# **ESD.10** Introduction to Technology and Policy

### **Assignment #1: Equity and Efficiency Issues**

**Due**: Monday, Sep 11<sup>th</sup>, at the start of class

#### **Problem:**

In this assignment you will apply the concepts of equity and efficiency (as discussed in the Stone reading). The September 11<sup>th</sup> Victim's Compensation Fund will serve as the case study to explore Stone's different concepts of membership, which is necessary before making decisions on the distribution of resources.

- 1. Create 8 different potential policy options for how to distribute the compensation for victims of the September 11<sup>th</sup> attacks. These 8 options should be based on Stone's 8 different concepts of equality as laid out in the table on page 44 of her book. Fill in the attached matrix with a summary of your 8 policy options.
- 2. Is there an equity-efficiency trade-off in this policy area? Make the case that there is a trade-off, and then make the case that there is not a trade-off. Summarize both the "Yes" and "No" cases in a table on a single page.

## **Assignment deliverables:**

Question 1: 1 page with a completed equity matrix (see next page)

Ouestion 2: 1 page laying out the opposing cases for the equity-efficiency trade-off

# Equity Matrix for Question #1 – September 11<sup>th</sup> Victim's Compensation Fund

Your name:
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Dimension	Issue	Your Policy Option
Recipients	Membership	
	Rank-based distribution	
	Group based distribution	
	Group-based distribution	
Items	Boundaries of the item	
	Value of the item	
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Process	Competition	
	Lottery	
	Lottery	
	Voting	