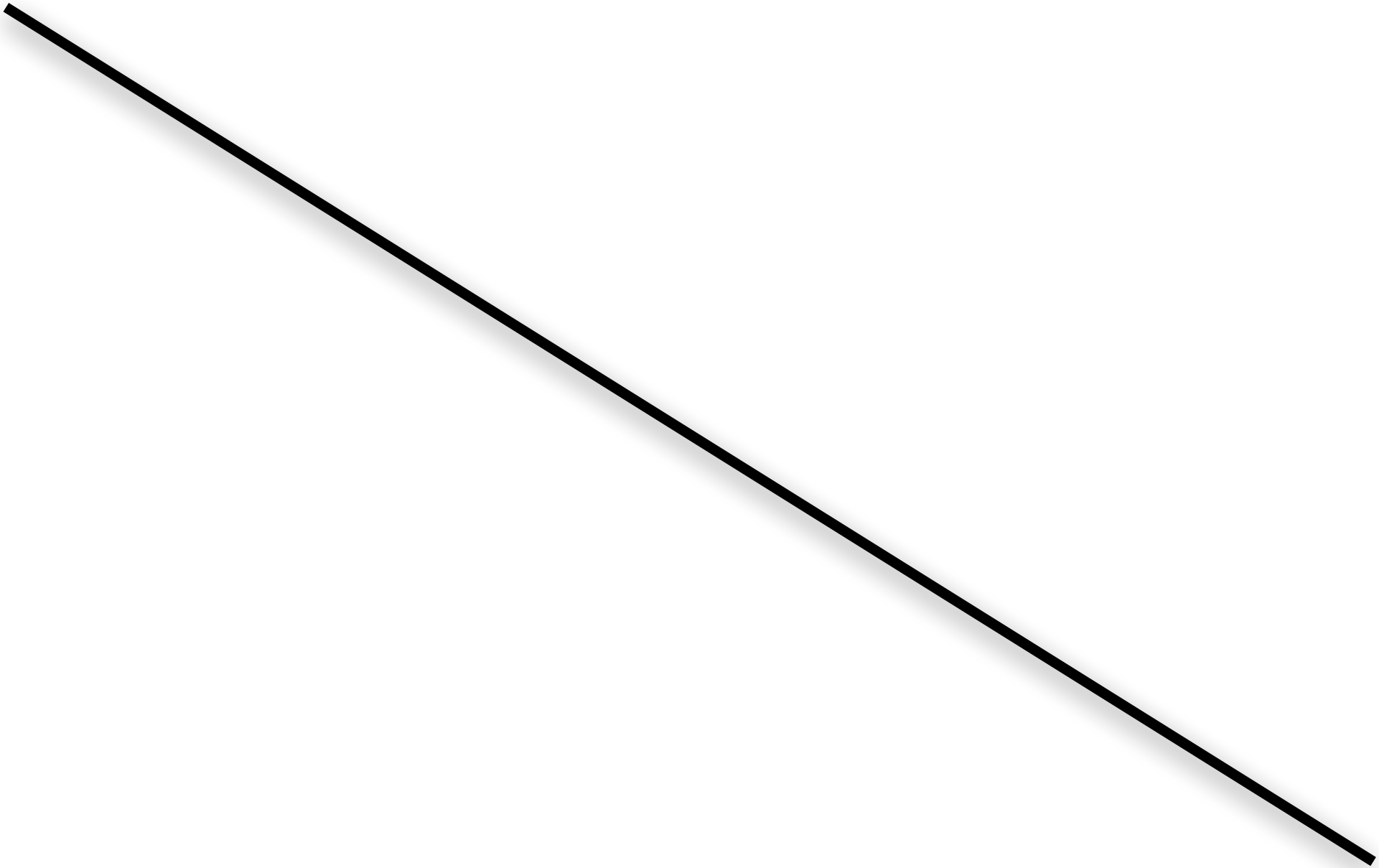
If country A cooperates

If country B cooperates



A gets:

$960

B gets:

$960

If country B cheats

If country A cheats

A gets:

