

	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 1	Topic BASIC MATERIAL	Marks& seen/unseen
Parts	<p>(a). A pair of strategies, α^* for player A and β^* for player B, are said to be in <u>equilibrium</u> if:</p> $g_A(\alpha^*, \beta^*) \geq g_A(\alpha, \beta^*), \forall \alpha \in A_S$ $g_B(\alpha^*, \beta^*) \geq g_B(\alpha^*, \beta), \forall \beta \in B_S.$	<p style="text-align: right;">} A</p> <p style="text-align: right;">3 Seen definition</p>
	<p>(b). We have:</p> $\max_{\alpha \in A_S} \{g_A(\alpha, \beta^*)\} \geq \max_{\alpha \in A_S} \{g_A(\alpha, \beta^*)\}, \quad (1)$ <p>Since A_S is a subset of A.</p> <p>Conversely, writing $\alpha = (p_1, p_2, \dots, p_n)$, $p_i \geq 0$, $\sum_i p_i = 1$, then:</p> $g_A(\alpha, \beta^*) = \sum_i p_i g_A(a_i, \beta^*), \text{ by definition}$ $\leq \sum_i p_i \max_{a \in A_S} \{g_A(a, \beta^*)\}, \because p_i \geq 0 \forall i.$ $= \max_{a \in A_S} \{g_A(a, \beta^*)\} \cdot \sum_i p_i = \max_{a \in A_S} \{g_A(a, \beta^*)\}.$ <p>i.e. $\max_{\alpha \in A_S} \{g_A(\alpha, \beta^*)\} \leq \max_{a \in A_S} \{g_A(a, \beta^*)\}. \quad (2)$</p> <p>Taking (1) and (2) together proves equality. \square</p>	<p style="text-align: right;">} A</p> <p style="text-align: right;">Seen proof</p> <p style="text-align: right;">} 2 Seen proof</p> <p style="text-align: right;">} A</p>
	Setter's initials SJB	Checker's initials
		Page number 1

	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 1	Topic	Marks& seen/unseen
Parts		
(c).	A mixed strategy, α^* , for player A is called an equaliser strategy if: $g_B(\alpha^*, b) = c, \text{ constant}, \forall b \in B_s.$	1 A 1 B <u>Subscript B</u>
(d).	We have: $g_A(a_i, \beta^*) = c_1, \forall i,$ $g_B(\alpha^*, b_j) = c_2, \forall j,$ Since α^* and β^* are equaliser strategies (c_1, c_2 constants). $\Rightarrow g_A(\alpha^*, \beta^*) = \sum_i p_i g_A(a_i, \beta^*), \text{ writing } \alpha^* = \sum_i p_i a_i$ $= c_1 \sum_i p_i,$ $= c_1 = g_A(a_i, \beta^*), \forall i.$ Similarly $g_B(\alpha^*, \beta^*) = c_2 = g_B(\alpha^*, b_j), \forall j.$ By part (b), there can be no alternative mixed strategies that would perform better than α^* for A and β^* for B, thus α^*, β^* are mutual best responses and are in equilibrium.	1 A 1 B <u>seen definition</u> 1 A 1 B <u>seen proof</u> 2 B 2 A <u>seen proof</u> 1 A
	Setter's initials SJB	Checker's initials
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	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory																				
Question 1	Topic	Marks& seen/unseen																				
Parts																						
(e). (i).	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td>$b_1:$</td> <td>$B:$</td> <td>$b_3:$</td> </tr> <tr> <td></td> <td>$3n-1$</td> <td>$3n$</td> <td>$3n+1$</td> </tr> <tr> <td>$a_1 = \text{even}$</td> <td>2, 5</td> <td>6, 1</td> <td>4, 3</td> </tr> <tr> <td>A</td> <td colspan="3" style="border-top: none;"></td> </tr> <tr> <td>$a_2 = \text{odd}$</td> <td>5, 2</td> <td>3, 4</td> <td>1, 6</td> </tr> </table>		$b_1:$	$B:$	$b_3:$		$3n-1$	$3n$	$3n+1$	$a_1 = \text{even}$	2, 5	6, 1	4, 3	A				$a_2 = \text{odd}$	5, 2	3, 4	1, 6	<p><u>unseen game.</u></p> <p style="text-align: right;">2 A</p> <p style="text-align: right;">2 seen similar</p>
	$b_1:$	$B:$	$b_3:$																			
	$3n-1$	$3n$	$3n+1$																			
$a_1 = \text{even}$	2, 5	6, 1	4, 3																			
A																						
$a_2 = \text{odd}$	5, 2	3, 4	1, 6																			
(ii)	<p>We can delete strategy $b_2: 3n$ for player B since it is <u>strictly dominated by</u> strategy $b_3: 3n+1$ for B. This leaves us with the game:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td>b_1</td> <td>B</td> <td>b_3</td> </tr> <tr> <td>a_1</td> <td>2, 5</td> <td>4, 3</td> <td>No pure strategy equilibria.</td> </tr> <tr> <td>A</td> <td colspan="3" style="border-top: none;"></td> </tr> <tr> <td>a_2</td> <td>5, 2</td> <td>1, 6</td> <td></td> </tr> </table>		b_1	B	b_3	a_1	2, 5	4, 3	No pure strategy equilibria.	A				a_2	5, 2	1, 6		<p style="text-align: right;">1 C</p> <p style="text-align: right;">1 seen similar</p>				
	b_1	B	b_3																			
a_1	2, 5	4, 3	No pure strategy equilibria.																			
