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Econ 309

HW #3 (*please type*)

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

1. Pick one of the main reasons why “Signaling ‘Simply Doesn’t Make Sense” (chapter 1). Argue that the reason is more compelling than Caplan claims.
2. Pick one of the main puzzles from “Riddle Me This” (chapter 1). Argue that the puzzle is less informative than Caplan claims.
3. By most measures, college is now really easy. Why then does graduation remain so lucrative?
4. How much has the sheepskin effect influenced your educational decisions? Start early in your life, and include details.
5. Consider your current (or most recent) workplace. What fraction of the workers would have been hired if your employer had perfectly foreseen their actual performance? Why haven’t the underperformers been fired?
6. What does CBA have to say about low college graduation rates?
7. What is the largest historical increase in productivity that was *not* broadly beneficial? What went wrong?
8. What does the diversity lottery show us about the effectiveness of U.S. immigration restriction?
9. Why isn’t illegal immigration much higher?
10. What exactly would be the economic harm if all countries prohibited migration but allowed full freedom of international trade and investment?
11. Carefully explain why standard estimates of the economic benefits of free migration are so astronomical.
12. Was Friedman right about the incompatibility of free migration and the welfare state? Why or why not?

10. "CBA says that countries should exclude all immigrants whose overall, long-run net fiscal effect is negative." Assess.