

FE431: PUBLIC FINANCE
Fall 2006
Professor Schmitt
Homework 9 – due November 20th

This assignment should be approximately **1 typed** page in length. After discussing Chapter 15 and the article by Uri Gneezy, Ernan Haruvy and Hadas Yafe, "[The Inefficiency of Splitting the Bill.](#)" The Economic Journal, April 2004, pp 265 - 280. (found on my webpage <http://www.usna.edu/Users/econ/pschmitt/FE431/2006/readings.html>), please relate the inefficiencies of splitting the bill to inefficiency of government welfare programs. What ways could these inefficiencies be minimized?