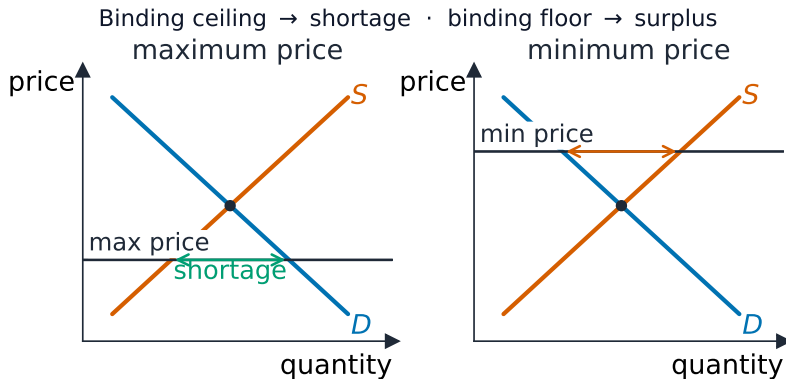
Choose a response to low participation

A training course has few applicants. A production subsidy could reduce fees, but students may lack information or transport, and teachers may be scarce.

Compare the subsidy with information about benefits and direct provision of places. Explain which barrier each policy addresses, who benefits and what public funds must give up.

A balanced judgement needs a mechanism, a limitation and a relevant alternative; “merit good, therefore subsidise” is not enough.

Price controls: first test whether the limit binds



In this separate competitive market: $Q_d = 10 - P$, $Q_s = P$, equilibrium $P5/Q5$. A ceiling 6 and floor 4 do not bind.

A ceiling can leave fewer goods available to buyers

Demand $Q_d = 10 - P$; **supply** $Q_s = P$

A **maximum price** 最高限价 is 3 pounds; equilibrium is 5. Find the shortage and legal supply.

Legal supply is 3 units. A **shortage** 短缺 can cause queues, rationing or illegal resale.

A ceiling can leave fewer goods available to buyers

Demand $Q_d = 10 - P$; **supply** $Q_s = P$

A **maximum price** 最高限价 is 3 pounds; equilibrium is 5. Find the shortage and legal supply.

$$Q_d = 10 - P_c = 10 - 3 = 7 \text{ units per period}$$

$$Q_s = P_c = 3 \text{ units per period}$$

$$\text{shortage} = Q_d - Q_s = 7 - 3 = 4 \text{ units per period}$$

Legal supply is 3 units. A **shortage** 短缺 can cause queues, rationing or illegal resale.

A price floor does not automatically guarantee sales

Same market; floor 7 pounds per unit

A **minimum price** 最低限价 above equilibrium gives $Q_s = 7$ but $Q_d = 3$.

A purchase guarantee needs funding and a use for the extra goods. A legal minimum price alone does not guarantee producers' income.

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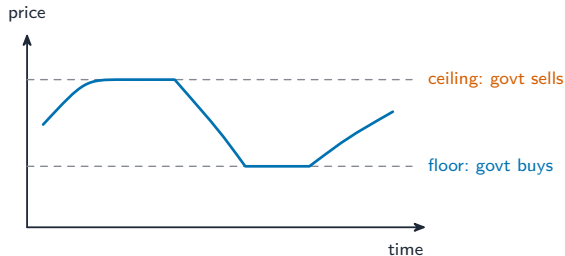
Excess supply 超额供给 is 4 units. Private buyers take only 3. If government buys all remaining 4 at the floor:

$$G = P_f(Q_s - Q_d)$$

$$G = 7(7 - 3) = \text{£}28 \text{ per period}$$

A purchase guarantee needs funding and a use for the extra goods. A legal minimum price alone does not guarantee producers' income.

A buffer-stock band needs money and usable stocks



A **buffer stock** 缓冲库存 scheme buys at the lower intervention price and sells at the upper price.

This is a target, not an automatic guarantee. Purchases need funds and storage; releases need usable stock.

Choose the stock operation after each harvest

Demand $P = 10 - Q$. Normal supply $P = Q$ gives $P5/Q5$. Target band 4.5–5.5 pounds;

	Harvest	Target P	Qd	Farm Qs	Operation
opening stock 3 units.	Bumper: $P = Q - 2$	4.5	5.5	6.5	Buy 1
	Poor: $P = Q + 2$	5.5	4.5	3.5	Sell 1

Before revealing: identify which quantity gap the store must fill.