A																						
a_2	5, 2	1, 6																				
	<p>Let $\alpha^* = (p, 1-p)$ and $\beta^* = (q, 1-q)$. We seek a pair of equaliser strategies for the players, which, by part (d), form an equilibrium of the game.</p> <p>For α^* to be an ES, we insist:</p> $g_B(\alpha^*, b_1) = g_B(\alpha^*, b_2)$																					
	Setter's initials SJB	Checker's initials 																				
		Page number 3																				

	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 1	Topic	Marks& seen/unseen
Parts (e). (ii). (continued.)	$\Rightarrow 5p + 2(1-p) = 3p + 6(1-p)$ $\Rightarrow 3p + 2 = 6 - 3p$ $\Rightarrow p = \frac{2}{3}$ <p>Similarly, for β^* to be in ES for B, we insist:</p> $g_A(a_1, \beta^*) = g_A(a_2, \beta^*)$ $\Rightarrow 2q + 4(1-q) = 5q + 1-q$ $\Rightarrow q = \frac{1}{2}$ <p>Thus the game has just one equilibrium, when the players play the strategies:</p> $((\frac{2}{3}, \frac{1}{3}), (\frac{1}{2}, 0, \frac{1}{2}))$, respectively.	1 Seen Similar C 3 Some sensible method to find equilibrium C 1 Seen Similar
	Setter's initials SJB	Checker's initials Q1: Total: 20

	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 2	Topic ZERO-SUM GAMES / CONGESTION GAMES	Marks& seen/unseen
Parts (a).	<p>(i). (a_1, b_1) is a pure strat. equilibrium if $x \geq 1$ and $x \leq 1$, i.e. $x = 1$.</p> <p>(a_1, b_2) is a pure strat. equilibrium if $x \leq 1$ and $x \geq 3$, which is impossible.</p> <p>(a_2, b_1) is a pure strat. equilibrium if $1 \leq x \leq 3$.</p> <p>(a_2, b_2) is a pure strat. equilibrium if $x \geq 3$ and $x \leq 3$, i.e. $x = 3$.</p> <p>\Rightarrow The game has a pure strategy equilibrium $\Leftrightarrow \underline{1 \leq x \leq 3}$.</p>	A 3 Seen Similar
(ii).	If v is the value of the game, then there must exist at least one payoff larger than or equal to $v = \frac{11}{3} > 3$. Hence $x > 3$ for this to be the case.	B 1 unseen
(iii).	Since $x > 3$ there is no pure strategy equilibrium by (i). Since this is a finite game we know by Nash's theorem there exists an equilibrium in mixed strategies. We seek a pair of equaliser strategies, (α^*, β^*) , for the players. Denoting $\alpha^* = (\rho, 1-\rho) = \beta^*$ (from the symmetric payoff structure)	
	Setter's initials SJB	Checker's initials
		Page number 5

	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 2	Topic	Marks& seen/unseen
Parts		
(a). (iii). (continued)	<p>Then:</p> $g(a_1, \beta^*) = g(a_2, \beta^*)$ $\Rightarrow p + x(1-p) = px + 3(1-p)$ $\Rightarrow (1-x)p + x = (x-3)p + 3$ $\Rightarrow p = \frac{(x-3)}{2(x-2)}$ <p style="margin-left: 100px;">(since $x > 3$ we have $0 < p < 1$ as required).</p> <p>Thus:</p> $\alpha^* = \beta^* = \left(\frac{(x-3)}{2(x-2)}, \frac{(x-1)}{2(x-2)} \right)$ <p>are a pair of ES and hence forms an equilibrium of the game. Therefore, for example, $v = g(\alpha^*, b_1) = \frac{11}{3}$.</p> $\Rightarrow v = 1 \cdot \frac{(x-3)}{2(x-2)} + x \cdot \left(\frac{(x-1)}{2(x-2)} \right) = \frac{11}{3}$ $\Leftrightarrow (x-3) + x^2 - x = \frac{11}{3} \cdot 2(x-2)$ $\Leftrightarrow 3x^2 - 22x + 35 = 0$ $\Leftrightarrow (3x-7)(x-5) = 0$ $\Leftrightarrow x = \frac{7}{3} \text{ or } x = 5, \text{ but } \frac{7}{3} < 3, \text{ so}$ <p>the only value of x giving $v = \frac{11}{3}$ is <u>$x = 5$</u>.</p>	<p style="color: red; margin-left: 100px;">Some method to find equilibrium.</p> <p style="color: red; margin-left: 100px;">3</p> <p style="color: red; margin-left: 100px;">seen similar</p> <p style="color: red; margin-left: 100px;">C</p> <p style="color: red; margin-left: 100px;">2</p> <p style="color: red; margin-left: 100px;">unseen</p>
