

# Social Insurance

1. A Problem Associated With Assymetice Information

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Unemployment insurance insures against unemployment. It is unlikely to be privately provided because of \_\_\_\_\_ A problem associated with asymmetric information selection and moral hazard. However, the government can improve in one regard. Through coercion it can avoid adverse selection. At the same time, though, government intervention cannot eliminate moral hazard and can even exacerbate it.