

# Smart Edu Hub / Smart Exam Resources

## A Level Economics Topic Questions / Paper 2

### Topic: 1.6 Classification of goods and services

#### Question-1

Explain why both merit goods and demerit goods are examples of private goods. [8]

#### Question-2

Explain how economists use the concept of elasticity to distinguish between inferior goods and necessary goods when consumer incomes change. [8]

#### Question-3

Using examples, explain why merit goods are said to be under-consumed and demerit goods are over-consumed. [8]

#### Question-4

Explain, using examples, the difference between private goods and public goods and why public goods will not be supplied by private enterprise. [8]

#### Question-5

Explain why a plastic bottle can be classified as both a private good and a demerit good. [4]