

FE431: PUBLIC FINANCE
Fall 2006
Professor Schmitt
Homework 8 – due November 15th

This assignment should be approximately **1 typed** page in length. After reading Chapter 15 and the article by Joel Waldfogel, "The Deadweight Loss of Christmas." American Economic Review, December 1993 (found on my webpage <http://www.usna.edu/Users/econ/pschmitt/FE431/2006/readings.html>), please discuss the inefficiencies of Christmas gift giving and relate these inefficiencies to government in-kind transfer programs. What ways could these inefficiencies be minimized?