

# Supplementary Information: Evolution of cooperation among individuals with limited payoff memory

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Section 1 gives a brief overview of the pairwise comparison process. Section 2 describes the conventional approach for calculating updating payoffs, as well as, our approaches and methods.

## 1 Pairwise comparison process

Pairwise comparison process is a stochastic process for modelling the evolution of a finite population. The process starts with assigning all individuals of the population the same strategy. A strategy is a set of rules of how an individual should behave in an interaction with another individual. Each elementary time step of the process consists of three phases; (1) the **mutation phase** (2) the **game phase** (3) the **update phase**. These are summarised in Figure 1. In the mutation phase one individual is chosen to switch to a new mutant strategy with a probability  $\mu$ . The mutant strategy is randomly selected from the set of feasible strategies.

In the game phase individuals are randomly matched with other individuals in the population, and they engage in a match where each subsequent turn occurs with a fixed probability  $\delta$ . At each turn the individuals play a social dilemma and decide on an action based on their strategies. In the donation game there are two actions: cooperation ( $C$ ) and defection ( $D$ ). By cooperating a player provides a benefit  $b$  to the other player at their cost  $c$ , with  $0 < c < b$ . Thus the payoffs for a player in each turn are,

$$\begin{array}{cc} & \begin{array}{cc} \text{cooperate} & \text{defect} \end{array} \\ \begin{array}{c} \text{cooperate} \\ \text{defect} \end{array} & \left( \begin{array}{cc} b - c & -c \\ b & 0 \end{array} \right). \end{array} \quad (1)$$

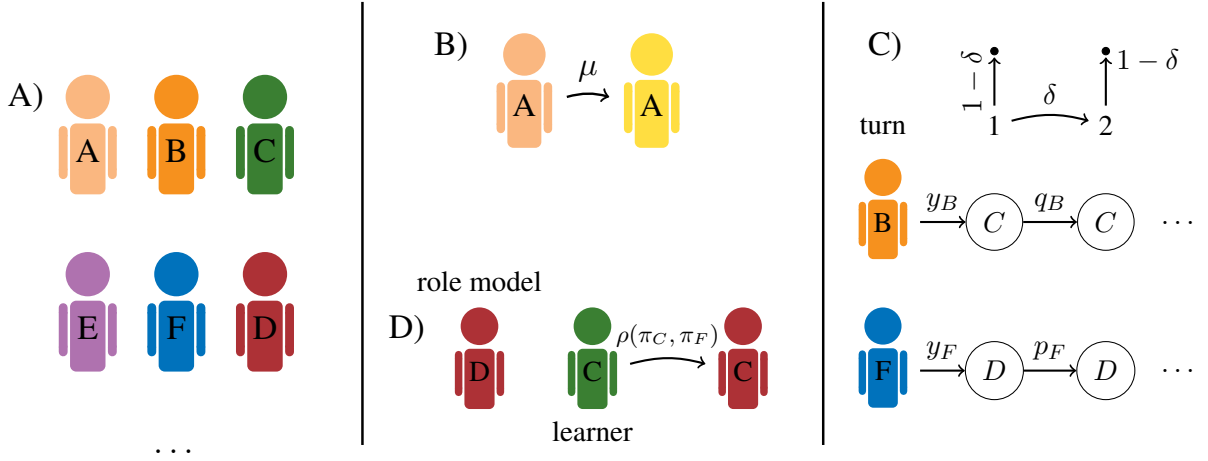
Let  $u = (b - c, -c, b, 0)$  be payoffs in a vector format, and let  $\mathcal{U} = \{b - c, -c, b, 0\}$  denote the set of feasible payoffs. In repeated games there are infinite many strategies. However, it is commonly assumed that individuals can only choose strategies from a restricted set. Here we explore the case where individuals can use reactive strategies. A reactive strategy considers only the previous action of the other player, and thus, a reactive strategy  $s$  can be written as a three-dimensional vector  $s = (y, p, q)$ . The parameter  $y$  is the probability that the strategy opens with a cooperation and  $p, q$  are the probabilities that the strategy

cooperates given that the opponent cooperated and defected equivalently.

Following the game phase is the update stage where two individuals are randomly selected. One individual serves as the ‘learner’ and the other as the ‘role model’. The learner adopts the role model’s strategy with a probability  $\rho$  given by,

$$\rho(\pi_L, \pi_{RM}) = \frac{1}{1 + \exp^{-\beta(\pi_{RM} - \pi_L)}}. \quad (2)$$

$\pi_L$  and  $\pi_{RM}$  are the updating payoffs of the learner and the role model respectively. The updating payoff is a measure of how successful an individual is in the current standing of the population. In the next section we will explain how these payoffs are calculated in more detail. The parameter  $\beta$  is known as the selection strength, namely, it shows how important the payoff difference is when the learner is considering adopting the strategy of the role model.



