Models of Strategic Reasoning Lecture 4

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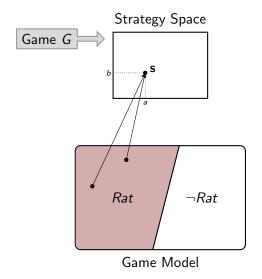
August 9, 2012

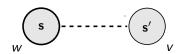
Game Plan

- ✓ Introduction, Motivation and Background
- √ The Dynamics of Rational Deliberation
- √ Reasoning to a Solution: Common Modes of Reasoning in Games
- **Lecture 4:** Reasoning to a Model: Iterated Belief Change as Deliberation
- Lecture 5: Reasoning in Specific Games: Experimental Results

"In any particular structure, certain beliefs, beliefs about belief, ..., will be present and others won't be. So, there is an important implicit assumption behind the choice of a structure. This is that it is "transparent" to the players that the beliefs in the type structure — and only those beliefs — are possibleThe idea is that there is a "context" to the strategic situation (eg., history, conventions, etc.) and this "context" causes the players to rule out certain beliefs." (pg. 810)

Adam Brandenburger and Amanda Friedenberg. *Self-Admissible Sets.* Journal of Economic Theory, 145, 785 - 811, 2010.





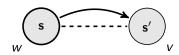
Epistemic Model: $\mathcal{M} = \langle W, \{\sim_i\}_{i \in \mathcal{A}}, V \rangle$

 \triangleright $w \sim_i v$ means i cannot rule out v according to her information.

Language: $\varphi := p \mid \neg \varphi \mid \varphi \wedge \psi \mid K_i \varphi$

Truth:

- $ightharpoonup \mathcal{M}, w \models p \text{ iff } w \in V(p) \ (p \text{ an atomic proposition})$
- Boolean connectives as usual
- \blacktriangleright $\mathcal{M}, w \models K_i \varphi$ iff for all $v \in W$, if $w \sim_i v$ then $\mathcal{M}, v \models \varphi$



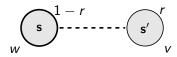
Epistemic-Plausibility Model: $\mathcal{M} = \langle W, \{\sim_i\}_{i \in \mathcal{A}}, \{\leq_i\}_{i \in \mathcal{A}}, V \rangle$

 \triangleright $w \leq_i v$ means v is at least as plausibility as w for agent i.

Language: $\varphi := p \mid \neg \varphi \mid \varphi \wedge \psi \mid K_i \varphi \mid B^{\varphi} \psi \mid [\preceq_i] \varphi$

Truth:

- $\blacktriangleright \mathcal{M}, w \models B_i^{\varphi} \psi$ iff for all $v \in Min_{\preceq_i}(\llbracket \varphi \rrbracket_{\mathcal{M}} \cap [w]_i), \mathcal{M}, v \models \psi$
- $\blacktriangleright \mathcal{M}, w \models [\preceq_i] \varphi$ iff for all $v \in W$, if $v \preceq_i w$ then $\mathcal{M}, v \models \varphi$



Epistemic-Plausibility Model: $\mathcal{M} = \langle W, \{\sim_i\}_{i \in \mathcal{A}}, \{\pi_i\}_{i \in \mathcal{A}}, V \rangle$

▶ $\pi_i: W \to [0,1]$ is a probability measure

Language: $\varphi := p \mid \neg \varphi \mid \varphi \wedge \psi \mid K_i \varphi \mid B^p \psi$

Truth:

- $\blacktriangleright \ \mathcal{M}, w \models B^p \varphi \ \text{iff} \ \pi_i(\llbracket \varphi \rrbracket_{\mathcal{M}} \mid [w]_i) = \frac{\pi_i(\llbracket \varphi \rrbracket_{\mathcal{M}} \cap [w]_i)}{\pi_i(\llbracket w \rrbracket_i)} \geq p \ , \ \mathcal{M}, v \models \psi$
- $ightharpoonup \mathcal{M}, w \models K_i \varphi$ iff for all $v \in W$, if $w \sim_i v$ then $\mathcal{M}, v \models \varphi$

"It is important to understand that we have two forms of irrationality in this paper...For us, a player is rational if he optimizes and also rules nothing out. So irrationality might mean not optimizing. But it can also mean optimizing while not considering everything possible."

(pg. 314)

A. Brandenburger, A. Friedenberg and H. J. Keisler. *Admissibility in Games*. Econometrica, 76:2, 2008, pgs. 307 - 352.

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A player can be rationally criticized for

1. not choosing what is *best* or what is *rationally permissible*, *given one's information*.

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A player can be rationally criticized for

- 1. not choosing what is *best* or what is *rationally permissible*, *given one's information*.
- 2. not reasoning to a "proper" informational context.

Key Idea

Informational contexts of a game arise as fixed points of iterated "rationality announcements".

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J. van Benthem. Rational dynamics and epistemic logic in games. International Game Theory Review 9, 1 (2007), 13-45.

A. Baltag, S. Smets, and J. Zvesper. Keep hoping for rationality: a solution to the backwards induction paradox. Synthese 169 (2009), 301-333.

K. Apt and J. Zvesper. *Public announcements in strategic games with arbitrary strategy sets.* Proceedings of LOFT 2010 (2010).

J. van Benthem, and A. Gheerbrant. *Game solution, epistemic dynamics and fixed-point logics.* Fund. Inform. 100 (2010), 1-23.

