

YouTube Title: What have the Romans ever done for us

<http://www.youtube.com/watch?v=ExWfh6sGyso&feature=youtu.be>

Video Length: 1:23 minutes

The Economy Today Chapter 4: The Role of Government

The Macro Economy Today Chapter 4: The Role of Government

The Micro Economy Today Chapter 4: The Role of Government

The Economy Today Learning Objective 1: The nature and causes of market failure.

Topics: Government services

Key Terms: Public good, market failure

Summary

The characters in this clip from Monty Python's "Life of Brian" shows the characters contemplating the role of the Romans in providing government services.

Economic Application

This clip can be used to start a discussion on market and government failure.

Multiple-Choice Question

Which of the following is a cause of market failure?

- a) Bankruptcies
- b) Externalities
- c) High tax rates
- d) Inferior products

Discussion Question

When externalities (costs or benefits of a market activity borne by a third party) are present, what will happen to the market's capacity to produce the right mix of output?