**Figure 1: Pairwise process phases.** **A)** The process begins with a finite population where each member is assigned a given strategy. Each color represents a different strategy, and the members are labelled by letters. **B) Mutation phase.** An individual is selected (in the example individual A) and with a given probability  $\mu$  that individual adopts a new mutant strategy. **C) Game phase.** individuals are selected to interact in a repeated social dilemma with other individuals. We demonstrate the case where individuals B and F have been selected to interact. They use the reactive strategies  $s_B = (y_B, p_B, q_B)$  and  $s_F = (y_F, p_F, q_F)$  respectively. The opening moves depend on their  $y_i$  probability. In turn 1, individual B cooperated, thus, F cooperates with a probability  $p_F$  in turn 2. On the opposite, individual F defected in turn 1, and so B cooperates in the next turn with a probability  $q_B$ . At each turn there is a probability  $\delta$  that a subsequent turn will occur, and with a probability  $1 - \delta$  the interaction ends. **D) Updating phase.** At the updating phase two individuals are chosen; one is assigned the role of the learner and the other one the role of the role model. In our example C adopts D’s strategy with a probability  $\rho(\pi_C, \pi_D)$  where  $\pi_C, \pi_D$  are the updating payoffs of the individuals.

This elementary population updating process is repeated for a large number of time steps, and at each time step we record the state of the population.

### 1.1 Low mutation $\mu \rightarrow 0$

In the case of low mutation ( $\mu \rightarrow 0$ ) we assume that mutations are rare. In fact, so rare that only two different strategies can be present in the population at any given time. The case of low mutation is vastly

adopted because it allows us to explicitly calculate the fixation probability of a newly introduced mutant.

More specifically, the process again starts with a population where all members are of the same strategy. At each step one individual adopts a mutant strategy randomly selected from the set of feasible strategies. The fixation probability  $\phi_M$  of the mutant strategy can be calculated explicitly,

$$\varphi = \frac{1}{1 + \sum_{i=1}^{N-1} \prod_k \frac{\lambda_k^-}{\lambda_k^+}}, \quad (3)$$

where  $\lambda_k^-, \lambda_k^+$  are the probabilities that the number of mutants decreases and increases respectively,  $N$  is the size of the population, and  $k$  is the number of mutants. The probabilities  $\lambda_k^-$  and  $\lambda_k^+$  depend on the updating payoffs of the mutant and the resident strategies. Depending on the fixation probability  $\phi_M$  the mutant either fixes (becomes the new resident) or goes extinct. Regardless, in the elementary time step another mutant strategy is introduced to the population. We iterate this elementary population updating process for a large number of mutant strategies and we record the resident strategies at each time step. The process is summarised by Algorithm 1.

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**Algorithm 1:** Evolutionary process

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 $N \leftarrow$  population size;
 $k \leftarrow 1$ ;
resident  $\leftarrow (0, 0, 0)$ ;
while  $t < \text{maximum number of steps}$  do
    mutant  $\leftarrow$  random:  $\{\emptyset\} \rightarrow R^3$ ;
    fixation probability  $\leftarrow \varphi$ ;
    if  $\varphi > \text{random: } i \rightarrow [0, 1]$  then
        | resident  $\leftarrow$  mutant;
    end
end

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Most of the results we present in this work consider the case of low mutation, however, we have also verified that the main result holds even in the case where  $\mu$  is not small.

## 2 Updating Payoffs

In this section we discuss the conventional approach of calculating the updating payoffs, as well as our newly introduced approach.

### 2.1 Updating Payoffs based on the expected payoffs

The expected payoffs are the conventional payoffs used in the updating stage. The expected payoffs are defined as the mean payoff of an individual in a well-mixed population that engages in repeated games with

all other population members. We first define the payoff of two reactive strategies at the game stage. Assume two reactive strategies  $s_1 = (y_1, p_1, q_1)$  and  $s_2 = (y_2, p_2, q_2)$ . The play between the two strategies can be defined as a Markov process with the transition matrix  $M$ ,

$$M = \begin{bmatrix} p_1 p_2 & p_1 (1 - p_2) & p_2 (1 - p_1) & (1 - p_1) (1 - p_2) \\ p_2 q_1 & q_1 (1 - p_2) & p_2 (1 - q_1) & (1 - p_2) (1 - q_1) \\ p_1 q_2 & p_1 (1 - q_2) & q_2 (1 - p_1) & (1 - p_1) (1 - q_2) \\ q_1 q_2 & q_1 (1 - q_2) & q_2 (1 - q_1) & (1 - q_1) (1 - q_2) \end{bmatrix}. \quad (4)$$

whose stationary vector  $\mathbf{v}$ , combined with the payoff  $u$ , yields the game stage outcome for each strategy,

$$\langle \mathbf{v}(s_1, s_2), \mathbf{u} \rangle \text{ and } \langle \mathbf{v}(s_2, s_1), \mathbf{u} \rangle$$