Dynamic Epistemic/Doxastic Logic

J. van Benthem. *Logical Dynamics of Information and Interaction*. Cambridge University Press, 2011.

EP. Dynamic Epistemic Logic Part I: Modeling Knowledge and Belief. Philosophy Compass, forthcoming.

EP. Dynamic Epistemic Logic Part II: Logics of Information Change. Philosophy Compass, forthcoming.

Modeling Information Change: Two Methodologies

- "Change-based modeling": describe the effect a learning experience has on a model
- 2. "Explicit-temporal modeling": explicitly describe different moments *in the model*

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- 2. "Explicit-temporal modeling": explicitly describe different moments *in the model*

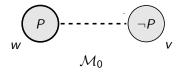
 $[\psi]\varphi\text{:}$ after everyone finds out that ψ is true, φ is true

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How did you find out that ψ ?

- ightharpoonup direct observation of ψ
- ightharpoonup public announcement of ψ
- **.**..

Finding out that p is true





J. Plaza. Logics of Public Communications. 1989.

J. Gerbrandy. Bisimulations on Planet Kripke. 1999.

J. van Benthem. One is a lonely number. 2002.

$$p \mid \neg \varphi \mid \varphi \wedge \varphi \mid K_i \varphi \mid C \varphi \mid [\psi] \varphi$$

where $p \in At$ and $i \in A$.

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where $p \in At$ and $i \in A$.

 $\blacktriangleright \ [\psi] \varphi$ is intended to mean "After ψ is publicly announced, φ is true".

$$p \mid \neg \varphi \mid \varphi \wedge \varphi \mid K_i \varphi \mid C \varphi \mid [\psi] \varphi$$
 where $p \in \mathsf{At}$ and $i \in \mathcal{A}$.

 $ightharpoonup [p]K_ip$: after publicly announcing P, agent i knows P

$$p \mid \neg \varphi \mid \varphi \wedge \varphi \mid \mathsf{K}_{i}\varphi \mid \mathsf{C}\varphi \mid [\psi]\varphi$$

where $p \in At$ and $i \in A$.

▶ $[\neg K_i p]Cp$: after announcing that agent i does not know p, then p is common knowledge

$$p \mid \neg \varphi \mid \varphi \wedge \varphi \mid \mathsf{K}_{i}\varphi \mid \mathsf{C}\varphi \mid [\psi]\varphi$$

where $p \in At$ and $i \in A$.

 $ightharpoonup [\neg K_i p] K_i p$: after announcing i does not know p, then i knows p

Suppose $\mathcal{M}=\langle W, \{\sim_i\}_{i\in\mathcal{A}}, V \rangle$ is a multi-agent epistemic models

$$\mathcal{M}, w \models [\psi]\varphi \text{ iff } \mathcal{M}, w \models \psi \text{ implies } \mathcal{M}^{\psi}, w \models \varphi$$

where $\mathcal{M}^{\psi} = \langle W', \{\sim_i'\}_{i \in \mathcal{A}}, V' \rangle$ with

- $W' = W \cap \{w \mid \mathcal{M}, w \models \psi\}$
- ▶ For each i, $\sim'_i = \sim_i \cap (W' \times W')$
- ▶ for all $p \in At$, $V'(p) = V(p) \cap W'$

$$[\psi]p \leftrightarrow (\psi \rightarrow p)$$

$$[\psi]p \quad \leftrightarrow \quad (\psi \to p)$$
$$[\psi]\neg \varphi \quad \leftrightarrow \quad (\psi \to \neg [\psi]\varphi)$$

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$$[\psi](\varphi \land \chi) \leftrightarrow ([\psi]\varphi \land [\psi]\chi)$$

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$$[\psi](\varphi \land \chi) \leftrightarrow ([\psi]\varphi \land [\psi]\chi)$$
$$[\psi][\varphi]\chi \leftrightarrow [\psi \land [\psi]\varphi]\chi$$

$$[\psi]p \leftrightarrow (\psi \to p)$$

$$[\psi]\neg\varphi \leftrightarrow (\psi \to \neg[\psi]\varphi)$$

$$[\psi](\varphi \land \chi) \leftrightarrow ([\psi]\varphi \land [\psi]\chi)$$

$$[\psi][\varphi]\chi \leftrightarrow [\psi \land [\psi]\varphi]\chi$$

$$[\psi]K_i\varphi \leftrightarrow (\psi \to K_i(\psi \to [\psi]\varphi))$$

$$[\psi]p \leftrightarrow (\psi \to p)$$

$$[\psi]\neg\varphi \leftrightarrow (\psi \to \neg[\psi]\varphi)$$

$$[\psi](\varphi \land \chi) \leftrightarrow ([\psi]\varphi \land [\psi]\chi)$$

$$[\psi][\varphi]\chi \leftrightarrow [\psi \land [\psi]\varphi]\chi$$

$$[\psi]K_i\varphi \leftrightarrow (\psi \to K_i(\psi \to [\psi]\varphi))$$

Theorem Every formula of Public Announcement Logic is equivalent to a formula of Epistemic Logic.

$$[\psi]p \leftrightarrow (\psi \to p)$$

$$[\psi]\neg\varphi \leftrightarrow (\psi \to \neg[\psi]\varphi)$$

$$[\psi](\varphi \land \chi) \leftrightarrow ([\psi]\varphi \land [\psi]\chi)$$

$$[\psi][\varphi]\chi \leftrightarrow [\psi \land [\psi]\varphi]\chi$$

$$[\psi]K_i\varphi \leftrightarrow (\psi \to K_i(\psi \to [\psi]\varphi))$$

The situation is more complicated with common knowledge.

