

Problem Set 13

Not due in class. Will post answers on Friday.

This problem set prepares you for the exam.

1. Gruber Chapter 12, Question 1
2. Gruber Chapter 12, Question 4
3. Gruber Chapter 12, Question 12
4. Insurance Regulation

Find an insurance regulation that appears to try to counteract problems of adverse selection. Describe the regulation and your source (briefly!) and explain how this regulation attempts to counteract problems of adverse selection.