

Day 11: Homework

Question 1 : Consider again the TV network game in http://oyc.yale.edu/sites/default/files/problemset6_1.pdf (problem 1). Make the following modifications to the game:

1. For $(7,7,6)$ change the payoff to $(24,30,24)$ instead of $(14,30,23)$
 2. CBC doesn't know what time RBC chose.
- (a) Draw the information graph for this new game.
- (b) Identify all the subgames of the parent game.
- (c) Find all the Nash equilibria. For each Nash equilibrium, is it also an SPE?