



# Types of goods and their characteristics



This sequence is intended as a framework to be modified and adapted by teachers to suit the needs of a class group.

## Resources needed

- Types of goods – Explainer
- Types of goods – Interactive
- Public goods and merit goods – Investigation
- Writing paragraphs in economics – Model
- Writing paragraphs in economics – Visualiser

## Suggested activity sequence

### Part A: Categorising goods

- 1 Students read the *Explainer*. Depending on your students' levels of readiness, encourage them to use either the *Reading for meaning technique* or the *Cornell note taking system* as they read.
- 2 Introduce the concept of positive externalities.
- 3 Discuss with students the difference between public goods and merit goods.
- 4 Brainstorm a list of public good and merit goods.
- 5 Students complete the *Interactive*.
- 6 As a class, identify the public and merit goods listed in the activity.

- 7 Discuss with students how they categorised these goods, and if it was difficult to do so and why.
- 8 Discuss the concept of the tragedy of the commons.
- 9 Brainstorm examples of the tragedy of the commons (for example, the Murray Darling basin).
- 10 Students write a quick summary of the meaning of the tragedy of the commons.

### Part B: : Investigating public goods and merit goods

- 1 Use a *grouping strategy* to organise students into pairs.
- 2 Pairs complete the *Investigation*.
- 3 Explicitly teach how paragraphs are structured using the *Paragraph model*.
- 4 Students write 2 paragraphs explaining each of the following:
  - Why governments intervene in the market to provide public goods and merit goods.
  - How and why government spending benefits individuals and the community.