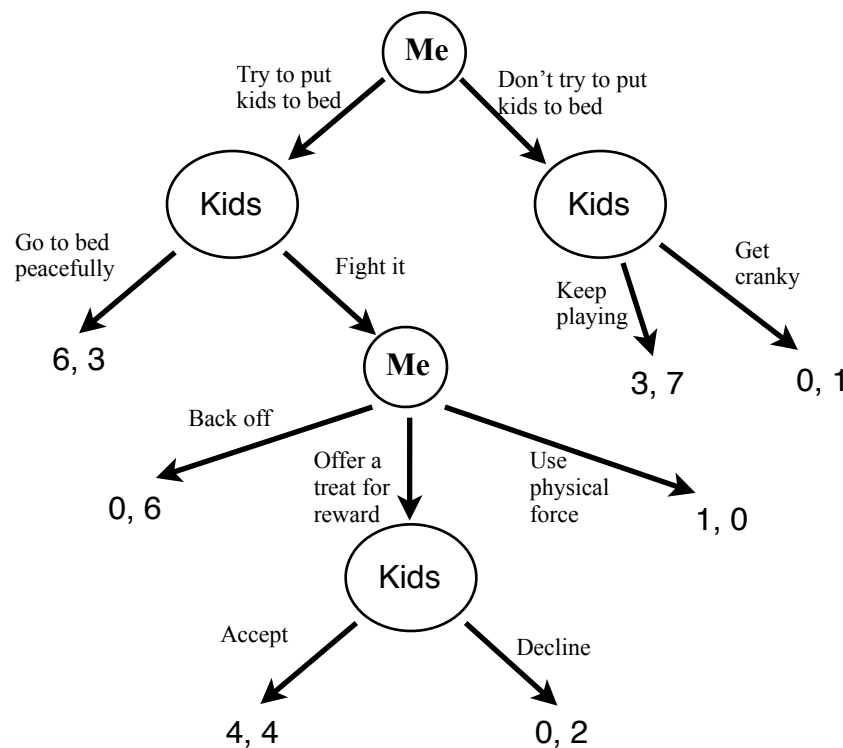


Due Wednesday, 25 September 2013

Homework #4 – Converting extensive-form games to normal-form (plus philosophy)

Policy: You can discuss these assignments together. But when it comes to actually doing the problems and putting pencil to paper, make it your own work. Please do not copy or allow someone else to copy your work.

1. Convert the following extensive-form game to a normal-form game. My payoffs are given first, followed by those of my kids. Identify, all pure-strategy Nash equilibria, and indicate which Nash equilibria are sub-game perfect. Indicate how you would play the game if you were “Me” and my “Kids,” respectively.



2. In a page or less, argue why or why not an agent should consider using mixed strategies in one-shot matrix games and repeated matrix games.