Reversibility in Dynamic Coordination Problems

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November 11, 2008

Abstract

Agents at the beginning of a dynamic coordination process (1) are uncertain about actions of their fellow players and (2) anticipate receiving strategically relevant information later on in the process. In such environments, the (ir)reversibility of early actions plays an important role in the choice among them. We characterize the strategic effects of the reversibility option on the coordination outcome. Such an option can either enhance or hamper efficient coordination, and we determine the direction of the effect based only on simple features of the coordination problem. The analysis is based on a generalization of the Laplacian property known from static global games: Players at the beginning of a dynamic game act as if they were entirely uninformed about aggregate play of fellow players in each stage of the coordination process.

Abstrakt

Agenti na počátku krize (1) si nejsou jisti jak se zachovají ostatní hráči a (2) očekávají strategicky důležité informace v pozdějších stadiích krize. V takových situacích hrají důležitou úlohu zvratnost raných rozhodnutí. Charakterizujeme okolnosti, za kterých je vhodné poskytnout agentům možnost zvrátit rané rozhodnutí. V analýze používáme a rozhodnoutí výsledky z teorie globálních her.

JEL classification: C7, D8.

Keywords: Delay, Exit, Global Games, Laplacian Belief, Learning, Option, Reversibility.

*We thank George-Marios Angeletos, Levent Celik, Junghun Cho, Leonardo Felli, Paul Heidhues, Sergei Izmalkov, Nicolas Melissas, John Moore, Tymofiy Mylovanov, Alessandro Pavan, Marcin Pęski, Carolyn Pitchik, Muhamet Yildiz, seminar participants at LSE, MIT, Northwestern University, UCL, University of Bonn, Edinburgh, Mannheim, St. Andrews, and Toronto as well as participants of the conferences EEA-ESEM 2008, Games 2008 and SED Annual Meeting, and the workshops in GRIPS 08 and ESSET 08 for helpful comments. We especially appreciate detailed comments from Kohei Kawamura, József Sákovics and Colin Stewart.

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