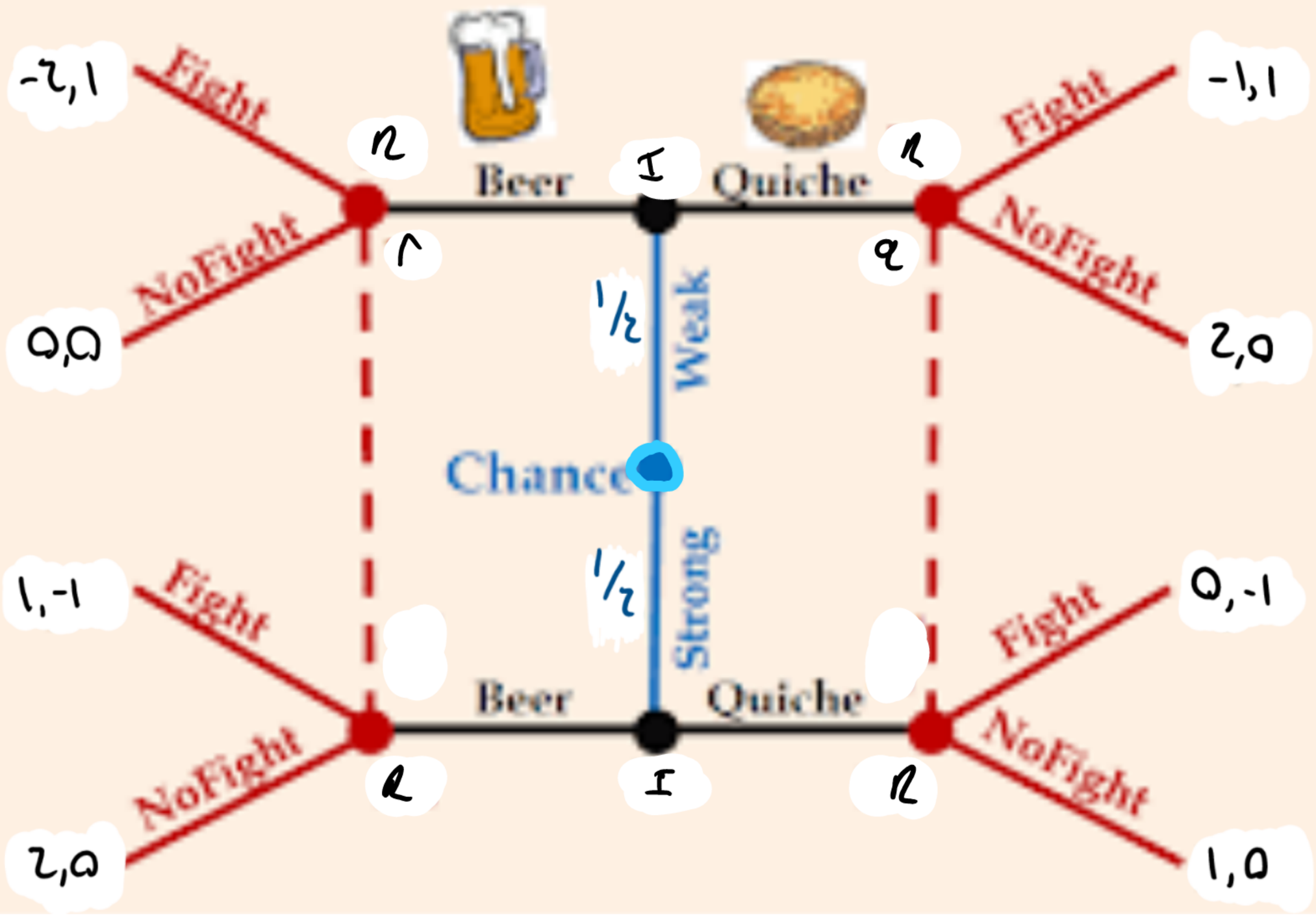
29.3 Beer-Quiche Game with Pooling PBE

Thursday, November 26, 2020 7:34 PM



$B^r B^w, N^B f^Q \quad q = 1/2 \quad B^r$ is BR. So is B^w what about $N^B f^Q$?

If R sees beer, $U_R(F) = -1p + 1(1-p)$

$= -1/2 + 1/2 = 0$

$U_R(N) = 0 \longrightarrow N^B$ is a BR

Is f^Q a BR? $-1r + 1(1-r) \geq 0$

$r \leq 1/2$

PBE: $M^r M^w, N^B f^Q, q = 1/2, r \leq 1/2$

Consider $B^r Q^w, N^B f^Q$

B^r is a BR, $q = 1$, N^B is a BR

$r = 0$, f^Q is BR

Q^w? $U_{Iw}(B) = 0 < 1 = U_{Iw}(Q) \rightarrow$ Not a BR

Any Eq w/ $Q^r Q^w, f^0 N^0$ Q^r?

$Q^r B^w, f^0 N^0$