Youngberg

Econ 304—Bethany College

**Homework 08**

Answer all the following on a ***typed, stapled*** (if applicable)separate sheet of paper. Make sure that you justify your answers, use your own words, and show your work. All questions are equally weighted.

1. How does the influence of agenda setter demonstrate Arrow’s Impossibility Theorem? What is the source of the agenda setter’s influence?
2. Provide an example of a public good which was not discussed in class or in the lecture notes. (They are: national defense, murals, city parks, attractive buildings, police protection, and light from lighthouses.) Justify your answer. Why is it efficient for public goods to be provided by the government?
3. Why does Iannaccone argue that monotheistic (Western) religions require so much from their believers than polytheistic (Eastern) religions? What would happen if Western religions required less?
4. We discussed two reasons why voters support policies which are not good for economic growth. Describe them both and argue which one plays a greater role in this inefficient political result. Be sure to justify your answer. (NOTE: You must take a stand; no wussing out and saying each are equally influential.)
5. Provide an example of rent seeking not used in class or the lecture notes (since I’m writing this before we have class, I don’t know what examples I will use but you should be keeping good notes, anyway). Justify how you know this is rent seeking. If the potential gains from the rent increased, what would happen to the expected value of pursuing the rent? Justify your answer.