

Communication under the Table

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Abstract

This paper studies the impact of pre-play communication between agents before a strategical report to their principal. I consider a model where agents, whose gain is determined upon the belief of the principal on their private type, strategically exchange then send a report about the information. I found that there exist few equilibriums under this settings. Agents disclosure more precise information in the report when their type are relatively close, and send coarse information when they are not. I show numerically, in those equilibriums, the principal's profits diminish.

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