

Back to Bargaining Basics

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Abstract

In my bargaining model, suppose one player moves first. What share would he get? Maybe 50% still. It depends on how the share of the pie rises with toughness compared to the probability of breakdown. It depends on strategic substitutes vs. complements.

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Keywords: bargaining, splitting a pie, Rubinstein model, Nash bargaining solution, hawk-dove game, Nash Demand Game, Divide the Dollar

I would like to thank xxx for helpful comments.

1. INTRODUCTION

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