$840

B gets:

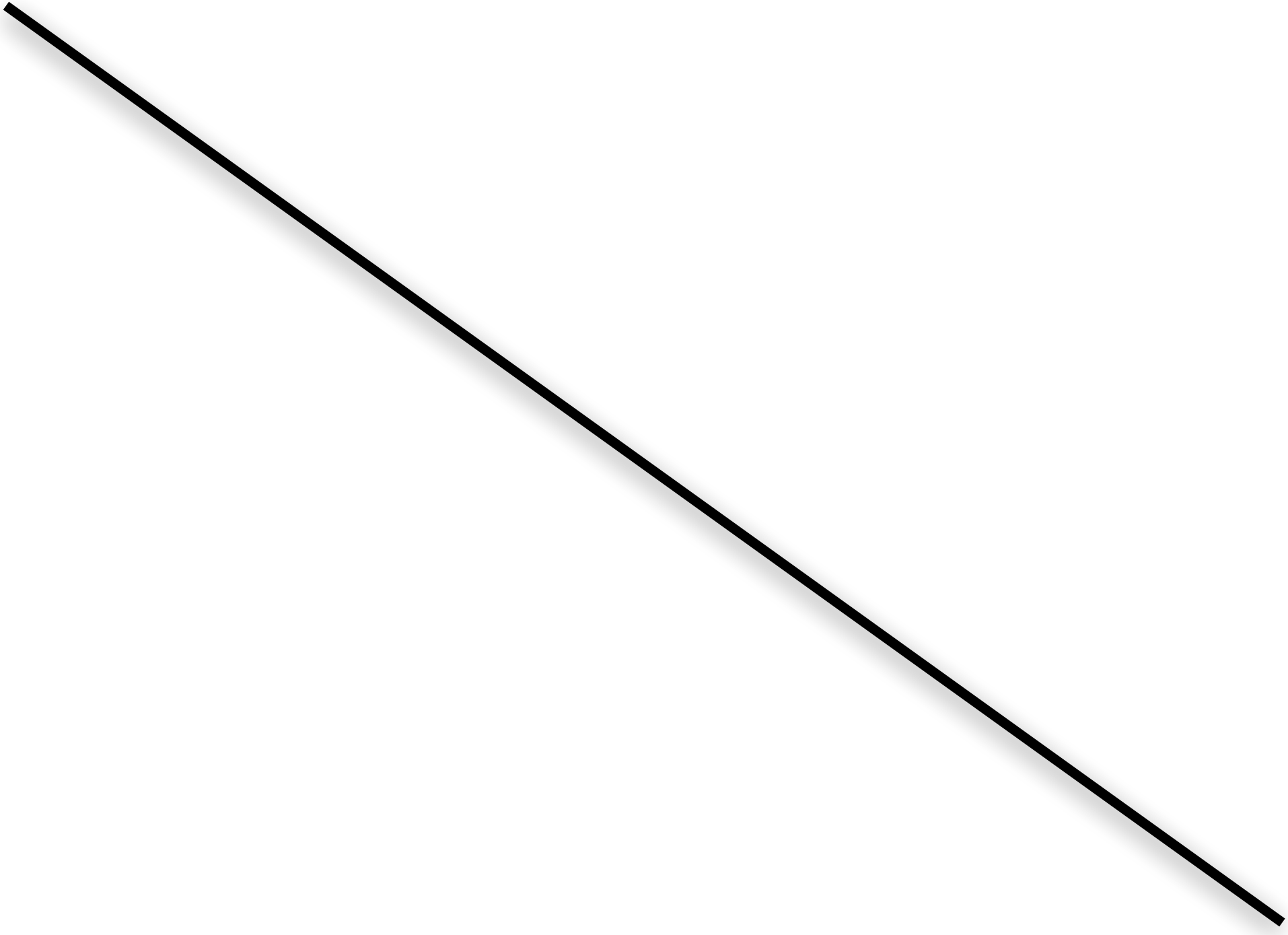
$840

A gets:

$1,260

B gets:

