# Trust or Treachery Tournament

Fusion Academy - The Woodlands

#### Overview

Welcome to the end-of-year Trust or Treachery Tournament! In this project, you will write a Python function that implements a strategy for a special variant of the prisoner's dilemma game. Your function will compete against those of your classmates over a series of rounds. The goal is to accumulate the highest total score based on the payoff matrix. **Critical Thought:** Does this mean you should also aim to minimize your opponent's payout?

## Game Description

The prisoner's dilemma is a classic game theory problem. Two players simultaneously choose to either **cooperate** (C) or **defect** (D). The payoffs for each player are determined as follows:

- Both cooperate: Each player receives 3 points.
- Both defect: Each player receives 1 point.
- One cooperates, one defects: The cooperator receives 0 points, and the defector receives 5 points.

The dilemma arises because mutual cooperation yields the best collective outcome, but individual incentives can lead to defection, resulting in a worse outcome for both players. The game illustrates the conflict between individual rationality and collective rationality.

# Enhanced Game Description

To incorporate a real-world phenomenon, we will introduce the possibility of misinterpreting the actions of others. In each round, there will be a 2% chance that a player's intended action will be flipped. This simulates the occasional misunderstanding or miscommunication that can occur in real-life situations.

#### Noise/Static in Decisions

• There is a 2% chance that the chosen action (cooperate or defect) will be flipped due to external factors.

#### Number of Rounds

• Each match will consist of 195 to 205 rounds, randomly selected at the start of each match.

### Dynamic Payoff Matrix

- Initially, the payoff matrix is as follows:
  - Both cooperate: Each player receives 3 points.
  - Both defect: Each player receives 1 point.
  - One cooperates, one defects: The cooperator receives 0 points, and the defector receives
     5 points.
- After 100 rounds of mutual cooperation, the payoff matrix changes to:
  - Both cooperate: Each player receives 4 points.
  - Both defect: Each player receives 1 point.
  - One cooperates, one defects: The cooperator receives 0 points, and the defector receives 10 points.

### **Nuclear Option**

To add another layer of strategy, we introduce the nuclear option. A player can choose to stop the match with the current score and walk away. This option can be useful when dealing with an untrustworthy opponent.

- If one player invokes the nuclear option (returns 'N'), the match ends immediately.
- The player who invokes the nuclear option receives a +5 reputation bonus, while the opponent gets a -5 reputation penalty.
- If both players invoke the nuclear option simultaneously, the match ends immediately, and no reputation changes are made.

# **Function Signature**

You will need to implement a function with the following signature:

## **Example Strategies**

Here are some example strategies to get you thinking:

#### **Always Cooperate**

#### **Always Defect**

```
def always_defect(my_history, opponent_history, round_number, relative_score, opponent_reputation):
    return 'D'
```

### Tit for Tat

```
def tit_for_tat(my_history, opponent_history, round_number, relative_score, opponent_reputation):
    if round_number == 1:
        return 'C'
    else:
        return opponent_history[-1]
```

### Score-Based Strategy

### Reputation-Based Strategy

### **Nuclear Option Strategy**

### Scoring and Leaderboard

Each match will be scored based on the payoff matrix. Your total score from all matches will determine your ranking on the leaderboard. The leaderboard will be updated in real-time, so you can track your progress throughout the tournament.

### Guidelines

- Your function must only use the provided arguments (my\_history, opponent\_history, round\_number, relative\_score, opponent\_reputation) to make its decision.
- You must document your strategy, explaining your thought process and expected outcomes.
- Be creative and think critically about how to outsmart other strategies.

# Implementation Details

The following code snippets outline the main components of the tournament platform:

#### **Dynamic Payoff Matrix**

```
initial_payoff_matrix = {'CC': (3, 3), 'CD': (0, 5), 'DC': (5, 0), 'DD': (1, 1)}
advanced_payoff_matrix = {'CC': (4, 4), 'CD': (0, 10), 'DC': (10, 0), 'DD': (1, 1)}

def get_payoff_matrix(mutual_cooperations):
    """
    Determine the appropriate payoff matrix based on the number of mutual cooperations.

Args:
    mutual_cooperations (int): The number of rounds both players cooperated.

Returns:
    dict: The current payoff matrix.
    """
    if mutual_cooperations >= 100:
        return advanced_payoff_matrix
    return initial_payoff_matrix
```

### Noise/Static in Decisions

```
import random

def add_noise(action: str, noise_level: float = 0.02) -> str:
    """
    Introduce noise to the chosen action with a given probability.

Args:
    action (str): The intended action ('C' or 'D').
    noise_level (float): Probability of action being toggled.

Returns:
    str: The possibly toggled action.
    """
    if random.random() < noise_level:
        return 'D' if action == 'C' else 'C'
    return action</pre>
```

### Play Match Function with Static Noise

```
def play_match(strategy1, strategy2, rounds):
   history1, history2 = [], []
   score1, score2 = 0, 0
   reputation1, reputation2 = 0, 0
   mutual_cooperations = 0
   noise_level = 0.02
   for round_number in range(1, rounds + 1):
       payoff_matrix = get_payoff_matrix(mutual_cooperations)
       relative_score1 = score1 - score2
       relative_score2 = score2 - score1
       move1 = strategy1(history1, history2, round_number, relative_score1, reputation2)
       move2 = strategy2(history2, history1, round_number, relative_score2, reputation1)
       if move1 == 'N' and move2 == 'N':
          # Both choose nuclear option, end the match without reputation change
          break
       elif move1 == 'N':
          # Only player 1 chooses nuclear option, update reputation
          reputation1 += 5
          reputation2 -= 5
          break
       elif move2 == 'N':
          # Only player 2 chooses nuclear option, update reputation
          reputation2 += 5
          reputation1 -= 5
          break
       move1 = add_noise(move1, noise_level)
       move2 = add_noise(move2, noise_level)
       outcome = move1 + move2
       if outcome == 'CC':
          mutual_cooperations += 1
       score1 += payoff_matrix[outcome][0]
       score2 += payoff_matrix[outcome][1]
       history1.append(move1)
       history2.append(move2)
       # Update reputations
       reputation1 = calculate_reputation(history1, history2)
       reputation2 = calculate_reputation(history2, history1)
   return score1, score2, reputation1, reputation2
```

### **Tournament Execution**

```
def run_tournament(strategies):
    results = {strategy.__name__: {'score': 0, 'reputation': 0} for strategy in strategies}

for i, strategy1 in enumerate(strategies):
    for j, strategy2 in enumerate(strategies):
        if i != j:
            rounds = random.randint(195, 205)
            score1, score2, reputation1, reputation2 = play_match(strategy1, strategy2, rounds)
            results[strategy1.__name__]['score'] += score1
            results[strategy1.__name__]['reputation'] = reputation1
            results[strategy2.__name__]['score'] += score2
            results[strategy2.__name__]['reputation'] = reputation2

return results
```

We hope you enjoy this project and learn a lot about game theory and strategic thinking. Good luck!