

### **Assignment Adverse Selection**

1. With reference to figure 9.17 in the book, discuss equity and efficiency of equilibrium contracts.
2. Ch 9: 18
3. Read chapter 10 and Comment on the “adverse selection death spiral at Harvard University” (fig. 10.2 of section 10.2)
4. Read the paper and then summarise in one sentence the main message of CULTER and REBER (1998). Further discussion in class.
5. Read the paper and then summarise in one sentence the main message of FINKELSTEIN and MCGARRY (2006). Further discussion in class.