

# **ESSAY #1**

**DON'T GO TO THE NEXT PAGE**

**until you are ready to write an essay. You need ruled paper, an erasable pen, and 1/2 hour.**



**Government should carefully weigh the economic cost of a proposed regulation against whatever benefits the regulation may offer.**

Write a unified essay in which you perform the following tasks. Explain what you think the above statement means. Describe a specific situation in which a regulation should be enacted even if economic costs are very great. Discuss how to balance the costs and benefits of government regulations.

