

Who gets what and why

-Too soon

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Agenda

- Examples of “Too soon” 偷跑的利與弊
- Applications in game theory
- Analysis
- Solutions
- Conclusion



Bolt false start

<http://bestplayerintheworld.com/wp-content/uploads/2011/08/Bolt-false-start.jpg>

Examples of “Too soon”

- Finding a parking space in a crowded street

Park now or (probably) never

- Sex ratios in U.S. colleges in 1947

Market thickness matters

Polygamous society 一夫多妻社會

- The extreme case: Arunta fathers (Australia tribe)



Examples of “Too soon”

- Early offer of big investment bank and law firms
Take-it-or-leave-it
- Gastroenterologists and orthopaedic surgeons
胃腸科與骨科醫學生
Fellowship program
Local hiring - performance below expectations

Applications in game theory

- Payoff matrix:

Example:

		JPMorgan (B)	
		follow the rule	give early offer
Goldman Sachs (A)	follow the rule	(2,2)	(0,3)
	give early offer	(3,0)	(1,1)

“Lack of trust threatened to keep everyone making early offers - even when no one wanted to.”

Analysis

- Thick Market

Early moves created thin market

- Incentive

- The Problem

Little information of the market

Inefficient



Solutions

- Self-control
- Market mechanism
- Full information

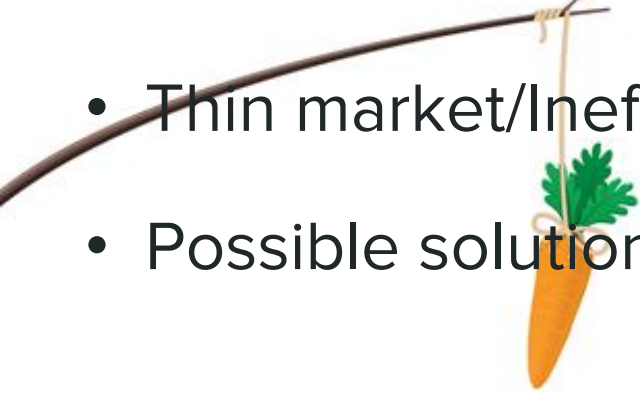
punishments

power of the contract



Conclusion

- Incentive
- Lack of information
- Thin market/Inefficient
- Possible solution : change the incentive structure



Thanks for attention