In the case of low mutation there can be only two different strategies in the population; a resident and a mutant strategy. Thus, we only need to define the expected payoff for a resident ( $\pi_R$ ) and for a mutant ( $\pi_M$ ). Assume the resident strategy  $s_R = (y_R, p_R, q_R)$  and the mutant strategy  $s_M = (y_M, p_M, q_M)$ . The expected payoffs are give by,

$$\begin{aligned} \pi_R &= \frac{N-k-1}{N-1} \cdot \langle \mathbf{v}(s_R, s_R), \mathbf{u} \rangle + \frac{k}{N-1} \cdot \langle \mathbf{v}(s_R, s_M), \mathbf{u} \rangle, \\ \pi_M &= \frac{N-k}{N-1} \cdot \langle \mathbf{v}(s_M, s_R), \mathbf{u} \rangle + \frac{k-1}{N-1} \cdot \langle \mathbf{v}(s_M, s_M), \mathbf{u} \rangle. \end{aligned} \quad (5)$$

As a reminder  $N$  is the population size and  $k$  the number of mutants. The number of mutants in the population increases if a resident adopts the strategy of a mutant, and decreases if a mutant adopts the strategy of a resident. The probabilities that the number of mutants decreases and increases,  $\lambda_k^-$  and  $\lambda_k^+$ , are now explicitly defined as,

$$\begin{aligned} \lambda_k^- &= \rho(\pi_M, \pi_R) \\ \lambda_k^+ &= \rho(\pi_R, \pi_M). \end{aligned}$$

## 2.2 Invasion analysis of ALLD into Generous Tit For Tat (GTFT)

In the following, we apply the above formalism to calculate how easily a single ALLD mutant can invade into a resident population with strategy GTFT. In that case,  $s_1 = (1, 1, q)$ ,  $s_2 = (0, 0, 0)$ , and  $k = 1$ . When two GTFT players interact in the game, their respective probabilities for each of the four outcomes in the last round simplify to,

$$\mathbf{v}(s_1, s_1) = (1, 0, 0, 0).$$

On the other hand, if an ALLD player interacts with a GTFT player, the respective probabilities become,

$$\mathbf{v}(s_2, s_1) = (0, q, 0, (1 - q)).$$

Using the above we can define the payoffs of a GTFT individual (resident) and of the ALLD individual (mutant) follows,

$$\pi_R = \frac{N-2}{N-1} \cdot (b-c) \cdot -\frac{1}{N-1} \cdot q \cdot c \text{ and } \pi_M = b \cdot q.$$

As a consequence, we can calculate the ratio of transition probabilities as,

$$\frac{\lambda^+}{\lambda^-} = \frac{\rho(\pi_R, \pi_M)}{\rho(\pi_M, \pi_R)}$$

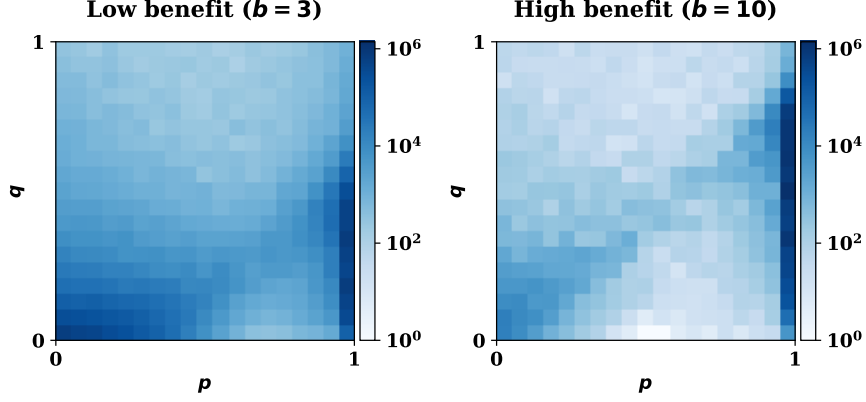
$$\frac{\lambda^+}{\lambda^-} = \frac{e^{-\beta \left( \frac{(N-2)(b-c)}{N-1} - q \cdot (b + \frac{c}{N-1}) \right)} + 1}{e^{-\beta \left( b \cdot q - \frac{b(N-2)}{N-1} - \frac{c(N-2-q)}{N-1} \right)} + 1}$$

