

Directions:

Write your solutions using and \LaTeX . Then submit the files `hw9.tex`, `hw9.pdf`, and `tic-tac-toe.ipynb`.

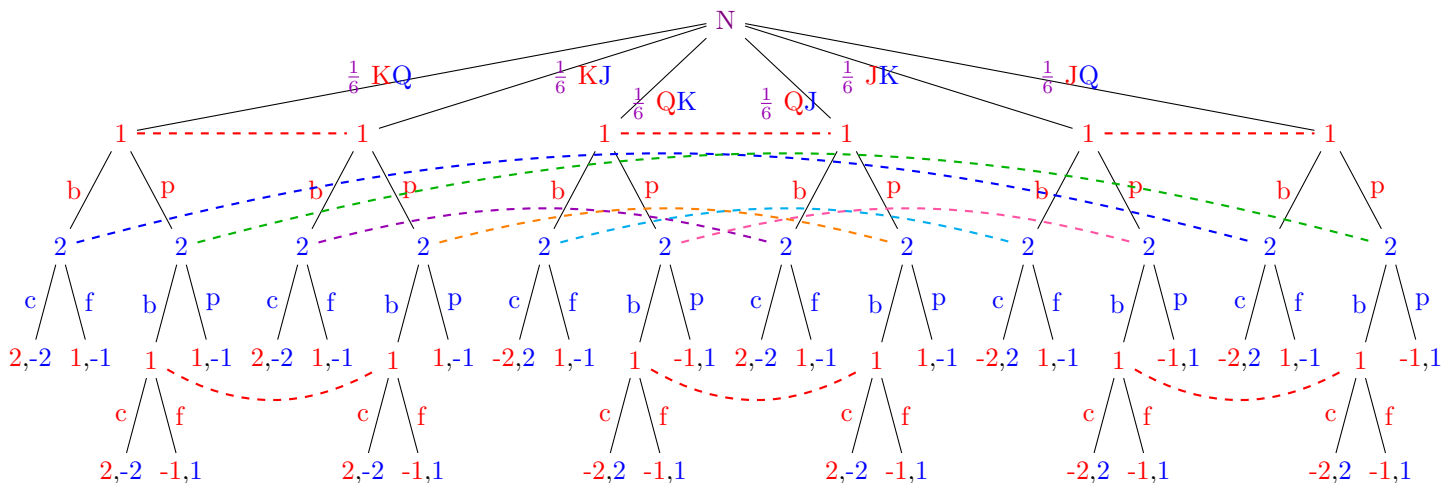
Problem 1

- (a) Use the Jupyter notebook `tic-tac-toe.ipynb` to prove that tic-tac-toe is a draw. There is a node class already implemented for you that represents a state of the game for tic-tac-toe. Your task is to implement backwards induction and use it to demonstrate that both players get utility zero in the subgame perfect equilibrium.
- (b) Briefly explain how you know that when your code finds one SPE with utility 0, it means every SPE of tic-tac-toe must result in a draw. **Hint:** think about what theorem from earlier in the semester helps answer this question.

The Mini-Max theorem states that every Nash equilibrium is both a max-min and min-max for each player in a zero-sum game. We found one sub-game perfect equilibrium with utility zero. We also know that every sub-game perfect equilibrium is a Nash equilibrium. So, by the Mini-Max theorem, every Nash equilibrium must be zero, and in this case, every sub-game perfect equilibrium gives a utility of 0.

Problem 2

Use the extensive form game tree for Kuhn poker, and the following cumulative gains so far to perform the next iteration of the CFR algorithm.



P_1	\$	\emptyset
K	4	2
Q	3	3
J	2	4
Kpb	5	1
Qpb	3	3
Jpb	1	5

P_2	\$	\emptyset
•Kb	5	1
•Kb	5	1
•Qb	3	3
•Qp	4	2
•Jb	1	5
•Jp	2	4

You have been provided with correct solutions for **Player 2**. Complete the solution by filling in results for **Player 1** in each table. You do not need to show the steps that are done per-node (it's recommended that you still work through those steps, but you don't need to write up the results in L^AT_EX). **Hint:** when calculating the expected utility of an information set, you can check your work by doing it two ways: first fill in the deviation payoffs and multiply by strategy probabilities; then find node-utilities and multiply by belief probabilities. These should give the same answer!