	Setter's initials <u>SJB</u>	Checker's initials
		Page number <u>6</u>

	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 2	Topic	Marks& seen/unseen
Parts		
(b).	<p>(i). In a congestion game with N users, the strategies P_1, \dots, P_N (paths through the network from origin to destination) of all N users define an equilibrium if each strategy is a best response to the other strategies, i.e., that, for each user i:</p> $\text{Cost}(P_i) \leq \text{Cost}(Q_i),$ <p>for all possible different strategies Q_i of user i.</p> <p>(ii). Suppose that x users take the route AB, y users ($y \leq x$) take the route BC along the top path, $x-y$ users take BC through the middle and $10-x$ users take AC along the bottom.</p> <p>Then:</p> $C_{\text{top}} = x+y$ $C_{\text{mid}} = x+2$ $C_{\text{bot}} = 20-2x$ <p>In equilibrium we must have $C_{\text{top}} = C_{\text{mid}} (\pm 1)$. This gives $y = 1, 2, 3$. Similarly, $C_{\text{bot}} = C_{\text{mid}} (\pm 1)$ giving $x = 6$. We check each case to see which are in equilibrium, finding all equilibria to be:</p>	<p style="text-align: right;">3</p> <p style="text-align: right;">A</p> <p style="text-align: right;">Seen definition</p> <p style="text-align: right;">2</p> <p style="text-align: right;">A</p> <p style="text-align: right;">Seen similar</p>
	Setter's initials SJB	Checker's initials
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	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 2	Topic	Marks& seen/unseen
Parts		
(b). (ii). (continued.)	<ul style="list-style-type: none"> 7 users along the top route, cost = 7 each; 5 users along the middle route, cost = 8 each; 4 users along the bottom path, cost = 8 each. 2 users along the top route, cost = 8 each; 4 users along the middle route, cost = 8 each; 4 users along the bottom route, cost = 8 each. <p>(iii). Average cost per user</p> $ \begin{aligned} &= \frac{1}{10} (x^2 + y^2 + 2(x-y) + (10-x)(20-2x)) \\ &= \frac{1}{10} (x^2 + y^2 + 2x - 2y + 200 - 40x + 2x^2) \\ &= \frac{1}{10} (3x^2 - 38x + y^2 - 2y + 200) \\ &= \frac{1}{10} \left(3\left(x - \frac{19}{3}\right)^2 - 3\left(\frac{19}{3}\right)^2 + (y-1)^2 - 1 + 200 \right) \\ &= \frac{3}{10} \left(x - \frac{19}{3}\right)^2 + \frac{1}{10} (y-1)^2 + \frac{1}{10} \left(199 - \frac{19^2}{3}\right) \end{aligned} $ <p>This is minimised when $x=6$, $y=1$; so the social optimal flow is given by 1 user along the top, 5 users through the middle and 4 users along the bottom path.</p>	B 2 description of all equilibria Seen Similar
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	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 3	Topic COOPERATION / DEGENERACY	Marks& seen/unseen
