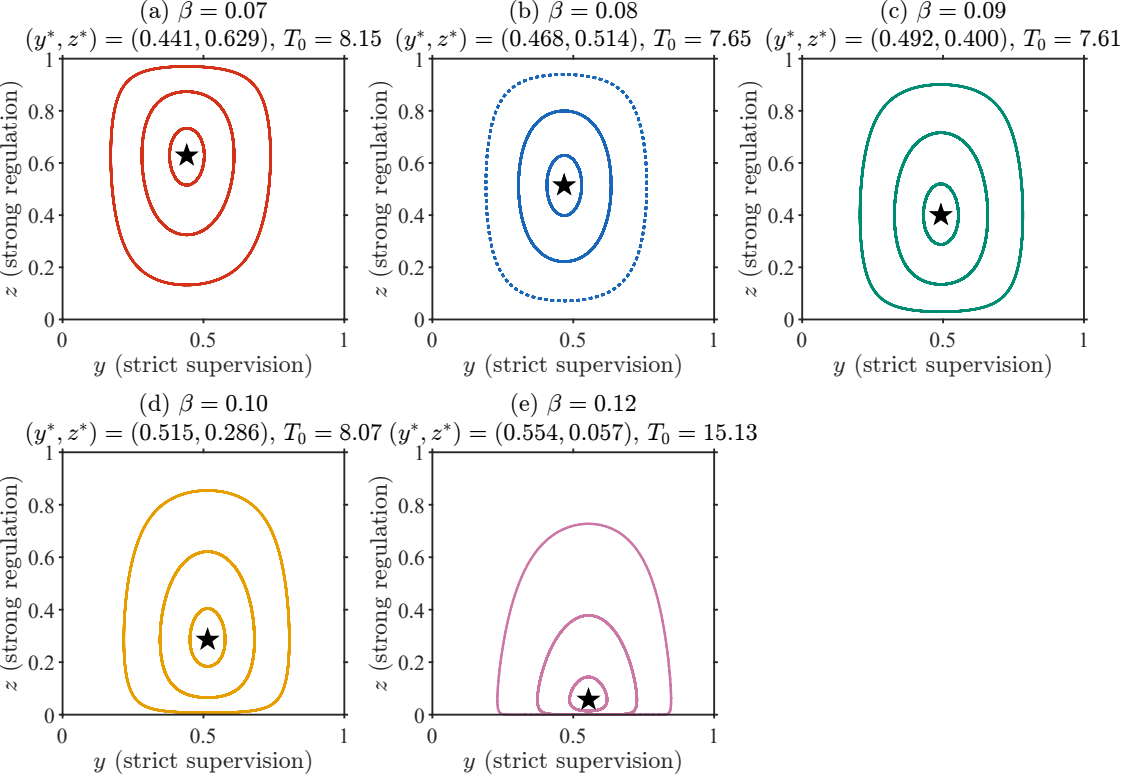

(a) $\beta = 0.07$
$(y^*, z^*) = (0.441, 0.629)$, $T_0 = 8.15$
(b) $\beta = 0.08$
$(y^*, z^*) = (0.468, 0.514)$, $T_0 = 7.65$
(c) $\beta = 0.09$
$(y^*, z^*) = (0.492, 0.400)$, $T_0 = 7.61$
(d) $\beta = 0.10$
$(y^*, z^*) = (0.515, 0.286)$, $T_0 = 8.07$
(e) $\beta = 0.12$
$(y^*, z^*) = (0.554, 0.057)$, $T_0 = 15.13$
z (strong regulation)
y (strict supervision)
0
0.2
0.4
0.6
0.8
1
0.5