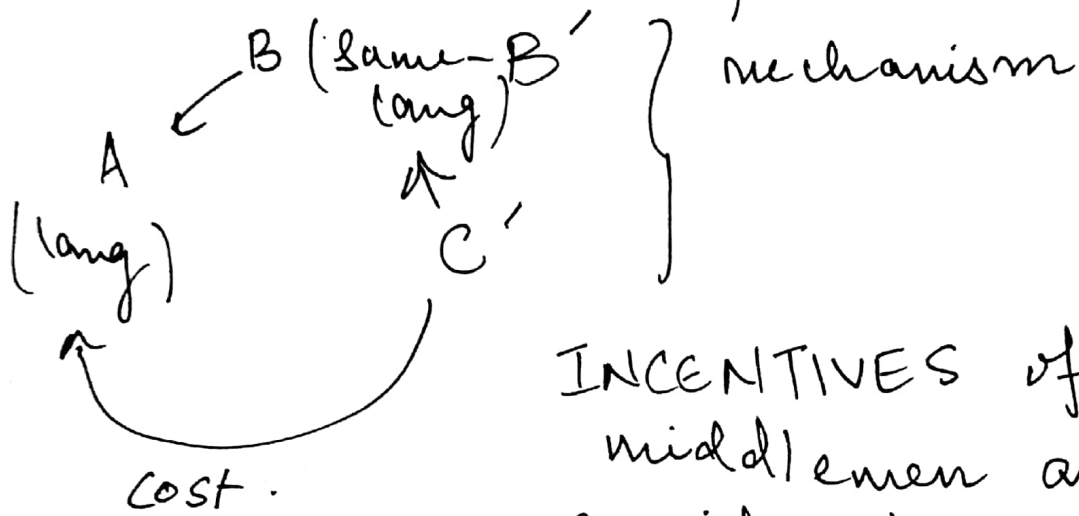


A) middlemen and informational problems.



INCENTIVES of using middlemen and efficiency considerations.

B has info of market, C and A.

for eg tents (C → poor driver.
A → Bribe from trusted source)

optimal

(C → good driving → effort.
A → fear of bribe etc)

Can I use in terms of language?

MARKETS - middlemen in markets of manipulation, expert - lack or cost of information.

Relation to inequality \rightarrow wealth and information.
Experts - identification of signal from noise (when too much info)

Application - shadow economies
implication - dissemination through manipulation by deception

PARADOX - more info, more noise \rightarrow more uncertainty
Relevant information

EXISTS in physician agency.
specialist

doctor
(GP) patient.

Relation to choice, inhibition and bounded rationality

middleman as the bridge -

updating of beliefs - realizes during or after transaction of poor deal

why middleman \rightarrow herd mentality

\rightarrow PROBLEM OF DIRECT ACCESS - where power index, interaction of low power, high power

* power as informational power, expert
→ Leads to rational procrastination out
of effort to gain info - Belief of yes
but involves time, effort → myopia lets
seek middleman. Irrational foresight of a
good deal (foresight of trust in middleman)

→ optimal choices, complex information
Adaptive choices - herd mentality
(safe - the work gets done) (Assuming
risk averse)

→ Threat of punishment (expert group) (out group)
submit yourself to experts and their
incentive mechanism of self interest.
but not so much (subtly - probably
through use of language (read b/w the
lines) to prevent backward bending
behavior.

→ several experts but as a collusion
(one group) as monopoly on info

Affirmative action in this context -
Access to market without punishment
and group dynamics, efficiency?
→ Rational ignorance to Rational ~~question~~ ^{ity}
distribution of power (status?) effects