8.12 8.13 Analysis when Protest or Voice has value - alpha gt 0

Saturday, September 19, 2020 4:19 PM

$$a = \frac{(\delta + \gamma)}{\alpha}$$

assume $\lambda < 1$

↳ if λ big enough, most zealots won't protest

$1 \cdot \alpha > (\delta + \gamma)(1 - 0)$

$\alpha > (\delta + \gamma)$

$a < 1$

What beliefs are rationalizable in this world?

$M = 1$ $\quad i > (\lambda - M)a < 0 \quad 0 < a < 1, \lambda < 1$

$M = 0$ $\quad i > a\lambda$

$1 > a\lambda > 0$

$M = 1 - a\lambda \quad i > a\lambda - aM$

$> a\lambda - a(1 - a\lambda)$

$x = 1 - a\lambda - a(1 - a\lambda) > (1 - a\lambda)(1 + a) > (1 - a\lambda)$

$M = (1 - a\lambda)(1 + a) \quad i > a\lambda(1 - a\lambda)(1 + a)$

$x = 1 - a\lambda + a(1 - a\lambda)(1 + a)$

$= (1 - a\lambda)(1 + a + a^2)$

$M = (1 + a\lambda)(1 + a + a^2 + a^3 + \dots)$

$a < 1$