Name: _____ Date: _____

Why Nobody Sells Streetlights Door to Door

Circle group

Picture a company that wants to sell streetlight service to a neighborhood. It puts up a lamp at the corner. Then it sends a bill to each family that wants light. But there is a problem. A streetlight shines on everyone who walks or drives by, even if they did not pay. A family that will not pay still gets the glow. So many families may let the others pay. If enough people think this way, the money never comes, and the lamp is never built.

Economists call this the free rider problem. It happens when a benefit is shared by everyone and is hard to hold back from people who do not pay. Things like this are often called public goods. Clean air, a lighthouse beam, and a tornado warning siren work in a similar way. It is hard to give the benefit to one person without giving it to the people nearby.

One common fix is for the community to pay together with taxes. A city council decides how many lights are needed and where they go. The cost is shared by property owners and other taxpayers. People do not always agree. Residents may argue about whether a street needs another lamp or whether the money should fix a bridge. These talks help a community weigh its needs against its limited money. They are also why residents can speak at public meetings and vote for leaders.

Questions

1. What problem would a company selling streetlight service have?

_____

_____

2. What do economists call this problem?

_____

_____

3. Name one other public good from the passage.

_____

_____

4. How does a community often pay for streetlights?

_____

_____

5. Why is it hard to give a streetlight's glow to just one family?

_____

_____

6. Why might residents argue about adding another lamp?

_____

_____

Words to know

economists: people who study how money, goods and choices work
benefit: something good that you get from something
taxes: money people pay to a government for shared services
residents: people who live in a certain place

Talk together (every group has these)

1. Find one fact that every group read. How did your sheet say it?
2. What did your sheet tell you that you think another group's did not? Ask them.
3. What is one question about this topic that none of the sheets answered?

Name: _____ Date: _____

Why Nobody Sells Streetlights Door to Door

Triangle group

Imagine a company that wants to sell streetlight service to a neighborhood. It installs a lamp at the corner and sends a bill to each family that wants light. The trouble is that a streetlight shines on everyone who walks or drives past, whether they paid or not. A family that refuses to pay still enjoys the glow, so many families may decide to let the others pay. If enough people reason this way, the money never arrives and the lamp is never built.

Economists call this the free rider problem, and it appears whenever a benefit is shared by everyone and cannot easily be withheld from those who do not pay. Goods and services with this feature are often called public goods. Clean air, a lighthouse beam, and a tornado warning siren all work in a similar way, because it is difficult to give the benefit to one person without giving it to the people nearby.

One common solution is for the community to pay together through taxes. A city council decides how many lights are needed and where they should stand, and the cost is spread among property owners and other taxpayers. This does not mean everyone agrees on every decision. Residents may argue about whether a particular street needs another lamp or whether the money should go to repairing a bridge instead. Those arguments are part of how a community weighs its shared needs against its limited funds, and they are the reason that residents can speak at public meetings and vote for the leaders who make those choices.

Questions

1. What problem would a company selling streetlight service run into?

_____

_____

2. What do economists call this problem?

_____

_____

3. Which other example of a public good does the passage name?

_____

_____

4. How does a community often pay for streetlights?

_____

_____

5. Why is it hard to give a streetlight's glow to only one family?

_____

_____

6. Why might residents argue about adding another lamp?

_____

_____

Words to know

economists: people who study how money, goods and choices work
benefit: something good that you get from something
withheld: kept back and not given
taxes: money people pay to a government for shared services
residents: people who live in a certain place

Talk together (every group has these)

1. Find one fact that every group read. How did your sheet say it?
2. What did your sheet tell you that you think another group's did not? Ask them.
3. What is one question about this topic that none of the sheets answered?

Name: _____ Date: _____

Why Nobody Sells Streetlights Door to Door

Square group

Imagine an enterprising company that wishes to sell streetlight service to an entire neighborhood. It installs a lamp at the corner and mails a bill to every family that wants illumination. The difficulty is that a streetlight shines upon everyone who walks or drives past, regardless of whether they paid for it. A family that declines to pay still enjoys the glow, so many families may reason that they can simply let their neighbors cover the cost. If enough people follow this logic, the money never arrives and the lamp is never built.

Economists call this the free rider problem, and it arises whenever a benefit is shared by everyone and cannot easily be withheld from those who refuse to pay. Goods and services with this characteristic are commonly known as public goods. Clean air, the beam of a lighthouse, and a tornado warning siren all function in a similar manner, because it is nearly impossible to deliver the benefit to one person without also delivering it to everyone in the vicinity.

One widespread solution is for the community to pay collectively through taxes. A city council determines how many lights are required and where they should stand, and the expense is distributed among property owners and other taxpayers. This does not imply that everyone agrees with every decision. Residents may debate whether a particular street deserves another lamp or whether the money ought to go toward repairing a bridge instead. Such debates are part of how a community weighs its shared needs against its limited funds, and they explain why residents are able to speak at public meetings and vote for the leaders who make these choices.

Questions

1. What difficulty would a company selling streetlight service encounter?

_____

_____

2. What term do economists use for this difficulty?

_____

_____

3. Name one other example of a public good that the passage offers.

_____

_____

4. How does a community commonly pay for streetlights?

_____

_____

5. Why is it nearly impossible to give a streetlight's glow to only one family?

_____

_____

6. Why might residents debate whether to add another lamp?

_____

_____

Words to know

economists: people who study how money, goods and choices work
benefit: something good that you get from something
withheld: kept back and not given
taxes: money people pay to a government for shared services
residents: people who live in a certain place

Talk together (every group has these)

1. Find one fact that every group read. How did your sheet say it?
2. What did your sheet tell you that you think another group's did not? Ask them.
3. What is one question about this topic that none of the sheets answered?

For the teacher: Why Nobody Sells Streetlights Door to Door

Each student sheet carries a shape, not a level. The same topic and facts, written three ways.

Circle: Why Nobody Sells Streetlights Door to Door

Easier · 238 words · Flesch-Kincaid grade 5.8

1. Families could enjoy the light without paying, so the money might never come.
2. The free rider problem.
3. Clean air, a lighthouse beam, or a tornado warning siren.
4. Together, with taxes.
5. The light shines on everyone nearby, so it is hard to hold the benefit back.
6. The community has limited money and other needs, like fixing a bridge.

Triangle: Why Nobody Sells Streetlights Door to Door

This passage · 262 words · Flesch-Kincaid grade 10

1. Families could enjoy the light without paying, so the money might never arrive.
2. The free rider problem.
3. Clean air, a lighthouse beam, or a tornado warning siren.
4. Together, through taxes.
5. The light shines on everyone nearby, so the benefit cannot easily be withheld.
6. The community has limited funds and other needs, such as repairing a bridge.

Square: Why Nobody Sells Streetlights Door to Door

Harder · 278 words · Flesch-Kincaid grade 12

1. Families could enjoy the light without paying, so the money might never arrive.
2. The free rider problem.
3. Clean air, the beam of a lighthouse, or a tornado warning siren.
4. Collectively, through taxes.
5. The light reaches everyone in the vicinity, so the benefit cannot easily be withheld.
6. The community has limited funds and competing needs, such as repairing a bridge.