In particular, in the limit of strong selection  $\beta \rightarrow \infty$  and large populations  $N \rightarrow \infty$ , we obtain that the ratio is than smaller to 1 if  $q \leq 1 - \frac{c}{b}$ . Thus, ALLD is disfavored to invade if  $q \leq 1 - \frac{c}{b}$ . For  $q = 1 - \frac{c}{b}$  the probability that the number of mutants increase by one equals the probability that the mutant goes extinct.

### 2.3 Simulation results

Figure 2 shows simulation results of the evolutionary process when individuals update their strategies based on their expected payoffs. We run two simulations where we differ the benefit of cooperation. Though, a higher benefit results in a more cooperative population, the population is still rather cooperative even in the case of low benefit.

In the case of low benefit the resident population consists either of defectors or conditional cooperators, whereas in the case of high benefit the residents typically apply a conditional cooperative strategy. Based on the results on invasion we can show that conditional cooperators that the residents adopt are of the kind  $p \approx 1$  and  $q \leq 1 - \frac{c}{b}$ .



**Figure 2: Evolutionary dynamics under expected payoffs with low (left) and high (right) benefit.** We run the simulations for  $T = 10^7$  time steps. For each time step, we have recorded the current resident population  $(y, p, q)$ . Since in the case of the expected payoffs the individuals interact for an infinite number of times  $\delta \rightarrow 1$ , we do not report the players' initial cooperation probability  $y$ . The graphs show how often the resident population chooses each combination  $(p, q)$  of conditional cooperation probabilities in the subsequent rounds. In both cases players update based on their expected payoffs (A) In the case where  $b = 3$ , the resident population either consists of defectors (with  $p \approx q \approx 0$ ) or of conditional cooperators for which  $p \approx 1$  and  $q \leq 1 - \frac{1}{3} = 0.7$ . (B) In the case where  $b = 10$ , the resident population typically applies a strategy for which  $p \approx 1$  and  $q \leq 1 - \frac{1}{10} = 0.9$ . Parameters:  $N = 100, c = 1, \beta = 1$ .

## 2.4 Updating Payoffs based on the one interaction - last round payoffs

The first approach we introduced in this work is that of the one interaction - last round updating payoff. In this case an individual updates his strategy based on the last payoff they received against the one other member of the population. Initially, we define the payoff of a reactive strategy in the last round at the stage game. This is given by Proposition 1.

**Proposition 1.** *Consider a repeated game, with continuation probability  $\delta$ , between players with reactive strategies  $s_1 = (y_1, p_1, q_1)$  and  $s_2 = (y_2, p_2, q_2)$  respectively. Then the probability that the  $s_1$  player receives the payoff  $u \in \mathcal{U}$  in the very last round of the game is given by  $v_u(s_1, s_2)$ , as given by Equation (6).*

$$\begin{aligned}
v_R(s_1, s_2) &= (1-\delta) \frac{y_1 y_2}{1-\delta^2 r_1 r_2} + \delta \frac{\left( q_1 + r_1((1-\delta)y_2 + \delta q_2) \right) \left( q_2 + r_2((1-\delta)y_1 + \delta q_1) \right)}{(1-\delta r_1 r_2)(1-\delta^2 r_1 r_2)} \times R, \\
v_S(s_1, s_2) &= (1-\delta) \frac{y_1 \bar{y}_2}{1-\delta^2 r_1 r_2} + \delta \frac{\left( q_1 + r_1((1-\delta)y_2 + \delta q_2) \right) \left( \bar{q}_2 + \bar{r}_2((1-\delta)y_1 + \delta p_1) \right)}{(1-\delta r_1 r_2)(1-\delta^2 r_1 r_2)} \times S, \\
v_T(s_1, s_2) &= (1-\delta) \frac{\bar{y}_1 y_2}{1-\delta^2 r_1 r_2} + \delta \frac{\left( \bar{q}_1 + \bar{r}_1((1-\delta)y_2 + \delta p_2) \right) \left( q_2 + r_2((1-\delta)y_1 + \delta q_1) \right)}{(1-\delta r_1 r_2)(1-\delta^2 r_1 r_2)} \times T, \\
v_P(s_1, s_2) &= (1-\delta) \frac{\bar{y}_1 \bar{y}_2}{1-\delta^2 r_1 r_2} + \delta \frac{\left( \bar{q}_1 + \bar{r}_1((1-\delta)y_2 + \delta p_2) \right) \left( \bar{q}_2 + \bar{r}_2((1-\delta)y_1 + \delta p_1) \right)}{(1-\delta r_1 r_2)(1-\delta^2 r_1 r_2)} \times P.
\end{aligned} \tag{6}$$

