Read me file for "Pricing Institutions and the Welfare Cost of Adverse Selection"
By E. Glen Weyl and Andre Veiga

The folder includes the following MATLAB scripts and functions:

MASTER_Pricing
Running this script will produce all outputs used in the article

Outputs
Computes a number of outputs for a given market, namely demand, average cost under each pricing regime marginal cost and other auxiliary cost curves

DAC
computes average cost different under total pricing ie, Delta_AC, and a number of auxiliary cost curves

Q
produces a vector of consumer decisions and overall demand

ACD
computes average cost different under incremental pricing ie, AC_Delta

MC
computes marginal cost where MC = the derivative of total cost, Q*AC_Delta(Q), with respect to Q

DWL
computes dead weight loss at a given price difference between the two contracts

consumers
simulates consumer types following a bivariate lognormal distribution