J. van Benthem, J. van Eijk, B. Kooi. Logics of Communication and Change. 2006.

Aspects of Informative Events

1. The agents' observational powers.

Agents may perceive the same event differently and this can be described in terms of what agents do or do not observe. Examples range from *public announcements* where everyone witnesses the same event to private communications between two or more agents with the other agents not even being aware that an event took place.

Aspects of Informative Events

- 1. The agents' observational powers.
- 2. The *type* of change triggered by the event.

Agents may differ in precisely how they incorporate new information into their epistemic states. These differences are based, in part, on the agents' perception of the *source* of the information. For example, an agent may consider a particular source of information *infallible* (not allowing for the possibility that the source is mistaken) or merely *trustworthy* (accepting the information as reliable though allowing for the possibility of a mistake).

Aspects of Informative Events

- 1. The agents' observational powers.
- 2. The *type* of change triggered by the event.
- The underlying protocol specifying which events (observations, messages, actions) are available (or permitted) at any given moment.

This is intended to represent the rules or conventions that govern many of our social interactions. For example, in a conversation, it is typically not polite to "blurt everything out at the beginning", as we must speak in small chunks. Other natural conversational protocol rules include "do not repeat yourself", "let others speak in turn", and "be honest". Imposing such rules *restricts* the legitimate sequences of possible statements or events.

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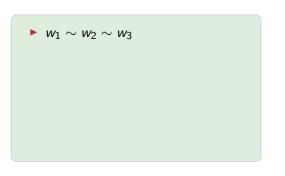
Finding out that φ

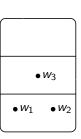
$$\mathcal{M} = \langle W, \{\sim_i\}_{i \in \mathcal{A}}, \{\preceq_i\}_{i \in \mathcal{A}}, V \rangle$$

$$\parallel$$
Find out that φ

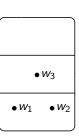
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$$\mathcal{M}' = \langle W', \{\sim_i'\}_{i \in \mathcal{A}}, \{\preceq_i'\}_{i \in \mathcal{A}}, V|_{W'} \rangle$$

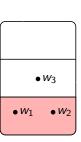


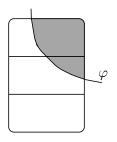


- \triangleright $w_1 \sim w_2 \sim w_3$
- ▶ $w_1 \leq w_2$ and $w_2 \leq w_1$ (w_1 and w_2 are equi-plausbile)
- \blacktriangleright $w_1 \prec w_3 \ (w_1 \leq w_3 \text{ and } w_3 \not \leq w_1)$
- \blacktriangleright $w_2 \prec w_3 \ (w_2 \leq w_3 \text{ and } w_3 \nleq w_2)$

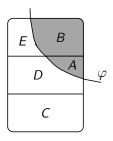


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- \blacktriangleright $w_2 \prec w_3 \ (w_2 \leq w_3 \text{ and } w_3 \not \leq w_2)$
- $\blacktriangleright \{w_1, w_2\} \subseteq Min_{\preceq}([w_i])$

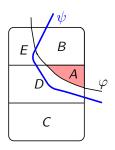




Incorporate the new information $\boldsymbol{\varphi}$

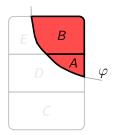


Incorporate the information that φ



Conditional Belief: $B^{\varphi}\psi$

$$\mathit{Min}_{\preceq}(\mathit{W} \cap \llbracket \varphi \rrbracket_{\mathcal{M}}) \subseteq \llbracket \psi \rrbracket_{\mathcal{M}}$$



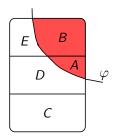
Public Announcement: Information from an infallible source

$$(!\varphi): A \prec_i B \qquad \mathcal{M}^{!\varphi} = \langle W^{!\varphi}, \{\sim_i^{!\varphi}\}_{i \in \mathcal{A}}, V^{!\varphi}\rangle$$

$$W^{!\varphi} = \llbracket \varphi \rrbracket_{\mathcal{M}}$$

$$\sim_i^{!\varphi} = \sim_i \cap (W^{!\varphi} \times W^{!\varphi})$$

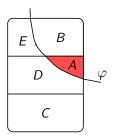
$$\preceq_i^{!\varphi} = \preceq_i \cap (W^{!\varphi} \times W^{!\varphi})$$



Radical Upgrade:
$$(\uparrow \varphi)$$
: $A \prec_i B \prec_i C \prec_i D \prec_i E$, $\mathcal{M}^{\uparrow \varphi} = \langle W, \{ \sim_i \}_{i \in A}, \{ \prec_i^{\uparrow \varphi} \}_{i \in A}, V \rangle$

Let
$$\llbracket \varphi \rrbracket_i^w = \{x \mid \mathcal{M}, x \models \varphi\} \cap \llbracket w \rrbracket_i$$

- ▶ for all $x \in \llbracket \varphi \rrbracket_i^w$ and $y \in \llbracket \neg \varphi \rrbracket_i^w$, set $x \prec_i^{\uparrow \varphi} y$,
- ▶ for all $x, y \in \llbracket \varphi \rrbracket_i^w$, set $x \leq_i^{\uparrow \varphi} y$ iff $x \leq_i y$, and
- ▶ for all $x, y \in \llbracket \neg \varphi \rrbracket_i^w$, set $x \leq_i^{\uparrow \varphi} y$ iff $x \leq_i y$.