Parts (a) (i)	<p>A's payoffs are:</p> $\begin{array}{c} b_1 \quad b_2 \quad b_3 \\ \hline a_1 & (1 \quad 2 \quad 3) \\ a_2 & (3 \quad 1 \quad 2) \end{array}$ <p>There is no pure strategy equilibria. b_3 is dominated by b_2 for B in this game, so can be deleted. In the remaining 2×2 game we can seek an ES for A, finding that $\alpha^* = (\frac{2}{3}, \frac{1}{3})$ is max-min for A, giving payoff $\frac{5}{3}$, so then: $\underline{t_A} = \frac{5}{3}$.</p> <p>B's payoffs are:</p> $\begin{array}{c} b_1 \quad b_2 \quad b_3 \\ \hline a_1 & (2 \quad 2 \quad 2) \\ a_2 & (1 \quad 0 \quad 4) \end{array}$ <p>There is a pure strategy equilibrium at (a_1, b_3), so then b_3 is a max-min strategy for B giving payoff 2, so that: $\underline{t_B} = 2$.</p> <p>The threat point is thus $(\frac{5}{3}, 2)$.</p>	<div style="display: flex; align-items: center;"> B 3 seen Similar </div> <div style="display: flex; align-items: center;"> B 2 seen Similar </div>
	Setter's initials SJB	Checker's initials
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	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 3	Topic	Marks& seen/unseen
Parts		
(ii)		<p>A</p> <p>4</p> <p>Seen Similar</p> <p>(1: pareto-f 2: S 1: convex hull)</p>
(iii)	<p>We maximise the Nash product $(x-t_A)(y-t_B)$ over the pareto-optimal frontier; which has equation $y = -2x + 8$:</p> $(x - \frac{5}{3})(y - 2) = (x - \frac{5}{3})(6 - 2x)$ $= -2x^2 + \frac{28}{3}x - 10,$ <p>which is maximised when: $x = \frac{7}{3}, y = \frac{10}{3}$.</p> <p>This is in the bargaining set S, hence it gives the Nash bargaining solution. To implement this one possibility is that B plays b_3 and A plays $(\frac{1}{3}, \frac{2}{3})$. [or other joint strategies plausible].</p>	<p>A</p> <p>1 Nash-p</p> <p>1 lie eq.</p> <p>1 quadratic.</p> <p>C</p> <p>max point.</p> <p>C</p> <p>Seen Similar</p>
	<p>Setter's initials SJB</p> <p>Checker's initials</p>	<p>Page number 10</p>

	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory								
Question 3	Topic	Marks& seen/unseen								
Parts (b).	<p>A b_1 b_2 b_3</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>a_1</td> <td>1, 2</td> <td>2, 2</td> <td>3, 2</td> </tr> <tr> <td>a_2</td> <td>3, 1</td> <td>1, 0</td> <td>2, 4</td> </tr> </table> <p>There are two pure strategy equilibria at (a_1, b_2) and (a_1, b_3).</p> <p>Notice that the pure strategy a_1 for A has <u>three</u> pure strategy best responses (b_1, b_2 and b_3) for B.</p> <p>Hence the game is degenerate. If A were to assign <u>any</u> positive probability to a_2, then B plays its weakly dominant strategy b_3. Thus, in <u>any</u> equilibrium of the game, A must play a_1.</p> <p>Denote $\beta = (q_1, q_2, 1-q_1-q_2)$ for B's strategy.</p> <p>(a_1, β) forms an equilibrium of the game so long as a_1 remains a best response for A against β.</p> <p>This means we need to insist:</p> $g_A(a_1, \beta) \geq g_A(a_2, \beta)$	a_1	1, 2	2, 2	3, 2	a_2	3, 1	1, 0	2, 4	<p>Seen Similar</p> <p>1 D</p> <p>if this isn't stated this is fine, this mark is awarded if solved correctly later.</p> <p>1 D</p> <p>A plays a_1 reason.</p> <p>Seen Similar</p> <p>unseen: B having 3 pure BR.</p> <p>2 D</p> <p>defn a₁ BR condition.</p>
a_1	1, 2	2, 2	3, 2							
a_2	3, 1	1, 0	2, 4							
	Setter's initials SJB	Checker's initials								
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	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 3	Topic	Marks& seen/unseen
