Game Theory, Fall 2022
Problem Set 1

Due on Sep 19 before class

1. ST Exercise 3.2.[1]
2. ST Exercise 3.3.
3. ST Exercise 3.4.
4. Consider the first/second price auction enviornment we covered in class. Instead of 2 bidders, assume there are n bidders with value $v_1, \ldots, v_n$.
   (a) Extend the first price auction to this case. As usual, if more than one bidder bid the same highest price, a winning bidder is randomly drawn from them with equal probabilities. (Use this tie breaking rule also for the next question).
   (b) Extend the second price auction to this case.
5. ST Exercise 4.3.
6. ST Exercise 4.5.

[1] "ST" refers to our textbook: *Game Theory: An Introduction* by Steven Tadelis.