

Table 1

Values and Optimal Strategies with $r = .5$, $K = 5$,
and up to 5 time slots

(a) Values to Inspectee (V_{nk})

k = 5					.0000
k = 4				.0000	.0228
k = 3			.0000	.0572	.2098
k = 2		.0000	.1447	.4503	.8984
k = 1	.0000	.3723	.9554	1.6708	2.4736
k = 0	1.0000	2.0000	3.0000	4.0000	5.0000
	n = 1	n = 2	n = 3	n = 4	n = 5

(b) Inspectee's Optimal Cheating Amounts (q_{nk})

k = 5					.0000
k = 4				.0000	.0228
k = 3			.0000	.0572	.2098
k = 2		.0000	.1447	.3056	.4481
k = 1	.0000	.3723	.5831	.7155	.8028
k = 0	1.0000	1.0000	1.0000	1.0000	1.0000
	n = 1	n = 2	n = 3	n = 4	n = 5

(c) Inspector's Optimal Inspection Probabilities (p_{nk})

k = 5					1.0000
k = 4				1.0000	.3964
k = 3			1.0000	.3910	.3770
k = 2		1.0000	.3781	.3564	.3392
k = 1	1.0000	.3482	.3244	.3110	.3028
k = 0	.0000	.0000	.0000	.0000	.0000
	n = 1	n = 2	n = 3	n = 4	n = 5