Conservative Upgrade: $(\uparrow \varphi)$: $A \prec_i C \prec_i D \prec_i B \cup E$

Conservative upgrade is radical upgrade with the formula

$$best_i(\varphi, w) := Min_{\preceq_i}([w]_i \cap \{x \mid \mathcal{M}, x \models \varphi\})$$

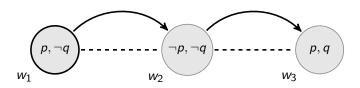
- 1. If $v \in best_i(\varphi, w)$ then $v \prec_i^{\uparrow \varphi} x$ for all $x \in [w]_i$, and
- 2. for all $x, y \in [w]_i best_i(\varphi, w)$, $x \preceq_i^{\uparrow \varphi} y$ iff $x \preceq_i y$.

▶ [q]*K*q

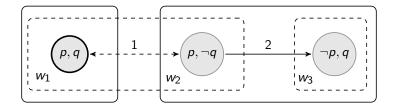
- ▶ [q]*K*q
- ightharpoonup Kp
 ightarrow [q]Kp

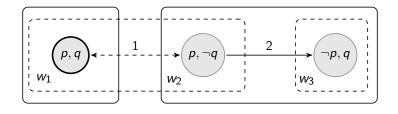
- ▶ [q]Kq
- $Kp \rightarrow [q]Kp$
- $\blacktriangleright B\varphi \rightarrow [\psi]B\varphi$

- ▶ [q]Kq
- $Kp \rightarrow [q]Kp$
- $\blacktriangleright B\varphi \rightarrow [\psi]B\varphi$

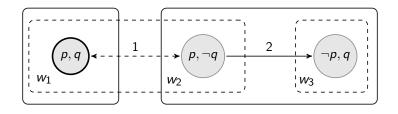


 $\blacktriangleright [\varphi]\varphi$

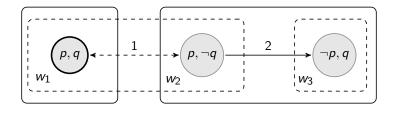




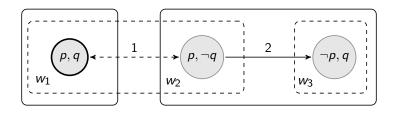
$$\triangleright$$
 $w_1 \models B_1B_2q$



- \triangleright $w_1 \models B_1B_2q$
- \triangleright $w_1 \models B_1^p B_2 q$



- \triangleright $w_1 \models B_1B_2q$
- \triangleright $w_1 \models B_1^p B_2 q$
- \triangleright $w_1 \models [p] \neg B_1 B_2 q$



- \triangleright $w_1 \models B_1B_2q$
- $\triangleright w_1 \models B_1^p B_2 q$
- \triangleright $w_1 \models [p] \neg B_1 B_2 q$
- ▶ More generally, $B_i^p(p \land \neg K_i p)$ is satisfiable but $[p]B_i(p \land \neg K_i p)$ is not.

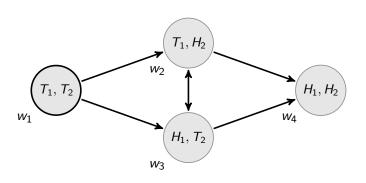
Hard and Soft Updates

$$\mathcal{M} = \langle W, \{\sim_i\}_{i \in \mathcal{A}}, \{\preceq_i\}_{i \in \mathcal{A}}, V \rangle$$

$$\parallel$$
Find out that φ

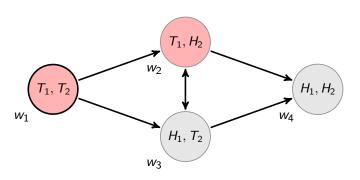
$$\downarrow$$

$$\mathcal{M} = \langle W', \{\sim_i'\}_{i \in \mathcal{A}}, \{\preceq_i'\}_{i \in \mathcal{A}}, V|_{W'} \rangle$$

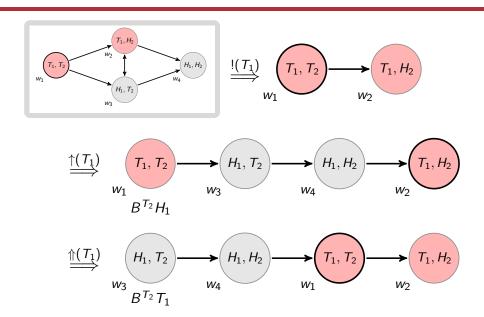


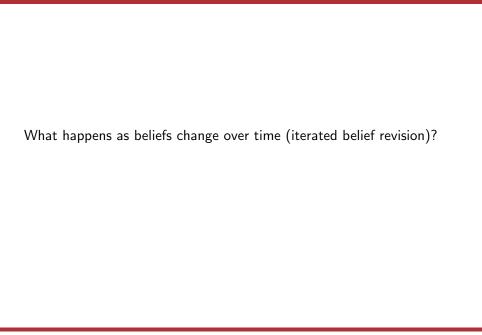
$$Min_{\preceq}([w_1]) = \{w_4\}, \text{ so } w_1 \models B(H_1 \land H_2)$$