Parts (b). (continued.)	$\Rightarrow q_1 + 2q_2 + 3(1-q_1-q_2) \geq 3q_1 + q_2 + 2(1-q_1-q_2)$ $\Rightarrow 3 - 2q_1 - q_2 \geq 2 + q_1 - q_2$ $\Rightarrow 1 \geq 3q_1, \text{ or: } \underline{0 \leq q_1 \leq \frac{1}{3}}, \quad \text{since } q_1 \geq 0 \text{ to have a valid strategy } \beta.$ <p>Moreover, for β to be a valid strategy for B, we need $q_1 + q_2 \leq 1$, i.e.</p> $\underline{0 \leq q_2 \leq 1 - q_1}, \quad \text{since } q_2 \geq 0 \text{ to have a valid } \beta.$ <p>Hence all equilibria of the game are of form:</p> $(a_1, (q_1, q_2, 1-q_1-q_2)),$ <p>with conditions ① and ② on q_1 and q_2.</p>	1 D 1 D 1 D
	Setter's initials SJB	Checker's initials
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	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 4	Topic IMPARTIAL GAMES	Marks& seen/unseen
Parts		
(a).	If $G \equiv *m$ for an impartial game G , then we call m the <u>Nim value</u> of G . (here $*m$ represents a single Nim pile of size m).	{ 2 A seen definition
(b).	We use top-down induction. Assume that the proposition holds for <u>all</u> games <u>simpler</u> than G (referring to G as the impartial game in question). Thus, the claim holds for all options of G , and hence if these are all winning, then G is losing because no matter which move is made in G we arrive at a winning option where a winning move can be made by the other player. If not all options of G are winning, then one of them, let's say H , is losing, and since the claim holds true for H then by moving to H the player forces a win, hence G is winning. To complete the inductive proof requires a base case, which we take as the game with no options; the simplest game.	{ 1 A seen proof { 1 A seen proof { 1 A seen proof { 1 A seen proof { 1 A seen proof
	□	
	Setter's initials SJB	Checker's initials
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	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 4	Topic	Marks& seen/unseen
Parts (c). (i).	<p>A split-Nim pile of size 1 cannot be split, so it is the same as an ordinary Nim pile of size 1 with Nim value <u><u>1</u></u>.</p> <p>A split-Nim pile of size 2 can be reduced to a pile of size 1, or 0, or can be split into two split-Nim piles of size 1, which has Nim value $1 \oplus 1 = 0$, so is losing. Thus the Nim value of the split-Nim pile of size 2 is $\text{mex}(0, 1, 0) = \underline{\underline{2}}$.</p> <p>A split-Nim pile of size 3 has the additional option of being split into split-Nim piles of sizes 1 and 2. These have Nim values 1 and 2 (above), so this option has Nim value $1 \oplus 2 = 3$. Therefore the split-Nim pile of size 3 has Nim value $\text{mex}(0, 1, 2, 3) = \underline{\underline{4}}$.</p> <p>A split-Nim pile of size 4 can be reduced to split-Nim piles of sizes 0, 1, 2 or 3 which single have Nim-values 0, 1, 2 and 4 or has two other options: being split into two split-Nim piles of sizes 1 and 3, with Nim value $1 \oplus 4 = 5$, or being split into two split-Nim piles of sizes</p>	<p><u>unseen game:</u></p> <p>1 A Seen Similar arguments</p> <p>1 A Seen Similar arguments with mex rule</p> <p>1 B Seen Similar arguments with mex rule</p>
	Setter's initials SJB	Checker's initials Page number 14

	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 4	Topic	Marks& seen/unseen
