

Do NOT write your name anywhere. (Canvas will tell me who turned in the assignment.) All answers must be typed, except for mathematics and graphs. Take pictures of your written answers and use your own software or <https://pdfcandy.com/> to create a single PDF size A4. (pdfcandy.com will convert many file types to PDF, resize PDF, merge PDF and many other things for free. However, Apple phones may require using [CamScanner](#) before using pdfcandy.com.) Failure to follow these directions will cost you 10 points.

- 1) (25 points) Large companies use a variety of methods of raising money. In the Anglo-Saxon model, which type of raising money is most common for large companies, selling stock, selling bonds, loans or venture capitalism? What is the biggest advantage of that method of getting funds? Explain your logic. What is the biggest drawback of that method? Explain your logic.
- 2) (15 points) Which type of capitalism would Hobbes be most likely to approve of, the Anglo-Saxon model, the European model, or the Asian model? Explain your logic.
- 3) (15 points) Which type of capitalism would Keynes be most likely to approve of, the Anglo-Saxon model, the European model, or the Asian model? Explain your logic.
- 4) (25 points) Explain the difference between *common law* and *civil law*. Which do you think is better? Explain your logic.
- 5) (20 points) Who owns most large companies in the Asian model? Do you think that will have the *principal-agent* problem? Explain your logic.