

Unique Persuasion Equilibrium *

Shintaro Miura †

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Abstract

This paper considers a persuasion game, and discusses unique selection of equilibria. As a reasonable consequence, we focus on a *prudent rationalizable equilibrium* (hereafter, PRE), which is a perfect Bayesian equilibrium constructed by *prudent rationalizable strategies*, a version of extensive-form iterated admissibility proposed by Heifetz et al. (2011). First, we show that a fully revealing equilibrium is a unique PRE whenever it exists, which is a generalization of the *unraveling argument* in the literature. Second, we insist that the unique selection by PRE is possible even if FRE does not exist. In particular, we propose a procedure for explicit construction of a PRE, and then provide a sufficient condition for the uniqueness of PRE.

Journal of Economic Literature Classification Numbers: C72, D82.

Key Words: persuasion games; equilibrium selection, masquerade graphs, prudent rationalizability; fully revealing equilibrium

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†Department of Economics, Kanagawa University, 3-27-1, Rokkakubashi, Kanagawa-ku, Yokohama, Kanagawa 221-8686, JAPAN. E-mail: smiura@kanagawa-u.ac.jp