In these expressions, we have used the notation  $r_i := p_i - q_i$ ,  $\bar{y}_i = 1 - y_i$ ,  $\bar{q}_i := 1 - q_i$ , and  $\bar{r}_i := \bar{p}_i - \bar{q}_i = -r_i$  for  $i \in \{1, 2\}$ .

Note that in the proposition we use the general notation of the prisoner's dilemma, to denote that the results apply to  $2 \times 2$  any symmetric game.

*Proof.* Given a play between two reactive strategies with continuation probability  $\delta$ . The outcome at turn  $t$  is given by,

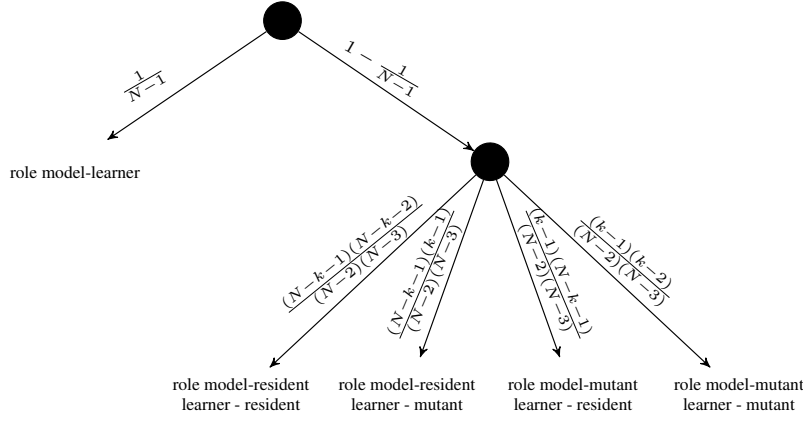
$$(1-\delta) \mathbf{v}_0 \sum \delta^t M^{(t)}, \tag{7}$$

where  $\mathbf{v}_0$  denotes the expected distribution of the four outcomes in the very first round, and  $1 - \delta$  the probability that the game ends. It can be shown that,

$$\begin{aligned}
(1-\delta) \mathbf{v}_0 \sum \delta^t M^{(t)} &= (1-\delta) (\mathbf{v}_0 + \delta \mathbf{v}_0 M + \delta^2 \mathbf{v}_0 M^2 + \dots) \\
&= (1-\delta) \mathbf{v}_0 (1 + \delta M + \delta^2 M^2 + \dots) \text{ using standard formula for geometric series} \\
&= (1-\delta) \mathbf{v}_0 (I_4 - \delta M)^{-1}
\end{aligned}$$

where  $(1-\delta) \mathbf{v}_0 (I_4 - \delta M)^{-1}$  is vector  $\in R^4$  and it the probabilities for being in any of the outcomes  $CC, CD, DC, DD$  in the last round. Combining this with the payoff vector  $u$  and some algebraic manipulation we derive to the Equation 6.  $\square$

In the updating stage we select a mutant and resident to be either the role model or the learner. Given that they can interact with only one other member of the population, they can interact either with each other or either can interact with another resident or with another mutant. Thus, in each updating stage there are five possible combinations of pairs (Figure 3).



**Figure 3: Possible pairings combination in the updating stage, given that individuals interact with only one other member in the population.** At each step of the evolutionary process we choose a role model and a learner to update the population. We consider the case where both the role model and the learner estimate their fitness after interacting with a single member of the population. There are five possible pairings at each step. They interact with other with a probability  $\frac{1}{N-1}$ , and thus they do not interact with other with a probability  $1 - \frac{1}{N-1}$ . In the latter case, each of them can interact with either a mutant or a resident. Both of them interact with a mutant with a probability  $\frac{(k-1)(k-2)}{(N-2)(N-3)}$  and both interact with a resident with a probability  $\frac{(N-k-1)(N-k-2)}{(N-2)(N-3)}$ . The last two possible pairings are that either of them interacts with a resident whilst the other interacts with a mutant, and this happens with a probability  $\frac{(N-k-1)(k-1)}{(N-2)(N-3)}$ .

