

Strategic Behavior

Fall, 2022.

Problem Set 1.

Due: Tuesday, September 6, In class

Solve problem 1.2 in the textbook.

Also:

1. Consider the following two players' normal form game:

$$\begin{array}{l|ccc} 1 \downarrow, 2 \rightarrow & L & M & R \\ \hline A & 2, 12 & 0, 0 & 5, 15 \\ B & 9, 0 & -4, 4 & 2, 1 \\ C & 1, 20 & -1, 10 & 3, 30 \\ D & 3, -1 & -3, 1 & 7, 2 \end{array}$$

What strategies survive iterated elimination of strictly dominated strategies?

What are the (pure strategy) Nash equilibria of this game?

2. Consider the following two players' normal form game:

$$\begin{array}{l|cc} 1 \downarrow, 2 \rightarrow & L & R \\ \hline T & 2, 3 & 0, 2 \\ B & 1, 2 & 1, 3 \end{array}$$

Is any strategy of either player strictly dominated?

What are the (pure strategy) Nash equilibria of this game?