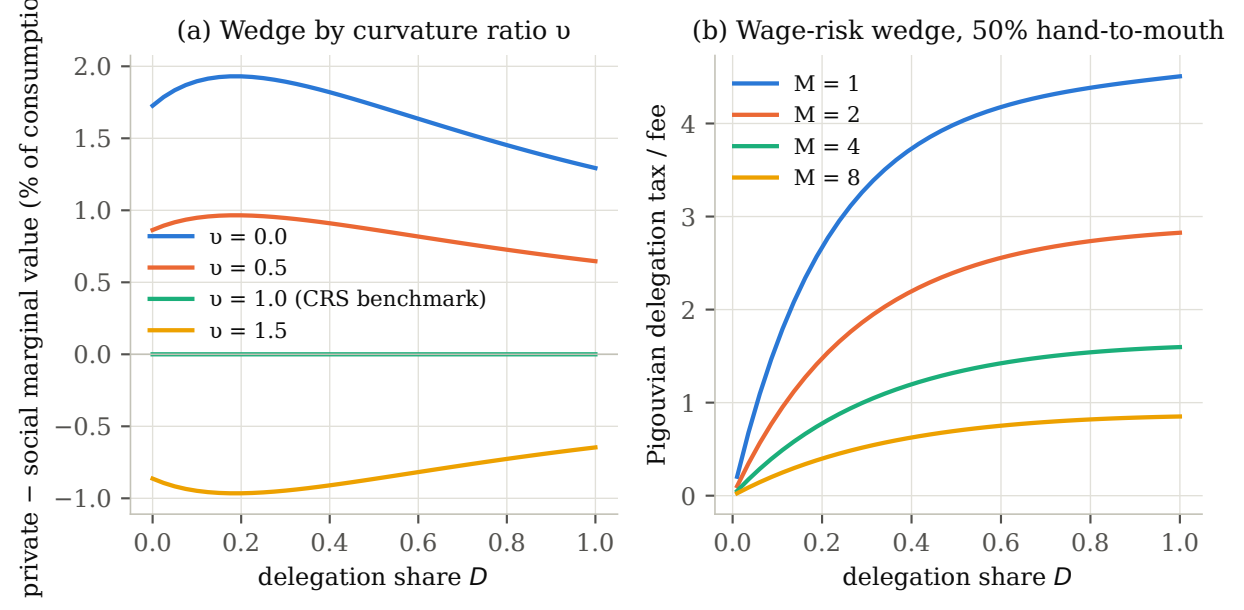

(a) Wedge by curvature ratio υ
private − social marginal value (% of consumption)
2.0
1.5
1.0
0.5
0.0
−0.5
−1.0
υ = 0.0
υ = 0.5
υ = 1.0 (CRS benchmark)
υ = 1.5
0.0
0.2
0.4
0.6
0.8
1.0
delegation share D
(b) Wage-risk wedge, 50% hand-to-mouth
Pigouvian delegation tax / fee
4
3
2
1
0
M = 1
M = 2
M = 4
M = 8
0.0
0.2
0.4
0.6
0.8
1.0
delegation share D