 $Min_{\preceq}([w_1] \cap [T_1]_{\mathcal{M}}) = \{w_2\}, \text{ so } w_1 \models B^{T_1}H_2$
 $Min_{\preceq}([w_1] \cap [T_1]_{\mathcal{M}}) = \{w_3\}, \text{ so } w_1 \models B^{T_2}H_1$

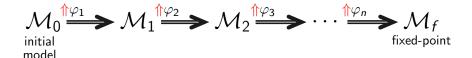


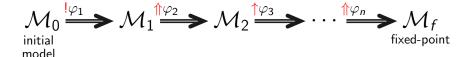
Suppose the agent finds out that T_1 is/may be true.





$$\mathcal{M}_0 \xrightarrow{!\varphi_1} \mathcal{M}_1 \xrightarrow{!\varphi_2} \mathcal{M}_2 \xrightarrow{!\varphi_3} \cdots \xrightarrow{!\varphi_n} \mathcal{M}_f$$
initial model fixed-point





$$\mathcal{M}_0^{\tau(\varphi_1)} \longrightarrow \mathcal{M}_1^{\tau(\varphi_2)} \longrightarrow \mathcal{M}_2^{\tau(\varphi_3)} \longrightarrow \cdots \xrightarrow{\tau(\varphi_n)} \mathcal{M}_f$$
initial
model
fixed-point

Where do the φ_k come from?

 $!\varphi_1,!\varphi_2,!\varphi_3,\ldots,!\varphi_n$ always reaches a fixed-point

 $!\varphi_1, !\varphi_2, !\varphi_3, \dots, !\varphi_n$ always reaches a fixed-point

$$\uparrow p \uparrow \neg p \uparrow p \cdots$$

Contradictory beliefs leads to oscillations

$$!\varphi_1, !\varphi_2, !\varphi_3, \dots, !\varphi_n$$
 always reaches a fixed-point

$$\uparrow p \uparrow \neg p \uparrow p \cdots$$

Contradictory beliefs leads to oscillations

$$\uparrow \varphi, \uparrow \varphi, \dots$$

Simple beliefs may never stabilize

$$!\varphi_1, !\varphi_2, !\varphi_3, \dots, !\varphi_n$$
 always reaches a fixed-point

$$\uparrow p \uparrow \neg p \uparrow p \cdots$$

Contradictory beliefs leads to oscillations

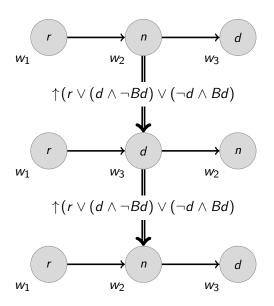
$$\uparrow \varphi, \uparrow \varphi, \dots$$

Simple beliefs may never stabilize

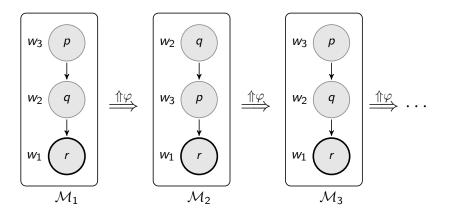
$$\uparrow \varphi, \uparrow \varphi, \dots$$

Simple beliefs stabilize, but conditional beliefs do not

A. Baltag and S. Smets. *Group Belief Dynamics under Iterated Revision: Fixed Points and Cycles of Joint Upgrades.* TARK, 2009.



Let φ be $(r \vee (B^{\neg r}q \wedge p) \vee (B^{\neg r}p \wedge q))$



Iterated Updates

$$!\varphi_1, !\varphi_2, !\varphi_3, \dots, !\varphi_n$$
 always reaches a fixed-point

$$\Uparrow p \Uparrow \neg p \Uparrow p \cdots$$

Contradictory beliefs leads to oscillations

$$\uparrow \varphi, \uparrow \varphi, \dots$$

Simple beliefs may never stabilize

$$\uparrow \varphi, \uparrow \varphi, \dots$$

Simple beliefs stabilize, but conditional beliefs do not

A. Baltag and S. Smets. *Group Belief Dynamics under Iterated Revision: Fixed Points and Cycles of Joint Upgrades.* TARK, 2009.

Iterated belief revision: two issues

C1: If
$$\alpha \to \varphi$$
 then $\Psi(\beta_1, \dots, \beta_n, \varphi, \alpha) = \Psi(\beta_1, \dots, \beta_n, \alpha)$

C2: If
$$\alpha \to \neg \varphi$$
 then $\Psi(\beta_1, \dots, \beta_n, \varphi, \alpha) = \Psi(\beta_1, \dots, \beta_n, \alpha)$

R. Stalnaker. Iterated Belief Revision. Erkentnis 70, pgs. 189 209, 2009.

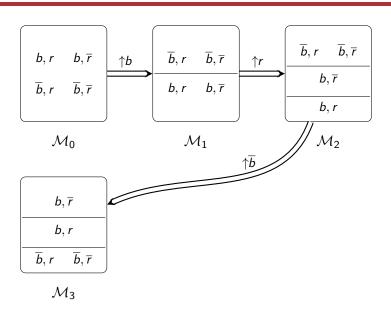
Suppose that you are in the forest and happen to a see strange-looking animal.