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Bumper: spend 4.5; stock 3→4. Poor next: receive 5.5; stock 4→3. Storage and spoilage costs are excluded.

Before revealing: identify which quantity gap the store must fill.

Why a stable price band is not a stable farm income

Farmers' bumper receipts

$$TR_b = P_b Q_{farm,b}$$

$$TR_b = 4.5(6.5) = \text{£}29.25$$

Farmers' poor-harvest receipts

$$TR_p = P_p Q_{farm,p}$$

$$TR_p = 5.5(3.5) = \text{£}19.25$$

Farm output changes. Stock-sale receipts do not belong to current growers. Compare diversification or other support when judging farm income.

Test whether the store can defend the band next time

Repeated poor harvests

Opening stock 3; the ceiling requires releasing 1 unit each period. No purchases, imports or other new stock arrive. What happens in period 4?

Evaluate funding, spoilage, storage and persistent demand/supply changes. Do not promise a band indefinitely.

Test whether the store can defend the band next time

Repeated poor harvests

Opening stock 3; the ceiling requires releasing 1 unit each period. No purchases, imports or other new stock arrive. What happens in period 4?

Stocks fall $3 \rightarrow 2 \rightarrow 1 \rightarrow 0$ over the first three periods. The fourth required release is unavailable, so the ceiling cannot be maintained by this store alone.

Evaluate funding, spoilage, storage and persistent demand/supply changes. Do not promise a band indefinitely.

Free provision still needs scarce resources

Childcare capacity

A district has 100 eligible children and 60 full childcare places. Forty more places cost £4000 per period. An information campaign costs £1000.

State provision 政府提供 means the **government** 政府 supplies or arranges the service. It need not be free; public funding does not make a rival service a public good.

Free provision still needs scarce resources

Childcare capacity

A district has 100 eligible children and 60 full childcare places. Forty more places cost £4000 per period. An information campaign costs £1000.

The campaign can explain availability but cannot fill this capacity gap on its own. Additional places require staff, premises and finance.

State provision 政府提供 means the **government** 政府 supplies or arranges the service. It need not be free; public funding does not make a rival service a public good.

Evaluate childcare against its actual objective

A decision about the same £4000

Would extra childcare places support low-income working parents more than another use of these funds? State the evidence needed.

Fee savings are one benefit. Enabling employment can also matter; estimate the effects rather than assuming free services always succeed.

Evaluate childcare against its actual objective

A decision about the same £4000

Would extra childcare places support low-income working parents more than another use of these funds? State the evidence needed.

Compare access, quality, location, parents' ability to work and the opportunity cost. A free place far from home or without suitable hours may not help the intended household.

Fee savings are one benefit. Enabling employment can also matter; estimate the effects rather than assuming free services always succeed.

Separate income received from wealth owned

Two different measurements

A person earns £2000 each month and owns a £150000 house with a £100000 mortgage. What do these numbers measure?

Saving income may build wealth; wealth may earn income. The monthly receipt is not a measurement of the person's total assets.

Separate income received from wealth owned

Two different measurements

A person earns £2000 each month and owns a £150000 house with a £100000 mortgage. What do these numbers measure?

Income 收入 is a **flow** 流量: £2000 per month. The house contributes £50000 to net **wealth** 财富, a **stock** 存量 at a date. Other assets and debts would also count.

Saving income may build wealth; wealth may earn income. The monthly receipt is not a measurement of the person's total assets.

Read a Gini change without inventing its cause

Fictional disposable-income data

The **Gini coefficient** 基尼系数 falls from 0.42 to 0.35. Explain the change and identify two conclusions the data cannot establish.

0 means complete equality; 1 is the complete-inequality limit. Interpret the measure: AS does not require calculating it.

Read a Gini change without inventing its cause

Fictional disposable-income data

The **Gini coefficient** 基尼系数 falls from 0.42 to 0.35. Explain the change and identify two conclusions the data cannot establish.

Measured income **inequality** 不平等 falls on a comparable basis. This does not establish rising real incomes, lower wealth inequality, gains for every poor household or the success of a particular policy.

0 means complete equality; 1 is the complete-inequality limit. Interpret the measure: AS does not require calculating it.

Use the measure to investigate, not to guess

Claim to assess	Further evidence needed
Redistribution worked	Comparable before/after income data and other changes
Poorest households gained	Their real disposable incomes and living costs
Asset ownership is fairer	Wealth data; income Gini does not establish this
Two countries are alike	Definitions, average incomes and group distributions

The coefficient summarises a distribution; it does not identify all winners, losers or living standards.