Given the last round payoff and possible pair combinations for a single interaction, we define the probability that the respective last round payoffs of two players  $s_1, s_2$  are given by  $u_1$  and  $u_2$  as,

$$\begin{aligned}
 x(u_1, u_2) = & \frac{1}{N-1} \cdot v_{u_1}(s_1, s_2) \cdot 1_{(u_1, u_2) \in \mathcal{U}_F^2} \\
 & + \left(1 - \frac{1}{N-1}\right) \left[ \frac{k-1}{N-2} \frac{k-2}{N-3} v_{u_1}(s_1, s_2) v_{u_2}(s_2, s_2) + \frac{k-1}{N-2} \frac{N-k-1}{N-3} v_{u_1}(s_1, s_2) v_{u_2}(s_2, s_1) \right. \\
 & \left. + \frac{N-k-1}{N-2} \frac{k-1}{N-3} v_{u_1}(s_1, s_1) v_{u_2}(s_2, s_2) + \frac{N-k-1}{N-2} \frac{N-k-2}{N-3} v_{u_1}(s_1, s_1) v_{u_2}(s_2, s_1) \right].
 \end{aligned} \tag{8}$$

The first term on the right side corresponds to the case that the learner and the role model happened to be matched during the game stage, which happens with probability  $\frac{1}{N-1}$ . In that case, we note that only those payoff pairs can occur that are feasible in a direct interaction,  $(u_1, u_2) \in \mathcal{U}_F^2 := \{(b-c, b-c), (-c, b), (b, -c), (0, 0)\}$ , as represented by the respective indicator function. Otherwise, if the learner and the role model did not interact directly, we need to distinguish four different cases, depending on whether the learner was matched with a resident or a mutant, and depending on whether the role model was matched with a resident



or a mutant.

Given that  $N-k$  players use the resident strategy  $s_R = (y_R, p_R, q_R)$  and that the remaining  $k$  players use the mutant strategy  $s_M = (y_M, p_M, q_M)$ , the probability that the number of mutants increases by one in one step of the evolutionary process can be written as

$$\lambda_k^+ = \frac{N-k}{N} \cdot \frac{k}{N} \cdot \sum_{u_R, u_M \in \mathcal{U}} x(u_R, u_M) \cdot \rho(u_R, u_M), \quad (9)$$

$$\lambda_k^- = \frac{N-k}{N} \cdot \frac{k}{N} \cdot \sum_{u_R, u_M \in \mathcal{U}} x(u_R, u_M) \cdot \rho(u_M, u_R). \quad (10)$$

In this expression,  $\frac{N-k}{N}$  is the probability that the randomly chosen learner is a resident, and  $\frac{k}{N}$  is the probability that the role model is a mutant. The sum corresponds to the total probability that the learner adopts the role model's strategy over all possible payoffs  $u_R$  and  $u_M$  that the two player may have received in their respective last rounds. We use  $x(u_R, u_M)$  to denote the probability that the randomly chosen resident obtained a payoff of  $u_R$  in the last round of his respective game, and that the mutant obtained a payoff of  $u_M$ .

#### 2.4.1 Invasion analysis of ALLD into (GTFT)

Similarly to the previous section, we calculate how easily a single ALLD mutant can invade into a resident population with strategy GTFT.

When two GTFT players interact in the game, their respective probabilities for each of the four outcomes in the last round simplify to,

$$\begin{aligned} v_R(GTFT, GTFT) &= 1, & v_T(GTFT, GTFT) &= 0, \\ v_S(GTFT, GTFT) &= 0, & v_P(GTFT, GTFT) &= 0. \end{aligned}$$

On the other hand, if an ALLD player interacts with a GTFT player, the respective probabilities according to Eq. 6 become

$$\begin{aligned} v_R(ALLD, GTFT) &= 0, & v_S(ALLD, GTFT) &= 0, \\ v_T(ALLD, GTFT) &= 1 - \delta + \delta q, & v_P(ALLD, GTFT) &= \delta(1 - q). \end{aligned}$$

As a consequence, we obtain the following probabilities  $x(u_1, u_2)$  that the payoff of a randomly chosen

GTFT player is  $u_1$  and that the payoff of the ALLD player is  $u_2$ ,

$$\begin{aligned}x(R, T) &= \frac{N-2}{N-1} \cdot (1 - \delta + \delta q) \\x(R, R) &= \frac{N-2}{N-1} \cdot \delta(1 - q) \\x(S, T) &= \frac{1}{N-1} \cdot (1 - \delta + \delta q) \\x(P, P) &= \frac{1}{N-1} \cdot \delta(1 - q)\end{aligned}$$

