Pure Nash Equilibria Finder for N-Player Normal-Form Games

Git link:

https://github.com/razvanbaboiucs/BMDC-game-theory-assginment/tree/master/5-n-player-pure-ne

Algorithm Explanation:

Pseudocode:

```
FUNCTION FindPureNashEquilibria(game)
    equilibria ← empty list
   FOR EACH possible strategy profile in the game DO
        isEquilibrium ← true
        FOR EACH player in the game DO
            currentStrategy + player's strategy in current profile
            currentPayoff + player's payoff in current profile
            FOR EACH alternative strategy available to player DO
                IF player would get higher payoff by switching to alternative strategy THEN
                    isEquilibrium ← false
                    BREAK
                END IF
            END FOR
            IF not isEquilibrium THEN BREAK
        END FOR
        IF isEquilibrium THEN
            ADD current strategy profile to equilibria
        END IF
    END FOR
    RETURN equilibria
END FUNCTION
```

Explanation:

- 1. The algorithm uses a recursive approach to examine all possible strategy profiles in an n-player game.
- 2. For each complete strategy profile, it checks if it represents a Nash equilibrium by verifying:

- No player can improve their payoff by unilaterally changing their strategy
- This is done by comparing the current payoff with potential payoffs from all alternative strategies
- 3. The algorithm handles n-dimensional payoff matrices to represent the payoffs for each player in all possible strategy combinations.
- 4. Key features:
 - Supports any number of players (up to a defined maximum)
 - Each player can have a different number of strategies
 - Payoffs can be manually entered or randomly generated
 - Displays n-dimensional payoff matrices for each player
 - Returns all pure Nash equilibria found in the game

Data Structure:

- The algorithm uses n-dimensional arrays to represent payoff matrices
- For a game with n players, each payoff matrix has n dimensions
- Each dimension i corresponds to the number of strategies available to player i
- Access to specific payoffs is done using string-based indexing: matrix[i][j][k] becomes matrix["i][j][k"]

Time and Space Complexity:

- Time Complexity: O(s^n * n * s), where s is the maximum number of strategies per player and n is the number of players
 - O(s^n) to check all possible strategy profiles
 - O(n * s) to verify if each profile is a Nash equilibrium
- Space Complexity: $O(n * s^n)$ to store the payoff matrices for all players

Example Games

Game 1: 2-Player Game (2x2)

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Enter number of players (maximum 10): 2 Enter number of strategies for Player 1: 2 Enter number of strategies for Player 2: 2 Do you want random payoffs? (yes/no): yes

Payoff Matrix for Player 1: [75, 42] [91, 12]

Payoff Matrix for Player 2: [18, 84] [53, 36]

Pure Nash Equilibria: Found 1 pure Nash Equilibria: 1. Strategy profile: (1, 2) 2. Strategy profile: (2, 1)

Game 2: 3-Player Game (2x2x2)

Pure Nash Equilibria Finder for N-Player Normal-Form Games

Enter number of players (maximum 10): 3 Enter number of strategies for Player 1: 2 Enter number of strategies for Player 2: 2 Enter number of strategies for Player 3: 2 Do you want random payoffs? (yes/no): yes

```
Payoff Matrix for Player 1: [ [ [12, 48 ] [50, 91 ]] [ [26, 44 ] [42, 89 ]]]
```

Pure Nash Equilibria: Found 1 pure Nash Equilibria: 1. Strategy profile: (1, 2, 2)

Game 3: 3-Player Game with Different Strategy Counts (2x3x2)

Pure Nash Equilibria Finder for N-Player Normal-Form Games

Enter number of players (maximum 10): 3 Enter number of strategies for Player 1: 2 Enter number of strategies for Player 2: 3 Enter number of strategies for Player 3: 2 Do you want random payoffs? (yes/no): yes

```
Payoff Matrix for Player 1: [ [ [35, 63 ] [32, 99 ] [92, 87 ]] [ [65, 87 ] [3, 30 ] [19, 95 ]]]
```

```
Payoff Matrix for Player 2: [ [ [98, 22 ] [92, 28 ] [52, 48 ]] [ [63, 50 ] [51, 35 ] [84, 11 ]]]
```

```
Payoff Matrix for Player 3: [[[21, 9][27, 3][43, 54]][[83, 61][69, 60]
```

Performance Considerations

For games with many players or strategies, the algorithm's performance can degrade exponentially due to the need to check all possible strategy combinations. Potential optimizations include:

- 1. Iterated elimination of strictly dominated strategies to reduce the search space
- 2. Parallelization of the search process