Parts (c). (i). (continued.)	<p>2 and 2, with Nim value $2 \oplus 2 = 0$. Thus the Nim value of the split-Nim pile of size 4 is $\text{mex}(0, 1, 2, 4, 5, 0) = \underline{\underline{3}}$.</p> <p>(ii). The Nim value of the split-Nim position with three piles of sizes 1, 2 and 3 is $1 \oplus 2 \oplus 4 = 7$, so this is a <u>winning</u> position. ^{values from (i).} A winning move must reduce the Nim value to 0, so must be made in the pile of size 4. We need to obtain a Nim-value of 3 from our move in the pile of size 3 (so that then the option we move to has Nim value $1 \oplus 2 \oplus 3 = 0$ and is thus losing). This is achieved in only one way, by splitting the pile into two piles of sizes 1 and 2 respectively (Nim-value 3 from part (i)).</p> <p>The Nim-value of the split-Nim position with three piles of sizes 1, 2 and 4 is $1 \oplus 2 \oplus 3 = 0$, so this is a <u>losing</u> position and no winning moves exist.</p>	<p>B 2 Seen Sim. arguments w. mex rule.</p> <p>C 1 Seen-Sim. Calculation.</p> <p>C 1 move in pile size 4</p> <p>D 2 unseen game seen sim. arguments.</p> <p>C 1 Seen Sim. Calculation.</p>
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	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 4	Topic	Marks& seen/unseen
Parts		
(c). (iii).	<p>The statement is <u>true</u>.</p> <p>We prove this by contradiction: assume that there were two Split-Nim piles that were equivalent, but have <u>different</u> sizes.</p> <p>Since the two piles are equivalent, their game sum will have Nim-value 0 and thus be losing.</p> <p>However, in such a game, the larger of the two Split-Nim piles could be reduced to the same size of the smaller pile, creating a game sum of two identical games (the two equal split-Nim piles) which, by the Copycat principle for impartial games, is always losing. Thus, this pile equalising move would constitute a <u>winning move</u> in the original game, we have a <u>contradiction</u> and so our original assumption must be false, proving the desired conjecture. □</p>	<p>unseen</p> <p>D</p> <p>1</p> <p>Sensible method attempt of proof.</p> <p>unseen</p> <p>D</p> <p>3</p> <p>prog</p> <p>unseen</p> <p>Q4: Total: 20</p>
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	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory																									
Question 5	Topic MASTERY:	Marks& seen/unseen																									
Parts	(a). We assign payoff 0 to each player for a draw game, +1 for a win game and -1 for a lost game. Hence all games are zero-sum.	Unseen game. See similar method.																									
	<p>For $n=3$:</p> <table style="margin-left: 100px;"> <tr> <td></td> <td>B</td> <td colspan="3">we denote $a_i = \text{player A chooses } i$. Similarly for player B and b_j.</td> </tr> <tr> <td></td> <td>b_1</td> <td>b_2</td> <td>b_3</td> <td></td> </tr> <tr> <td>a_1</td> <td>0</td> <td>1</td> <td>-1</td> <td></td> </tr> <tr> <td>a_2</td> <td>1</td> <td>0</td> <td>1</td> <td></td> </tr> <tr> <td>a_3</td> <td>-1</td> <td>1</td> <td>0</td> <td></td> </tr> </table>		B	we denote $a_i = \text{player A chooses } i$. Similarly for player B and b_j .				b_1	b_2	b_3		a_1	0	1	-1		a_2	1	0	1		a_3	-1	1	0		<p>2 Sensible payoffs + strategic form.</p>
	B	we denote $a_i = \text{player A chooses } i$. Similarly for player B and b_j .																									
