

Example for seminar.sty

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Information overload = “Too much” information

You have 134 unread messages:
Do you want to read them now?

2. People *should* receive less information.

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Do you want to read them now?

cannot process all

2. People *should* receive less information.

Information overload = “Too much” information

You have 134 unread messages:

Do you want to read them now?

1. People cannot process all the information they receive.
2. People *should* receive less information.

overload in a network if

of

information.'

- ▶ There is information overload in a network if there is some mechanism that, compared to the *status quo*, makes the senders and/or receivers better off by restricting the flow of information.

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Questions

- ▶ What mechanisms make the receivers and senders better off?
- ▶ How does the welfare of the senders and receivers depend on the cost of communication?

Questions

- ▶ When could **there be overload** in networks?
- ▶ What mechanisms make the receivers and senders better off?
- ▶ How does the welfare **of the senders** and receivers depend on the cost of communication?

Being more informed
is always better,

Being more informed
is always better,
but it's not the same as
receiving more information

A tax τ on communication is said to support $\tilde{\mathcal{X}}(c)$ if $\tilde{\mathcal{X}}(c)$ is an equilibrium for $\Gamma(c + \tau)$.

Proposition 6. *Assume $\tilde{\mathcal{X}}(c)$ is not an equilibrium for $\Gamma(c)$.*

1. *If $\text{supp}(\gamma) = [0, 1]^n$, there is no tax that supports $\tilde{\mathcal{X}}(c)$.*
2. *If $\text{supp}(\gamma) = S^{n-1}$, there is a tax that supports $\tilde{\mathcal{X}}(c)$ if and only if $m = 1$, $p_j > c \forall j$, and
 - 2.1 $n = 2$; or
 - 2.2 $n = 3$ and $p_i^{-1} + p_j^{-1} \geq p_k^{-1}$ for all distinct i, j, k ; or
 - 2.3 $n = 4$ and $p_1 = p_2 = p_3 = p_4$.*

Architecture