As a consequence, we can calculate the ratio of transition probabilities as

$$\frac{\lambda^+}{\lambda^-} = \frac{\frac{N-2}{N-1} \cdot \left( \frac{\delta(1-q)}{e^{-\beta(c-b)} + 1} + \frac{-\delta + \delta q + 1}{e^{-\beta c} + 1} \right) + \frac{1}{N-1} \cdot \left( \frac{-\delta + \delta q + 1}{e^{\beta(-(b+c))} + 1} \right)}{\frac{N-2}{N-1} \cdot \left( \frac{\delta(1-q)}{e^{-\beta(b-c)} + 1} + \frac{-\delta + \delta q + 1}{e^{\beta c} + 1} \right) + \frac{1}{N-1} \cdot \left( \frac{-\delta + \delta q + 1}{e^{-\beta((-b-c))} + 1} \right)}$$

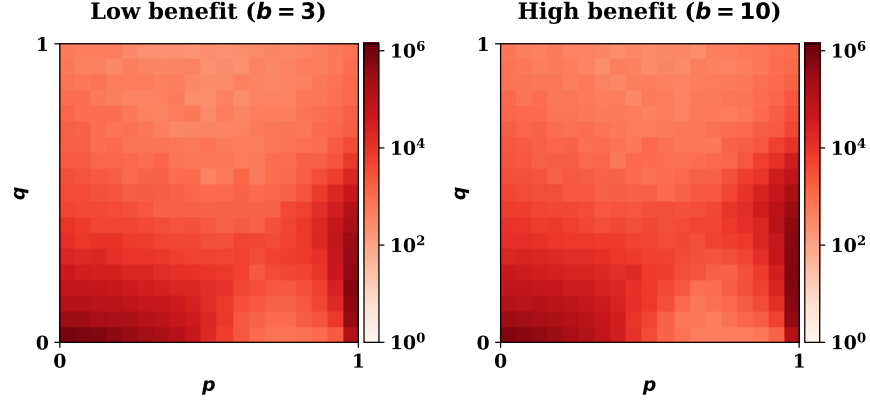
In particular, in the limit of strong selection  $\beta \rightarrow \infty$  and large populations  $N \rightarrow \infty$ , we obtain

$$\frac{\lambda^+}{\lambda^-} = \frac{1 - \delta + \delta q}{\delta(1 - q)}$$

This ratio is smaller than 1 (such that ALLD is disfavored to invade) if  $q < 1 - 1/(2\delta)$ . For infinitely repeated games,  $\delta \rightarrow 1$ , this condition becomes  $q < 1/2$  (for  $q = 1/2$ , the payoff of the ALLD player is  $T > R$  for half of the time, and it is  $P < R$  for the other half. The probability that the number of mutants increase by one equals the probability that the mutant goes extinct).

## 2.4.2 Simulation results

In a similar fashion to Section 2.3, we simulate the evolutionary process given that individuals now use the last interaction-last round payoffs to update their strategies. Figure 4 shows simulation results. Though, a higher benefit results in a more cooperative population, in the case of these updating payoff, only to a slightly more cooperative. As shown in Figure 4 the evolving populations are more similar, both consisting of defectors and conditional cooperators. Compared to the expected payoffs, the conditional cooperators are also less cooperative  $p \approx 1$  and  $q \leq \frac{1}{2}$ . The increased benefit pushes the population closer to the boundary of  $q \leq \frac{1}{2}$  but that is the maximum.



**Figure 4: Evolutionary dynamics under one interaction last round payoffs with low (left) and high (right) benefit.** In the cases of low and high benefit case the resident population either consists of defectors (with  $p \approx q \approx 0$ ) or of conditional cooperators for which  $p \approx 1$  and  $q \leq \frac{1}{2}$ . Parameters:  $N = 100, c = 1, \beta = 1$ .

## 2.5 Updating Payoffs based on $n$ interactions - last $m$ round payoffs

So far we have presented the two extreme cases; the case where an individual updates based one interaction and one round, and the case where an individual updates based on all interactions and all rounds. In this work we also explore the intermediate cases (Figure 5). Namely the cases:

- last round  $n = 1$  with two other players  $m = 2$
- last two rounds  $n = 2$  with one other player  $m = 1$
- last two rounds  $n = 2$  with two other players  $m = 2$