	b_1	b_2	b_3																								
a_1	0	1	-1																								
a_2	1	0	1																								
a_3	-1	1	0																								
	<p>No pure strategy equilibria. We look for a pair of equaliser strategies. Owing to the symmetric structure of the game we seek a pair of ES of the form $\alpha^* = \beta^* = (p, 1-2p, p)$. If these are ES then we must have:</p> $g(\alpha^*, b_1) = g(\alpha^*, b_2), \text{ or:}$ $1-3p = 2p$ $\Rightarrow p = \frac{1}{5}.$ <p>Thus: (α^*, β^*), where $\alpha^* = \beta^* = (\frac{1}{5}, \frac{3}{5}, \frac{1}{5})$, give a pair of max-min, min-max strategies; a solution of the game.</p> <p style="border: 1px solid black; padding: 2px;">Value = $\frac{2}{5}$</p> <p style="color: red;">to be done</p>	<p>3 on equilibrium of game.</p> <p>See similar method.</p>																									
	<p>Setter's initials SJB</p> <p>Checker's initials</p>	<p>Page number 17</p>																									

	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 5	Topic	Marks& seen/unseen
Parts	(b). $n=4:$	
	$\begin{array}{c cccc} & b_1 & b_2 & b_3 & b_4 \\ \hline a_1 & 0 & 1 & -1 & -1 \\ a_2 & 1 & 0 & 1 & -1 \\ a_3 & -1 & 1 & 0 & 1 \\ a_4 & -1 & -1 & 1 & 0 \end{array}$	unseen
	<p>We are given that $\alpha^* = (0, \frac{1}{2}, \frac{1}{2}, 0)$ is max-min for player A. We find that:</p> $g(\alpha^*, b_1) = g(\alpha^*, b_4) = 0$ $g(\alpha^*, b_2) = g(\alpha^*, b_3) = \frac{1}{2}$	} 2 reasonable argument as to form of β^*. } unseen
	<p>Therefore if β^* is min-max for player B there cannot be any positive probability assigned to b_2 or b_3 (since playing b_1 or b_4 does better). Thus we seek a min-max strategy β^* for B of form:</p> $\beta^* = (q, 0, 0, 1-q).$ <p>Insisting that $g(a_2, \beta^*) = g(a_3, \beta^*)$ so player A is indifferent over a_2 and a_3 and can hence mix between them gives: $q - (1-q) = -q + 1 - q$</p> $\Rightarrow q = \frac{1}{2}.$ <p>Hence $\beta^* = (\frac{1}{2}, 0, 0, \frac{1}{2})$ is min-max for B.</p>	} 2 a min-max for B } unseen } 1 value
	Setter's initials SJB	Checker's initials <div style="border: 1px solid black; padding: 2px; display: inline-block;">Value = 0</div>
		Page number 18

	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory																																				
Question 5	Topic	Marks& seen/unseen																																				
Parts																																						
(c)	<u>$n=5:$</u> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <th></th> <th>b_1</th> <th>b_2</th> <th>b_3</th> <th>b_4</th> <th>b_5</th> </tr> <tr> <th>a_1</th> <td>0</td> <td>1</td> <td>-1</td> <td>-1</td> <td>-1</td> </tr> <tr> <th>a_2</th> <td>1</td> <td>0</td> <td>1</td> <td>-1</td> <td>-1</td> </tr> <tr> <th>a_3</th> <td>-1</td> <td>1</td> <td>0</td> <td>1</td> <td>-1</td> </tr> <tr> <th>a_4</th> <td>-1</td> <td>-1</td> <td>1</td> <td>0</td> <td>1</td> </tr> <tr> <th>a_5</th> <td>-1</td> <td>-1</td> <td>-1</td> <td>1</td> <td>0</td> </tr> </table>		b_1	b_2	b_3	b_4	b_5	a_1	0	1	-1	-1	-1	a_2	1	0	1	-1	-1	a_3	-1	1	0	1	-1	a_4	-1	-1	1	0	1	a_5	-1	-1	-1	1	0	unseen
	b_1	b_2	b_3	b_4	b_5																																	
a_1	0	1	-1	-1	-1																																	
a_2	1	0	1	-1	-1																																	
a_3	-1	1	0	1	-1																																	
a_4	-1	-1	1	0	1																																	
a_5	-1	-1	-1	1	0																																	