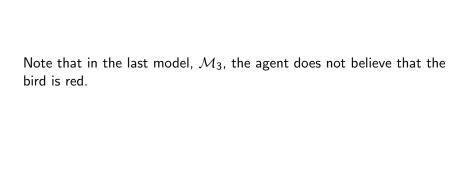
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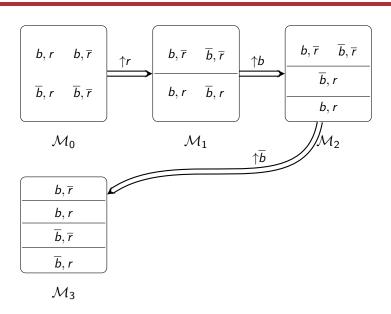
Suppose that you are in the forest and happen to a see strange-looking animal. You consult your animal guidebook and find a picture that seems to match the animal you see. The guidebook says that the animal is a type of bird, so that is what you conclude: The animal before you is a bird. After looking more closely, you also notice that the animal is also red. So, you also update your beliefs with that fact. Now, suppose that an expert (whom you trust) happens to walk by and tells you that the animal is, in fact, not a bird.





Note that in the last model, \mathcal{M}_3 , the agent does not believe that the bird is red. The problem is that there does not seem to be any justification for why the agent drops her belief that the bird is red. This seems to result from the accidental fact that the agent started by updating with the information that the animal is a bird.

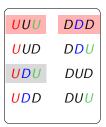
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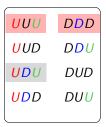
C1: If $\alpha \to \varphi$ then $\Psi(\beta_1, \dots, \beta_n, \varphi, \alpha) = \Psi(\beta_1, \dots, \beta_n, \alpha)$

UUU DDD UUD DDU UDU DUD UDD DUU Three switches wired such that a light is on iff all three switches are up or all three are down. UUU DDD UUD DDU UDU DUD UDD DUU

- Three switches wired such that a light is on iff all three switches are up or all three are down.
- ► Three independent (reliable) observers report on the switches: Alice says switch 1 is *U*, Bob says switch 2 is *D* and Carla says switch 3 is *U*.



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- ► Cautious: *UUU*, *DDD*; Bold: *UUU*



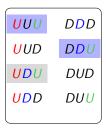
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C2: If $\alpha \to \neg \varphi$ then $\Psi(\beta_1, \dots, \beta_n, \varphi, \alpha) = \Psi(\beta_1, \dots, \beta_n, \alpha)$

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What should I now believe about the coin in room B?

Many of the recent developments in this area have been driven by analyzing *concrete* examples.

This raises an important methodological issue: Implicit assumptions about what the actors know and believe about the situation being modeled often guide the analyst's intuitions. In many cases, it is crucial to make these underlying assumptions explicit.

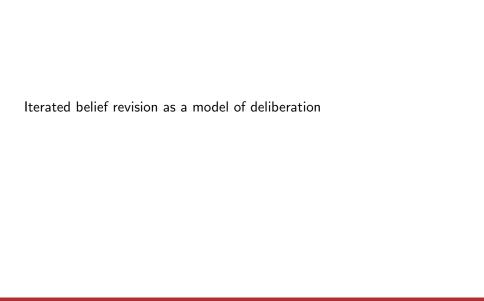
The general point is that how the agent(s) come to know or believe that some proposition p is true is as important (or, perhaps, more important) than the fact that the agent(s) knows or believes that p is the case

Discussion

A key aspect of any formal model of a (social) interactive situation or situation of rational inquiry is the way it accounts for the

...information about how I learn some of the things I learn, about the sources of my information, or about what I believe about what I believe and don't believe. If the story we tell in an example makes certain information about any of these things relevant, then it needs to be included in a proper model of the story, if it is to play the right role in the evaluation of the abstract principles of the model. (Stalnaker, pg. 203)

R. Stalnaker. Iterated Belief Revision. Erkentnis 70, pgs. 189 209, 2009.



Reasoning about (strategic) games

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There is Kripke structure "built in" a strategic game.

$$W = \{ \sigma \mid \sigma \text{ is a strategy profile: } \sigma \in \Pi_{i \in N} S_i \}$$

	а	Ь	c
d	(2,3)	(2,2)	(1,1)
е	(0,2)	(4,0)	(1,0)
f	(0,1)	(1,4)	(2,0)

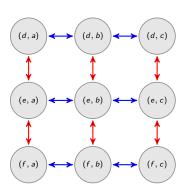




Reasoning about (strategic) games

 $\sigma \sim_i \sigma'$ iff $\sigma_i = \sigma_i'$: this epistemic relation represents player i's "view of the game" at the ex interim stage where i's choice is fixed but the choices of the other players' are unknown

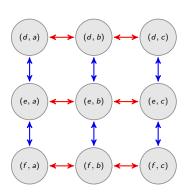
	а	Ь	С
d	(2,3)	(2,2)	(1,1)
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Reasoning about (strategic) games

 $\sigma \approx_i \sigma'$ iff $\sigma_{-i} = \sigma_{-i}$: this relation of "action freedom" gives the alternative choices for player i when the other players' choices are fixed.

