

Unit 1 Readings: “Tragedy of the Commons”/ “Of the Division of Labor”

Essential Questions

1. What is the “free rider” problem?
 2. What is product “excludability?”
 3. What is the “tragedy of the commons?” Fully explain.
 4. What is the simple solution to the tragedy?
 5. Name at least three common resources in danger today.
-
6. What happens to productivity when labor is divided?
 7. According to Smith, how many pins can one worker make in a day if they do the whole process?
 8. According to Smith, how many pins could be made by a team of workers and a division of labor?
 9. What is the common term for large teams of workers and divided labor in a factory setting?