## Multi-Agent Systems

Vakcode: INFOMAS Date: 3 February 2010 Tijd: 14:00-17:00

There are five questions resulting in 10 points in total. Each question can have 2 points.

## Question 1

- Give three 2  $\times$  2 strategic normal-form games which have zero, one, and two Nash equilibria, respectively. The Nash equilibria should not be the product of dominant strategies.
- Consider the following game in which two players (a and b) wish to go to either a Bach or a Stravinsky concert.

a\b	Bach	Stravinsky
Bach	$2 \setminus 1$	0 \ 0
Stravinsky	0 \ 0	$1 \setminus 2$

Suppose player b does not want to make a choice (i.e., b selects randomly). Which mixed strategy should player a play in order to guarantee a Nash equilibrium? What is the expected utility of players a and b for this mixed strategy Nash Equilibrium?

## Question 2

- Describe the Vickrey auction in terms of bidding, clearing, and information rules?
- What is the dominant strategy of each bidder in the Vickrey auction? Prove informally that this strategy is the dominant strategy.

**Question 3** Consider the following two players (players 1 and 2) extensive game.

- Transform this extensive game to a normal-form strategic game.
- Determine the Subgame-perfect Nash equilibria of this game.
- Transform the Bach-Stravinsky normal-form game from question 1 to an equivalent extensive game.
- Let players in the Bach-Stravinsky game declare to play Bach. Would these utterances be self-commitment and self-revealing? Explain why.

Question 4 Consider the following voting scenario.

- Give the winners according to the plurality, majority, Condorcet, and Borda voting systems.
- Show if these preferences are single-peaked? Which candidate is the winner of the median voting rule?

Question 5 Design a mechanism with two alternatives and two players that implements a social choice function in Nash equilibria.