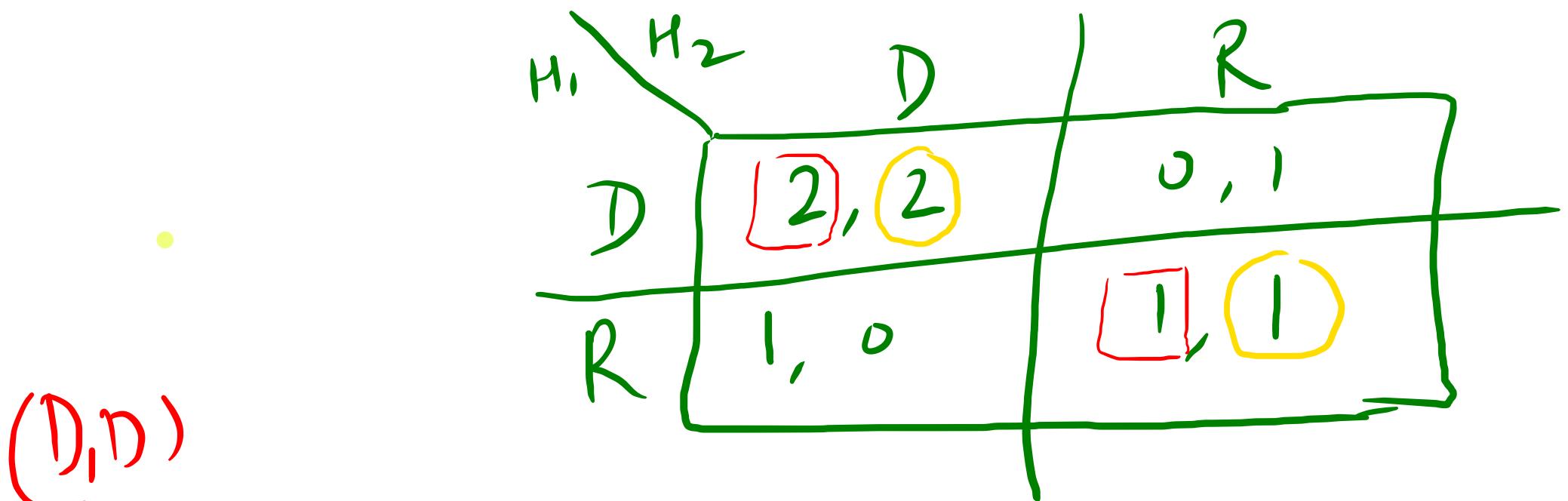


## Co-ordination game

- Hunting game
- There are two hunters
- either both of them
  - choose to hunt Deer jointly (D)
  - choose to hunt Rabbit individually (R)

- $H_1, H_2$
- Deer (2) jointly  
Rabbit (1), individual
- 2 NE
- No dominant strategy



$(D, D)$

→ pareto-optimal outcome

\* multiple nash equilibrium

- leadership game

Start up game



based on co-ordination

small organization, uncertainty related to  
employee,

pay package

each employee

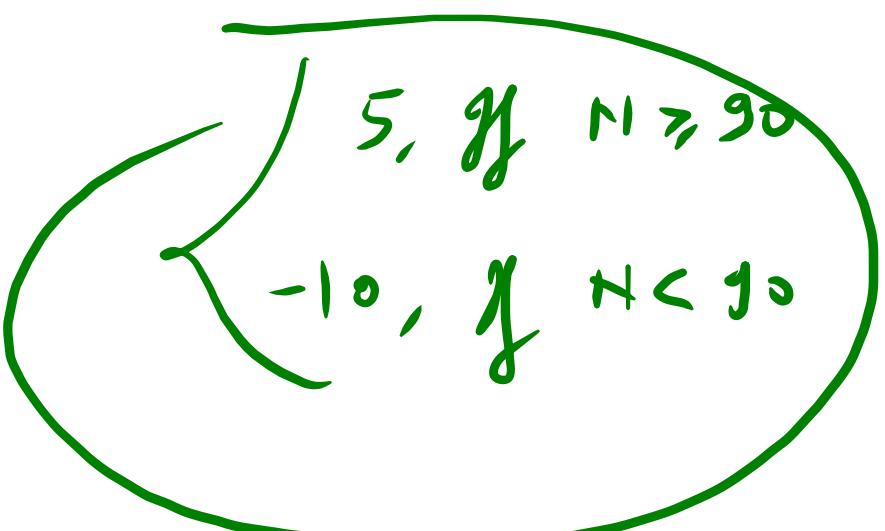
→ Work ( $w$ )

→ Quit ( $Q$ )

## Investment game

let  $N = 100$

$N$  users  
↳ large no. (say)



Don't invest  $\rightarrow 0$

- if 90% of them invest, then each gets a pay off (profit) of 5
- else they loose their original (say, 10)

2 Nash equilibrium

1. Everyone invest (pareto optimal)
2. No one invest