	<p>We are given $\alpha^* = (0, \frac{2}{5}, \frac{1}{5}, \frac{2}{5}, 0)$ is max-min for player A. We find that:</p> $g(\alpha^*, b_1) = g(\alpha^*, b_2) = g(\alpha^*, b_4) = g(\alpha^*, b_5) = -\frac{1}{5}$ $g(\alpha^*, b_3) = \frac{4}{5}.$ <p>Thus if β^* is min-max for B then b_3 is played with 0 probability. We seek β^* of form:</p> $\beta^* = (p, q, 0, r, 1-p-q-r).$ <p>If β^* is min-max for B it must be the case that:</p> $g(a_2, \beta^*) = g(a_3, \beta^*) = g(a_4, \beta^*)$ $\Rightarrow p-r-(1-p-q-r) = -p+q+r-(1-p-q-r)$ $= -p-q+1-p-q-r$ $\Rightarrow 2p+q-1 = 2q+2r-1 = -2p-2q-r+1$	<div style="text-align: right; margin-top: 20px;"> 2 <div style="display: inline-block; vertical-align: middle; margin-left: 10px;"> Sensible argument on form of β^* </div> </div>																																				
	Setter's initials SJB	Checker's initials 																																				
		Page number 19																																				

	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory
Question 5	Topic	Marks& seen/unseen
Parts (c). (continued.)	<p>The first equality gives: $2p = q + 2\Gamma$. ①</p> <p>Substituting this into the second equality gives:</p> $2p + q - 1 = -2p - 2q - (2p - q) \frac{1}{2} + 1$ $\Rightarrow 2p + q - 1 = -3p - \frac{3}{2}q + 1$ $\Rightarrow 5p = 2 - \frac{5}{2}q$ $\Rightarrow q = \frac{4}{5} - 2p.$ <p>And substituting back into ①: $\Gamma = p - \frac{1}{2}q$</p> $\Rightarrow \Gamma = 2p - \frac{2}{5}.$ <p>Then:</p> $1 - p - q - \Gamma = 1 - p - \left(\frac{4}{5} - 2p\right) - \left(2p - \frac{2}{5}\right)$ $= \frac{3}{5} - p, \text{ so we find if } \beta^* \text{ is min-max}$ <p>for B it must be of form:</p> $\beta^* = \left(p, \frac{4}{5} - 2p, 0, 2p - \frac{2}{5}, \frac{3}{5} - p\right),$ <p>but what range of values for p are viable?</p> <p>Well if α^* is max-min for A, clearly A cannot find a_1 or a_5 desirable against β^* (since they have zero probability in α^*). Thus;</p> $g(a_1, \beta^*) \leq -\frac{1}{5} \text{ and } g(a_5, \beta^*) \leq -\frac{1}{5}.$	3 β^* determined. unseen
	Setter's initials SJB	Checker's initials
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	EXAMINATION SOLUTION 23 - 24	Course: Introduction to Game Theory						
Question 5	Topic	Marks& seen/unseen						
Parts								
(c). (continued)	<p>These result in:</p> $\frac{4}{5} - 2p - \left(2p - \frac{2}{5}\right) - \left(\frac{3}{5} - p\right) \leq -\frac{1}{5}$ $\Rightarrow 3p \geq \frac{4}{5}, \text{ or } p \geq \frac{4}{15}, \text{ and:}$ $-p - \left(\frac{4}{5} - 2p\right) + \left(2p - \frac{2}{5}\right) \leq -\frac{1}{5}$ $\Rightarrow 3p \leq 1, \text{ or } p \leq \frac{1}{3} = \frac{5}{15}.$ <p>(which were the required bounds on p).</p> <p>Value = $-\frac{1}{5}$.</p>	<p>unseen</p> <p>2 range of P</p> <p>unseen</p> <p>1 value.</p>						
(d).	<p>A quick check shows:</p> <table style="margin-left: 100px;"> <tr> <td>$n=1: V=0$</td> <td rowspan="5" style="vertical-align: middle; text-align: center;">unseen</td> </tr> <tr> <td>$n=2: V=\frac{1}{2}$</td> </tr> <tr> <td>$n=3: V=\frac{2}{5}$</td> </tr> <tr> <td>$n=4: V=0$</td> </tr> <tr> <td>$n=5: V=-\frac{1}{5}$ or < 0</td> </tr> </table> <p>we found:</p> <p>So we conclude $n=1$ and $n=4$ are the <u>only</u> values for n for which this is a fair game. We loosely justify why for $n \geq 6$ we expect value $\neq 0$: As the game gains only additional -1 terms really extend the payoff matrix (it remains 0 on diagonal with $+1$ on the next diagonals), so gaining this structure only stands to benefit B.</p>	$n=1: V=0$	unseen	$n=2: V=\frac{1}{2}$	$n=3: V=\frac{2}{5}$	$n=4: V=0$	$n=5: V=-\frac{1}{5}$ or < 0	<p>unseen</p> <p>1 $n=1, 4$.</p> <p>unseen</p> <p>1 sensible argument as to why no more.</p>
$n=1: V=0$	unseen							
$n=2: V=\frac{1}{2}$								
$n=3: V=\frac{2}{5}$								
$n=4: V=0$								
$n=5: V=-\frac{1}{5}$ or < 0								
	<p>Setter's initials</p> <p>SJB</p> <p>Checker's initials</p> <p></p>	<p>In intuitively: if n is large. B could choose any value randomly and it is highly likely A chooses a value 'far' away from B's: so $V \rightarrow -1$ as $n \rightarrow \infty$</p> <p>Page number</p> <p>21</p>						