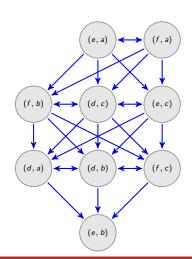
	a	Ь	С
d	(2,3)	(2,2)	(1,1)
е	(0,2)	(4,0)	(1,0)
f	(0,1)	(1,4)	(2,0)



Reasoning about (strategic) games

 $\sigma \succeq_i \sigma'$ iff player i prefers the outcome σ at least as much as outcome σ'

	a	Ь	с
d	(2,3)	(2,2)	(1,1)
e	(0,2)	(4,0)	(1,0)
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Reasoning about (strategic) games

$$\mathcal{M} = \langle W, \{\sim_i\}_{i \in \mathbb{N}}, \{\approx_i\}_{i \in \mathbb{N}}, \{\succeq_i\}_{i \in \mathbb{N}} \rangle$$

- \bullet $\sigma \models [\sim_i] \varphi$ iff for all σ' , if $\sigma \sim_i \sigma'$ then $\sigma' \models \varphi$.
- \bullet $\sigma \models [\approx_i] \varphi$ iff for all σ' , if $\sigma \approx_i \sigma'$ then $\sigma' \models \varphi$.
- $ightharpoonup \sigma \models \langle \succeq_i \rangle \varphi$ iff there exists σ' such that $\sigma' \succeq_i \sigma$ and $\sigma' \models \varphi$.
- $ightharpoonup \sigma \models \langle \succ_i \rangle \varphi$ iff there is a σ' with $\sigma' \succeq_i \sigma$, $\sigma \not\succeq_i \sigma'$, and $\sigma' \models \varphi$

Rationality Announcements: Theorem

Weak Rationality: $w \models WR_j$ means $\bigwedge_{a \neq w(j)}$ 'j thinks that j's current action is at least as good for j as a.', where the a's run over the current model.

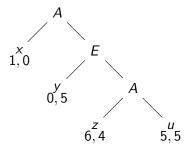
Theorem The following are equivalent for all states *s* in a full game model

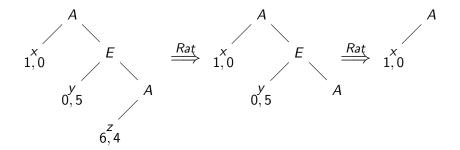
- 1. s survives iterated removal of strongly dominated strategies
- 2. repeated successive **public announcements** of *WR* for the players stabilizes at a submodel whose domain contains *s*.

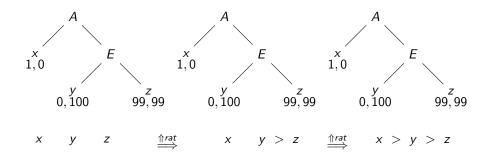
J. van Benthem. *Rational dynamics and epistemic logic in games*. International Game Theory Review 9, 1 (2007), 13-45.

Where do the models satisfying common knowledge/belief of rationality come from?

J. van Benthem and A. Gheerbrant. *Game solution, epistemic dynamics and fixed-point logics.* Fund. Inform., 100 (2010) 1–23..







The Dynamics of Rational Play

A. Baltag, S. Smets and J. Zvesper. *Keep 'hoping' for rationality: a solution to the backward induction paradox*. Synthese, 169, pgs. 301 - 333, 2009.

Hard vs. Soft Information in a Game

The structure of the game and past moves are 'hard information': *irrevocably known*

Hard vs. Soft Information in a Game

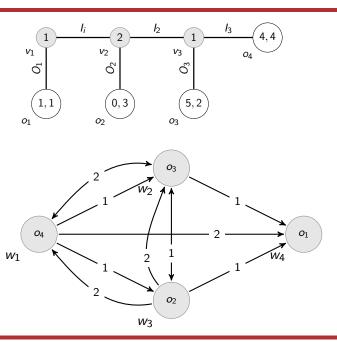
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The non-terminal nodes $v \in V$ are then identified with the set of outcomes reachable from that node:

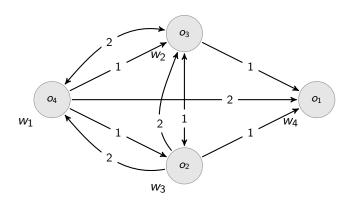
$$v := \bigvee_{v \leadsto o} o$$

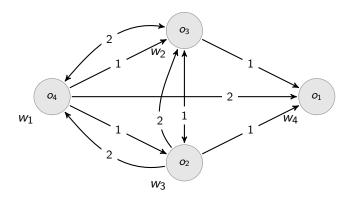
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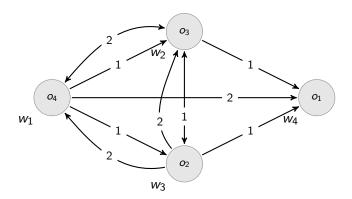
$$\mathsf{v} := \bigvee_{\mathsf{v} \leadsto \mathsf{o}} \mathsf{o}$$

Open future: none of the players have "hard information" that an outcome is ruled out





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For player 2, $B_2^{v_2}(o_3 \vee o_4)$ is true in the above model, which implies player 2 plans on choosing action I_2 at node v_2 .

