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

H_1 \ H_2	D	R
D	2, 2	0, 1
R	1, 0	1, 1

(D,D)

↳ pareto - optimal outcome

- leadership game

* multiple nash equilibrium

Start up game

→ based on co-ordination

small organization, uncertainty related to employee, pay package

each employee → work (W)

→ quit (Q)

Investment game

N users

↳ large no. (say)

Let N = 100

— if 90% of them invest, then each gets a pay off (profit) of 5

— else they loose their original (say, 10)

5, if N ≥ 90

-10, if N < 90

Don't invest → 0

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