

## 4<sup>th</sup> Semester

ECO-HC-4016: Intermediate Microeconomics-II.  $5 \times 4 = 20$

1. What is asymmetric information? Explain adverse selection with the help of Market for Lemons.
2. Explain the problem of Moral Hazard?
3. Write the solution of adverse selection problem.
4. What is Principal-Agent Problem? How the Principal-Agent Problem can be found in private enterprises and public enterprises?