Solutions

Each answer shows the steps, then the **result**.

2.1

- A shared, unowned resource is overused because individuals benefit from taking more while the cost is shared

2.2

- Any one: overfishing, overgrazing, air/water pollution

2.3

- Any one: regulation, quotas, privatization

3.1 B

- shares the cost with everyone

3.2

(a)

- Each fisher gains fully from catching more but shares the cost of depletion, so all overfish and the stock collapses

(b)

- Any one: catch quotas, regulation, protected areas

3.3

- An owner bears the full cost of overuse, so they have an incentive to use the resource sustainably to preserve its long-term value