

Externalities: pollution and artificial lawn assignment



**ASSIGN
BUSTER**

We are going to explore 3 different scenarios 2 that are a positive externalities and one that is a negative externalities. The positive externalities we will explore are a beekeeper and the positive effect his bees will have, the second is replacing your front lawn with nice artificial turf. The negative externalities we will explore is a fishery over fishing in the ocean and the impact it will have on another company. The first positive externalities we will explore is the beekeeper and his bees.

Normally a beekeeper will keep bees for their honey this creates a positive exult for the beekeeper. His bees will create honey that he can then sale to consumers for a profit. The positive externalities that is produced from the beekeeper and the bees is the farmer. In order for bees to make honey they collect pollen from different flowers and plants which then creates a cross pollination effect. The Farmers crops will be pollinated from the bees flying from plant to plant collecting pollen.

This saves the farmer from having to manually pollinate their crops. With the crops being pollinated by the bees this helps them to be healthier and produce more food. The second positive externalities we will explore is installing artificial lawn in the front yard of a house. In a normal situation a house would have grass in there front lawn in order to keep the grass growing and looking good you would need to water the grass and mow the grass regularly.

Both of these actually create a negative externalities for the neighbors, the lawn mowing creates noise pollution that the neighbors cannot get away from, the watering of the lawn will use valuable resources that can be used

for drinking and other vital elements. A home owner can take these negative externalities and make them positive by installing a nice high end artificial lawn.

The new artificial lawn will create 3 positive externalities first being it makes the house look nice which reflects positively in the neighborhood and helps increase home value prices. The second positive effect is with an artificial lawn there is no need for mowing so there is no noise pollution to bother the neighbors. Finally with the artificial lawn you don't have to water the lawn and take up valuable resources from the environment. The final externalities we will look at is a negative externalities and that is fishery over fishing in the ocean.

When a fishery sends out a large fleet of boats to fish a certain area for fish they can start to take a large portion of the fish in the area and leave little resources for other fisheries. This means a smaller company may not be able to obtain fish to sale at market and make a profit for the company. One way to help solve this negative externality is for the government to impose that the larger company can only have so much fish and then have to leave the area or they can impose a tax on the amount of fish a particular company catches.

As you can see all three externalities will affect three parties whether it is a positive or negative externalities. With the beekeeper the three parties affected are the beekeeper, the bee, and the farmer and all three have a positive influence. For the artificial lawn the three parties affected are the homeowner, the environment, and the neighborhood. Finally for the negative

externalities the three parties affected are the larger fishery, the environment, and the smaller fishery.