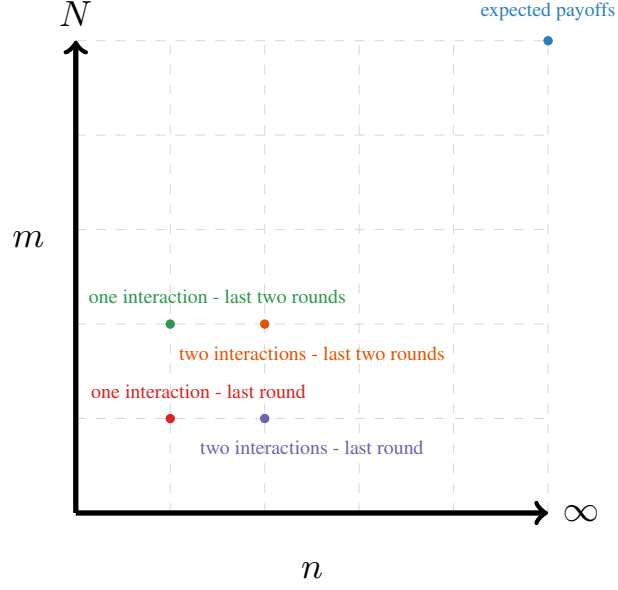
We define the payoffs on the two last round, and in the updating phase the probability that.

We extend our framework to consider the case where players update their strategies based on the outcome of **the last two turns and based on their interaction with two other members of the population**. At the stage game we define the payoff of a reactive strategy in the last two rounds, Proposition 2.

**Proposition 2.** Consider a repeated game, with continuation probability  $\delta$ , between players with reactive strategies  $s_1 = (y_1, p_1, q_1)$  and  $s_2 = (y_2, p_2, q_2)$  respectively. Let  $\tilde{\mathcal{U}} = \{RR, RS, RT, RP, SR, SS, ST, SP, TR, TS, TT, TP, PR, PS, PT, PP\}$  denote the set of feasible payoffs in the last two rounds, and let  $\tilde{\mathbf{u}}$  be the corresponding payoff vector. Then the probability that the  $s_1$  player receives the payoff  $u \in \tilde{\mathcal{U}}$  in the very last two rounds of the game is given by,

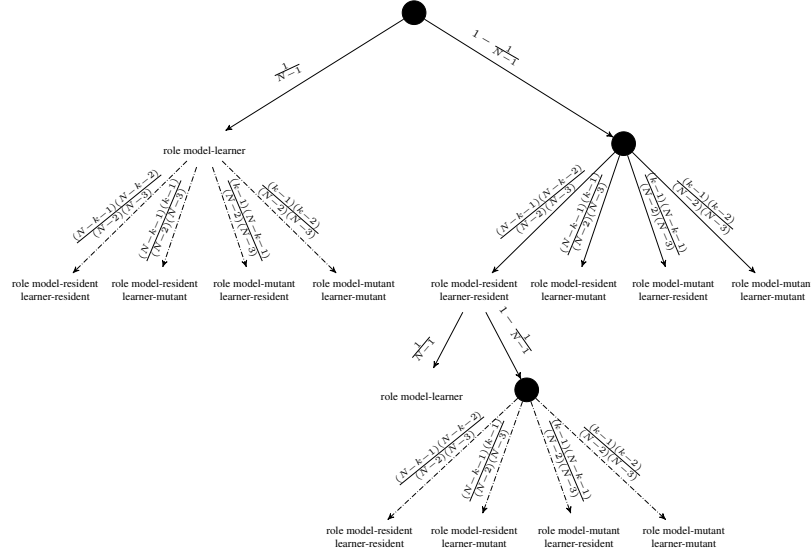
$$\langle \tilde{\mathbf{v}}(s_1, s_2), \tilde{\mathbf{u}} \rangle, \text{ where } \tilde{\mathbf{v}} \in R^{16} \text{ is given by,} \quad (11)$$

$$\tilde{\mathbf{v}}(s_1, s_2) = (1 - \delta)m_{a_1, a_2}\delta^2 [\mathbf{v}_0(I_4 - \delta M)^{-1}]_{a_1, a_2}, \quad m_{a_1, a_2} \in M \forall a_1, a_2 \in \{1, 2, 3, 4\}. \quad (12)$$



**Figure 5: Updating payoffs used in this work.**  $n$  is the number of turns and  $m$  th number of individuals. The expected payoffs are the one commonly used in the literature. We have introduced a method for the rest.

In the updating stage we select a mutant and resident to be either the role model or the learner. Given that they can interact with two other members of the population there are a total of twenty four possible combinations of pairs (Figure 6).



**Figure 6: Possible pairings combination in the updating stage, given that individuals interact with two other members in the population.**

For the above cases we use combinations of Eq. 1 2 and 3.