

Prof. Bryan Caplan
bcaplan@gmu.edu
<http://www.bcaplan.com>
Econ 309

HW #2 (*please type*)

Answer any FOUR questions (*answers should be 1 page, double-spaced*)

1. "Redistribution is zero-sum, and there are always administration costs. So it redistribution automatically fails CBA." What is wrong with this argument?
2. Why does Effective Altruism argue against universal redistribution? What is the best EA objection to this argument?
3. Use a real-world example where you helped someone or received help from someone to illustrate the idea of the "leaky bucket." Give details.
4. Make the best CBA case *for* the UBI you can.
5. How relevant is the success sequence for the CBA of poverty policy?
6. Use CBA to argue *for* in-kind redistribution rather than cash redistribution.
7. "A program only for the poor will always be a poor program." Critique.
8. Do a CBA of regulations that require employers to give their employees free health insurance.
9. During Covid, many businesses complained about labor shortages for over a year. What, if anything, should this teach us about how labor markets actually work?
10. "Anti-firing laws are pro-labor." In what sense is this statement true? In what sense is it false?
11. Some economists argue that CBA should count unemployment as leisure. Are they right? How does this matter for labor policy?
12. Suppose standard complaints about discrimination are true. How can you profit from this situation? Explain your business plan.
13. Suppose the law imposes a strict racial quota system on employers: If a race is 20% of the population, they have to get 20% of each kind of job. How bad would this be from a CBA perspective?