Economics Reading Guide

Chapters 5

Points 10

Due 10/6

1. How does an absence of or partial information lead to discrimination? Why does this happen? 106-107
2. How does buying a used car illustrate the problems caused by asymmetry of information? 108-109
3. How does the solution of the “personal mandate” solve a problem of information in the health care industry? 115 -116
4. How can branding create a monopoly? 120-121
5. Using the example of Harvard – does branding work? 121-122
6. What do you think about the racial profiling example? 124-125