Trace a cause of inequality through its mechanism

Compare two households

One inherits a rented property and can afford further training. The other has no assets, faces training costs and experiences unemployment.

Skills, occupational demand, hours, bargaining, discrimination, asset prices and debts can also matter. Do not declare one cause universally largest without evidence.

Trace a cause of inequality through its mechanism

Compare two households

One inherits a rented property and can afford further training. The other has no assets, faces training costs and experiences unemployment.

Inheritance changes wealth; rental income changes income. Training access can affect future earnings. Unemployment reduces current earnings and the ability to save.

Skills, occupational demand, hours, bargaining, discrimination, asset prices and debts can also matter. Do not declare one cause universally largest without evidence.

Check average tax rates before saying progressive

Annual incomes £10000 and £40000

Taxes are £1000 and £8000. Find each average rate. Would equal £1000 taxes have the same pattern?

A **progressive tax** 累进税 takes a higher average **percentage** 百分比 from higher income. Equal £1000 taxes instead give 10% and 2.5%.

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Taxes are £1000 and £8000. Find each average rate. Would equal £1000 taxes have the same pattern?

$$\bar{t}_L = (T_L/Y_L)100\% = (1000/10000)100\% = 10\%$$

$$\bar{t}_H = (T_H/Y_H)100\% = (8000/40000)100\% = 20\%$$

A **progressive tax** 累进税 takes a higher average **percentage** 百分比 from higher income. Equal £1000 taxes instead give 10% and 2.5%.

Follow tax and transfers into disposable income

Same households; a £2000 transfer to the lower-income one

Use original incomes 10000/40000 and taxes 1000/8000. Find the annual income left after tax and transfers.

Benefits 福利金, or **transfer payments** 转移支付, can support income. The ratio falls from 4 to about 2.91 here; this is not a national Gini calculation.

Follow tax and transfers into disposable income

Same households; a £2000 transfer to the lower-income one

Use original incomes 10000/40000 and taxes 1000/8000. Find the annual income left after tax and transfers.

$$Y_{d,L} = Y_L - T_L + B_L = 10000 - 1000 + 2000 = \text{£}11000$$

$$Y_{d,H} = Y_H - T_H + B_H = 40000 - 8000 + 0 = \text{£}32000$$

Benefits 福利金, or **transfer payments** 转移支付, can support income. The ratio falls from 4 to about 2.91 here; this is not a national Gini calculation.

A minimum wage: test who gets a job

Illustrative competitive labour market

Hourly wage w ; workers demanded $L_d = 100 - 5w$, supplied $L_s = 5w$. At equilibrium $w=10/L=50$. A legal minimum is £12 per hour.

A minimum wage: test who gets a job

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$$L_d = 100 - 5w_f = 100 - 5(12) = 40 \text{ workers}$$

$$L_s = 5w_f = 5(12) = 60 \text{ workers}$$

$$\text{excess supply} = L_s - L_d = 60 - 40 = 20 \text{ workers}$$

Higher hourly pay is not every household's outcome

Interpret the same wage floor

Who benefits if hours are unchanged? Who does not receive £12? Would a floor £8 bind in this model?

Judge hours, employment, other household earners, prices and benefits. Other labour-market structures can change the result; full analysis comes later.

Higher hourly pay is not every household's outcome

Interpret the same wage floor

Who benefits if hours are unchanged? Who does not receive £12? Would a floor £8 bind in this model?

Retained workers earn more per hour. People unable to obtain work do not receive the legal wage. A floor 8 is below equilibrium and does not bind.

Judge hours, employment, other household earners, prices and benefits. Other labour-market structures can change the result; full analysis comes later.

Essential services can help without changing cash income

A household saves £500 on childcare

Its cash earnings are unchanged. Could free provision still improve its living standard or future income?

Redistribution 再分配 can improve opportunities. A **trade-off** 取舍 with efficiency is possible; it is not an automatic cost of every policy.

Essential services can help without changing cash income

A household saves £500 on childcare

Its cash earnings are unchanged. Could free provision still improve its living standard or future income?

It can release money for other needs and enable employment. But access, location, quality, waiting times and funding determine the actual benefit.

Redistribution 再分配 can improve opportunities. A **trade-off** 取舍 with efficiency is possible; it is not an automatic cost of every policy.

