Supported preparation: HL market power and information

International Baccalaureate · IB Diploma · Economics · HL · Vocabulary in context

Word	Example
adverse selection /æd'vɜːs sɪ'lekʃn/	**Adverse selection** happens when risky people are the most keen to buy insurance.
moral hazard /'mɒrəl 'hæzəd/	**Moral hazard** happens when insured people take more risks.