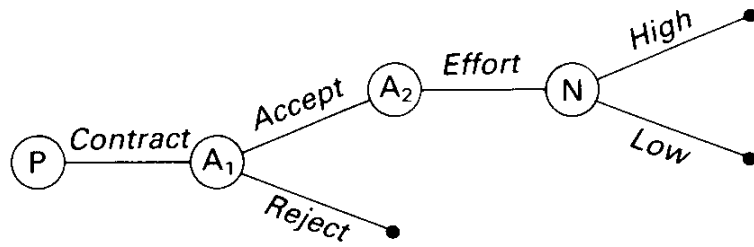
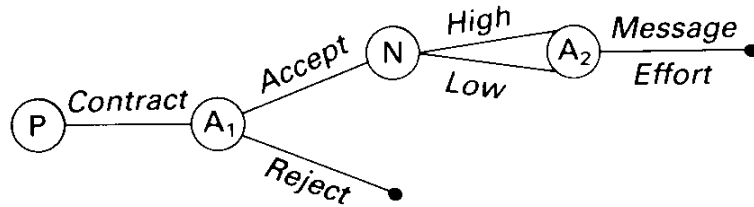


Figure 7.1 Categories of Asymmetric Information Models

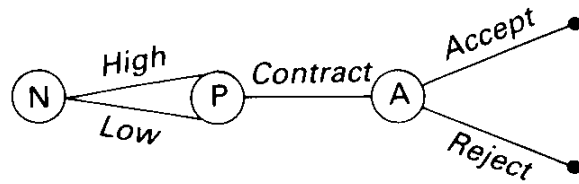
(a) moral hazard with hidden action



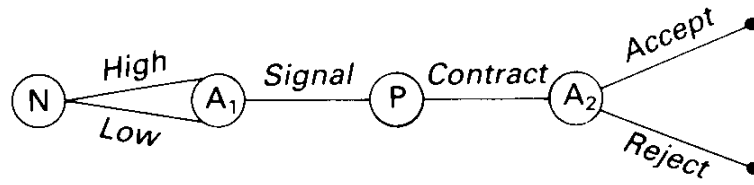
(b) moral hazard with hidden information



(c) adverse selection



(d) signalling



(e) screening