Match a tax to income or accumulated wealth

Policy	What it targets	Practical question
Progressive income tax	A period's income	Are earnings recorded?
Inheritance tax	Assets transferred after death	Which assets, debts and exemptions?
Capital taxes	Specified assets or gains	Can these be valued and collected?

A valuable home may generate little cash. Reliable ownership records can help; hidden assets or informal earnings create different difficulties.

Is income always easier to redistribute than wealth?

Build a conditional judgement

Compare recorded monthly wages with ownership of a private business that is difficult to value. Then consider reliable land records and informal cash earnings.

Discuss collection, valuation, avoidance and the **incentive** 激励 to work or invest. Choose a policy for the inequality actually being targeted.

Is income always easier to redistribute than wealth?

Build a conditional judgement

Compare recorded monthly wages with ownership of a private business that is difficult to value. Then consider reliable land records and informal cash earnings.

Regular recorded pay can make income tax and transfers easier to administer. Hard-to-value assets complicate wealth taxes. But land records can assist capital taxation, while informal earnings can be hard to tax too.

Discuss collection, valuation, avoidance and the **incentive** 激励 to work or invest. Choose a policy for the inequality actually being targeted.

Later A-Level preview: market power and information

A buyer cannot distinguish two used cars

A reliable car is worth £6000 and a faulty one £2000. A cautious offer of £4000 may discourage reliable-car sellers. What could improve the transaction?

A **monopoly** 垄断 is a single seller in a defined market. **Monopoly power** 垄断势力 can permit higher prices, but costs and substitutes matter. Developed later.

Later A-Level preview: market power and information

A buyer cannot distinguish two used cars

A reliable car is worth £6000 and a faulty one £2000. A cautious offer of £4000 may discourage reliable-car sellers. What could improve the transaction?

Credible inspection or a warranty can reduce **asymmetric information** 信息不对称. It is not inevitable that only faulty cars are sold.

A **monopoly** 垄断 is a single seller in a defined market. **Monopoly power** 垄断势力 can permit higher prices, but costs and substitutes matter. Developed later.

Later A-Level preview: permits need enforcement

Two firms can each cut one unit of emissions

Firm A's reduction costs £10; B's costs £30. One reduction is required overall. Why might trading help compared with making B cut?

Tradable permits 可交易许可证 are not a universal least-cost guarantee. **Regulation** 管制 also needs compliance and enforcement.

Later A-Level preview: permits need enforcement

Two firms can each cut one unit of emissions

Firm A's reduction costs £10; B's costs £30. One reduction is required overall. Why might trading help compared with making B cut?

A can cut at cost 10 rather than B at 30. A permit trade can reward the cheaper reduction, if emissions and permits are monitored and the market works.

Tradable permits 可交易许可证 are not a universal least-cost guarantee. **Regulation** 管制 also needs compliance and enforcement.

A costly policy is not automatically government failure

Illustrative benefits and resource costs

Programme A: benefit 120, cost 100. Feasible programme B: benefit 140, cost 100. Compare net gains and identify what else a decision requires.

Government failure 政府失灵 means worse resource allocation. Poor information, administration and unintended effects such as a **black market** 黑市 can matter; compare the alternative.

A costly policy is not automatically government failure

Illustrative benefits and resource costs

Programme A: benefit 120, cost 100. Feasible programme B: benefit 140, cost 100. Compare net gains and identify what else a decision requires.

Net gains are 20 and 40. A's cost alone does not prove failure. B looks better if aims, risks and benefit estimates are comparable.

Government failure 政府失灵 means worse resource allocation. Poor information, administration and unintended effects such as a **black market** 黑市 can matter; compare the alternative.

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Recap

Check yourself

Select and defend an intervention

A warning service lacks finance; a training course has misunderstood benefits and too few places; recorded income inequality has increased. Choose one problem and a policy.

Use evidence to **allocate** 配置 resources. A list of tools or a universal claim about taxes, free services or inequality does not establish the conclusion.

Check yourself

Select and defend an intervention

A warning service lacks finance; a training course has misunderstood benefits and too few places; recorded income inequality has increased. Choose one problem and a policy.

Explain the cause, policy mechanism, expected outcome and a relevant limit. Compare a feasible alternative and state what evidence would change your decision.

Use evidence to **allocate** 配置 resources. A list of tools or a universal claim about taxes, free services or inequality does not establish the conclusion.