- (a) Identify the current profile of behavioral strategies.

P_1	\$	\emptyset
K	$\frac{2}{3}$	$\frac{1}{3}$
Q	$\frac{1}{2}$	$\frac{1}{2}$
J	$\frac{1}{3}$	$\frac{2}{3}$
Kpb	$\frac{5}{6}$	$\frac{1}{6}$
Qpb	$\frac{1}{2}$	$\frac{1}{2}$
Jpb	$\frac{1}{6}$	$\frac{5}{6}$

P_2	\$	\emptyset
•Kb	$\frac{5}{6}$	$\frac{5}{6}$
•Kb	$\frac{5}{6}$	$\frac{5}{6}$
•Qb	$\frac{1}{2}$	$\frac{1}{2}$
•Qp	$\frac{2}{3}$	$\frac{1}{3}$
•Jb	$\frac{1}{6}$	$\frac{5}{6}$
•Jp	$\frac{1}{3}$	$\frac{2}{3}$

- (b) Find conditional beliefs at each information set using those probabilities.

P_1	\$	\emptyset
K	$\frac{1}{2}$	$\frac{1}{2}$
Q	$\frac{1}{2}$	$\frac{1}{2}$
J	$\frac{1}{2}$	$\frac{1}{2}$
Kpb	$\frac{2}{3}$	$\frac{1}{3}$
Qpb	$\frac{5}{7}$	$\frac{2}{7}$
Jpb	$\frac{5}{9}$	$\frac{4}{9}$

P_2	\$	\emptyset
•Kb	$\frac{3}{5}$	$\frac{2}{5}$
•Kb	$\frac{3}{7}$	$\frac{4}{7}$
•Qb	$\frac{2}{3}$	$\frac{1}{3}$
•Qp	$\frac{1}{3}$	$\frac{2}{3}$
•Jb	$\frac{4}{7}$	$\frac{3}{7}$
•Jp	$\frac{2}{5}$	$\frac{3}{5}$

- (c) Find the deviation payoff for each action and the expected utility of each information set.

P_1	\$	\emptyset	IS
K	$\frac{4}{3}$	$\frac{5}{4}$	$\frac{47}{36}$
Q	$-\frac{1}{6}$	$-\frac{7}{24}$	$-\frac{11}{48}$
J	-1	$-\frac{9}{8}$	$-\frac{13}{12}$
Kpb	2	-1	$\frac{3}{2}$
Qpb	$-\frac{6}{7}$	-1	$-\frac{13}{14}$
Jpb	-2	-1	$-\frac{7}{6}$

P_2	\$	\emptyset	IS
•Kb	2	-1	$\frac{3}{2}$
•Kb	$\frac{55}{42}$	1	$\frac{317}{252}$
•Qb	$-\frac{2}{3}$	-1	$-\frac{5}{6}$
•Qp	$\frac{5}{18}$	$\frac{1}{3}$	$\frac{8}{27}$
•Jb	-2	-1	$-\frac{7}{6}$
•Jp	$-\frac{9}{10}$	-1	$-\frac{29}{30}$

(d) Find the probability-weighted gain for each action at each information set.

P_1	\$	\emptyset	P_2	\$	\emptyset
K	$\frac{1}{108}$	0	•Kb	$\frac{5}{72}$	0
Q	$\frac{1}{48}$	0	•Kb	$\frac{13}{1296}$	0
J	$\frac{1}{36}$	0	•Qb	$\frac{1}{36}$	0
Kpb	$\frac{1}{3}$	0	•Qp	0	$\frac{1}{162}$
Qpb	$\frac{1}{56}$	0	•Jb	0	$\frac{7}{216}$
Jpb	0	$\frac{1}{24}$	•Jp	$\frac{1}{108}$	0

(e) Find the new strategy profile by updating the cumulative gains and normalizing.

P_1	\$	\emptyset	P_2	\$	\emptyset
K	0.6672	0.3328	•Kb	.8352	.1648
Q	0.5017	0.4983	•Kb	.8336	.1664
J	0.3364	0.6636	•Qb	.5023	.4977
Kpb	0.8421	0.1579	•Qp	.6660	.3340
Qpb	0.5014	0.4985	•Jb	.1658	.8342
Jpb	0.1655	0.8345	•Jp	.3344	.6656