

Algorithmic Game Theory

Assignment 2

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1. Which one of the following is an MSNE of the rock-paper-scissor game?

- (a) $((\frac{1}{3}, \frac{1}{3}, \frac{1}{3}), (\frac{1}{3}, \frac{1}{3}, \frac{1}{3}))$
- (b) $((\frac{1}{2}, \frac{1}{2}, 0), (0, \frac{1}{2}, \frac{1}{2}))$
- (c) $((0, \frac{1}{2}, \frac{1}{2}), (\frac{1}{2}, \frac{1}{2}, 0))$
- (d) $((\frac{1}{2}, 0, \frac{1}{2}), (\frac{1}{2}, 0, \frac{1}{2}))$

The correct answer is (a).

2. Consider the following battle of sexes game.

- ▷ The set of players $(N) : \{1, 2\}$
- ▷ The set of strategies: $S_i = \{A, B\}$ for every $i \in [2]$

▷ Payoff matrix:

		Player 2	
		A	B
Player 1	A	(1, 2)	(0, 0)
	B	(0, 0)	(2, 1)

Which one of the following is an MSNE of the above normal form game?

- (a) $(\{A : \frac{1}{2}, B : \frac{1}{2}\}, \{A : \frac{1}{2}, B : \frac{1}{2}\})$
- (b) $(\{A : \frac{1}{3}, B : \frac{2}{3}\}, \{A : \frac{2}{3}, B : \frac{1}{3}\})$
- (c) $(\{A : \frac{2}{3}, B : \frac{1}{3}\}, \{A : \frac{1}{3}, B : \frac{2}{3}\})$
- (d) there is no MSNE

The correct answer is (b).

3. Consider the following coordination game.

- ▷ The set of players $(N) : \{1, 2\}$
- ▷ The set of strategies: $S_i = \{A, B\}$ for every $i \in [2]$

▷ Payoff matrix:

		Player 2	
		A	B
Player 1	A	(10, 10)	(0, 0)
	B	(0, 0)	(1, 1)

- (a) $(\{A : \frac{1}{2}, B : \frac{1}{2}\}, \{A : \frac{1}{2}, B : \frac{1}{2}\})$
- (b) $(\{A : \frac{10}{11}, B : \frac{1}{11}\}, \{A : \frac{10}{11}, B : \frac{1}{11}\})$
- (c) $(\{A : \frac{1}{11}, B : \frac{10}{11}\}, \{A : \frac{1}{11}, B : \frac{10}{11}\})$
- (d) there is no MSNE

The correct answer is (c).

4. Consider the following battle of sexes game.

- ▷ The set of players $(N) : \{1, 2\}$
- ▷ The set of strategies: $S_i = \{A, B\}$ for every $i \in [2]$

▷ Payoff matrix:

		Player 2	
		A	B
Player 1	A	(1, 2)	(0, 0)
	B	(0, 0)	(2, 1)

What is the security of the row player in pure strategies?

- (a) 0
- (b) 1
- (c) 2
- (d) since the game is not a zero-sum game, the concept of security does not make any sense.

The correct answer is (a).

5. Consider the following battle of sexes game.

- ▷ The set of players $(N) : \{1, 2\}$
- ▷ The set of strategies: $S_i = \{A, B\}$ for every $i \in [2]$

▷ Payoff matrix:

		Player 2	
		A	B
Player 1	A	(1, 2)	(0, 0)
	B	(0, 0)	(2, 1)

What is the security of the row player in mixed strategies?

- (a) 0
- (b) 1
- (c) 1.5
- (d) since the game is not a zero-sum game, the concept of security does not make any sense.

The correct answer is (c).

Justification: Refer to week-2 lecture-2

6. In a two-player normal form game Γ , let (σ_1^*, σ_2^*) be a MSNE. If we multiply utilities of every player in every strategy profile by 10, then (σ_1^*, σ_2^*) continues to be a MSNE if

- (a) the strategy set of each player is finite
- (b) (σ_1^*, σ_2^*) is never an MSNE of the modified game
- (c) (σ_1^*, σ_2^*) is always an MSNE of the modified game; no condition is required
- (d) data insufficient

The correct answer is (c).

7. Let \mathcal{A} be a 10×10 matrix of a matrix game. If \mathcal{A} is anti-symmetric, then what is the value of the row player in mixed strategies?

- (a) 0
- (b) 10
- (c) -10
- (d) data insufficient

The correct answer is (a).

8. Let \mathcal{A} be a 10×10 matrix of a matrix game. If \mathcal{A} is symmetric, then what is the value of the row player in mixed strategies?

- (a) 0
- (b) 10
- (c) -10
- (d) data insufficient

The correct answer is (d).

9. Let A be a $n \times n$ matrix of a matrix game. Assume that (i, j) and (h, k) are two PSNEs of the matrix game. Then (i, k) is also a PSNE when

- (a) A has full rank
- (b) A is symmetric
- (c) A is anti-symmetric
- (d) always, no extra condition is required.

The correct answer is (d).

Justification: If (i, j) and (h, k) are two PSNEs of the matrix game, then (i, k) and (h, j) are also other two PSNEs of the game

10. Suppose in a matrix game, the players have 3 strategies each. Which numbers among $\{0, 1, 2, \dots, 9\}$ cannot be the total number PSNEs in the matrix game?

- (a) 2
- (b) 3
- (c) 4
- (d) 5

The correct answer is (d).