

15 SHORTCOMINGS OF MARKETS

A. PUBLIC GOODS

- 1. Definition**
- 2. Provision**

B. PRESENT AND FUTURE ALLOCATION

- 1. Market Allocations over Time**
- 2. Interest Rates**
- 3. Difficulties**

C. MARKET FAILURES

- 1. Imperfect Information**
- 2. Moral Hazard**
- 3. Rent Seeking**
- 4. Principal-Agent Relationship**

D. MARKET AND GOVERNMENT FAILURE

E. COST DISEASE OF THE SERVICE SECTOR

- 1. Nature of Services**
- 2. Growth**
- 3. Future Prospects**

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