The players' belief change as they learn (irrevocably) which of the nodes in the game are reached:

$$\mathcal{M} = \mathcal{M}^{!v_1}; \mathcal{M}^{!v_2}; \mathcal{M}^{!v_3}; \mathcal{M}^{!o_4}$$

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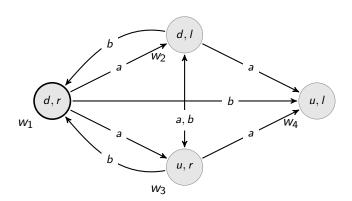
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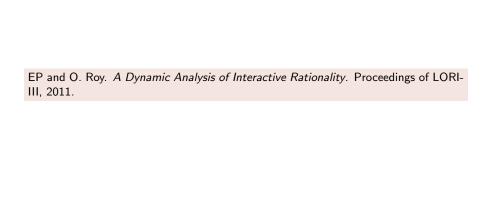
$$\mathcal{M}, w \models [\ !\]\varphi$$
 provided for all formulas ψ if $\mathcal{M}, w \models \psi$ then $\mathcal{M}, w \models [!\psi]\varphi$.

Theorem (Baltag, Smets and Zvesper). Common knowledge of the game structure, of open future and *common stable belief* in dynamic rationality implies common belief in the backward induction outcome.

$$Ck(Struct_G \wedge F_G \wedge [!]CbRat) \rightarrow Cb(BI_G)$$

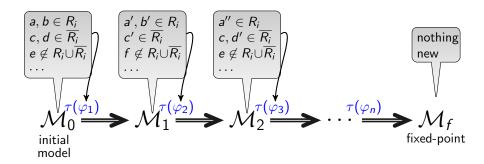
	1	r
и	3, 3	0,0
d	0,0	1,1



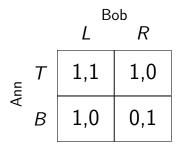


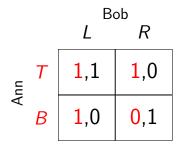
$$\mathcal{M}_{0}^{\tau(\varphi_{1})} \longrightarrow \mathcal{M}_{1}^{\tau(\varphi_{2})} \longrightarrow \mathcal{M}_{2}^{\tau(\varphi_{3})} \longrightarrow \cdots \xrightarrow{\tau(\varphi_{n})} \mathcal{M}_{f}$$
initial model fixed-point

Where do the φ_k come from?

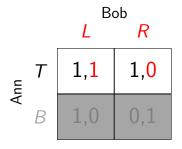


Where do the φ_k come from? from the players' practical reasoning (i.e., their *categorization* of their feasible moves)

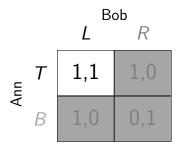




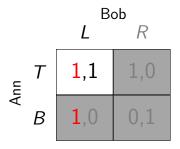
T weakly dominates B



Then L strictly dominates R.



The IA set



But, now what is the reason for not playing B?

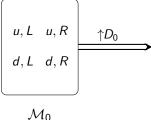


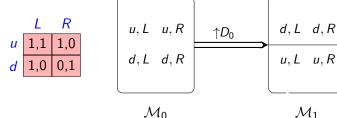


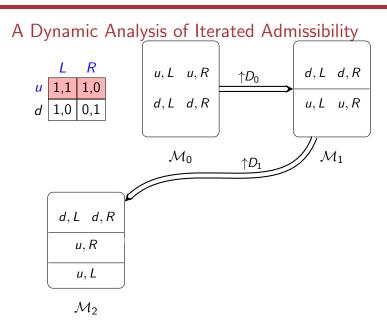


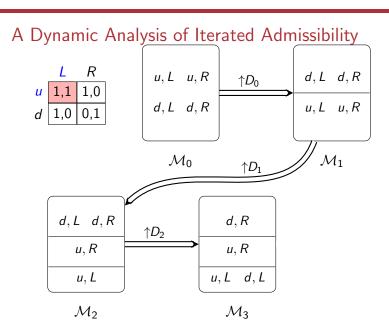
 \mathcal{M}_0

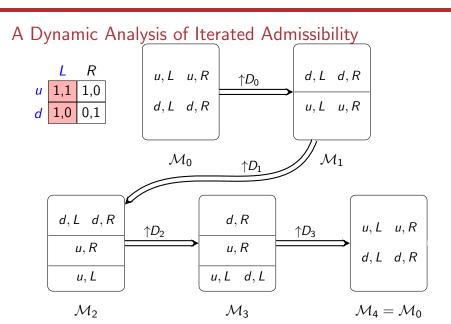


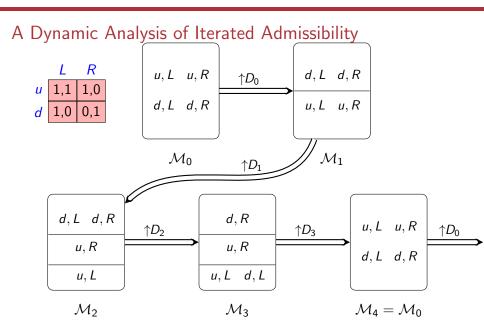


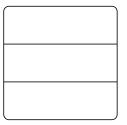


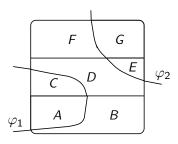


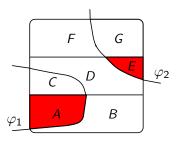


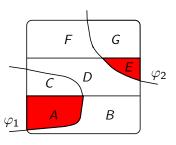




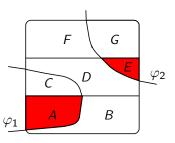








$$\uparrow \{\varphi_1, \varphi_2\} : A \cup E \prec B \prec C \cup D \prec F \cup G$$



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Remembering Reasons