$720

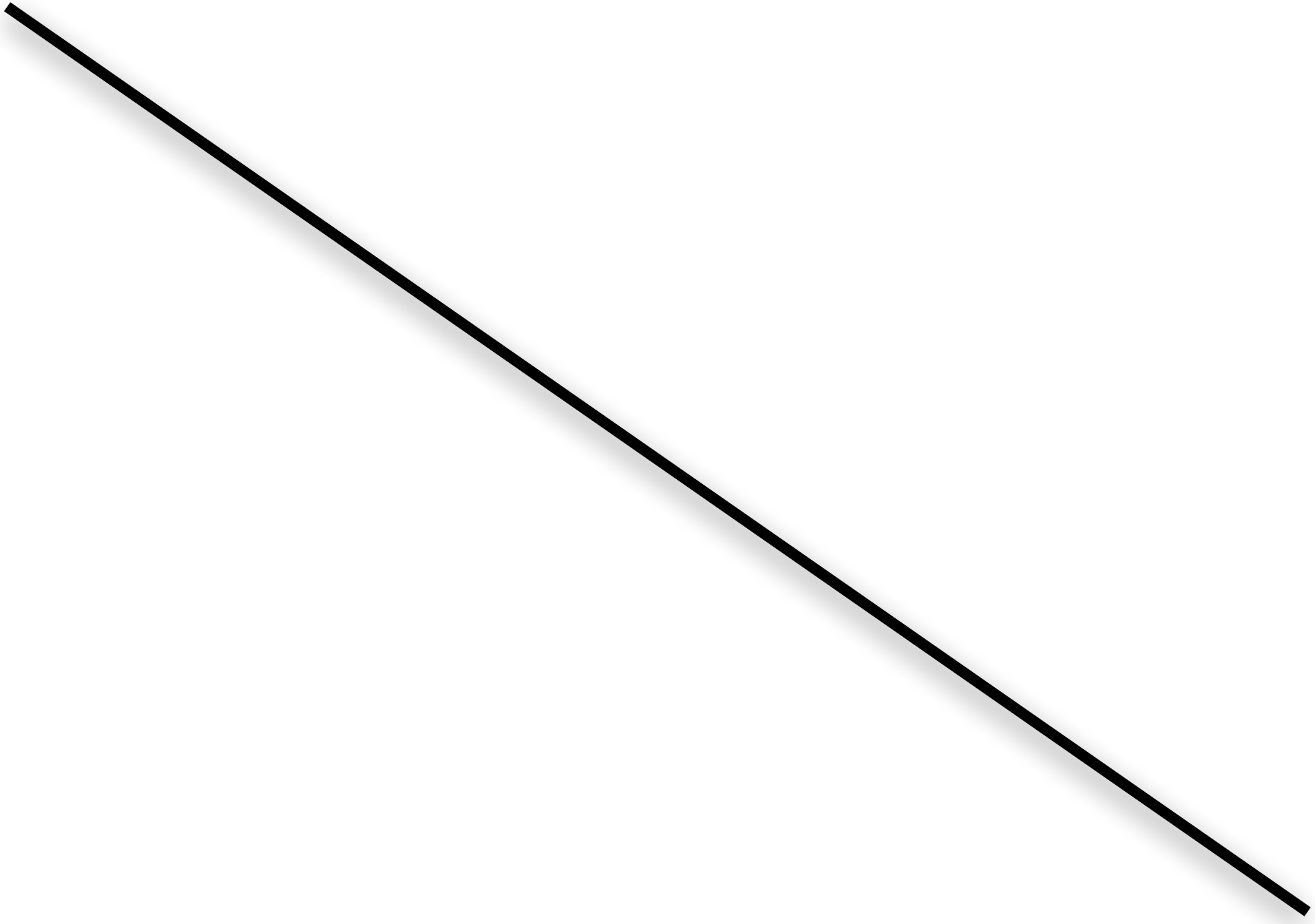


A gets:

$720

B gets:

$1,260



If country A cooperates

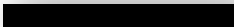
If country B cooperates

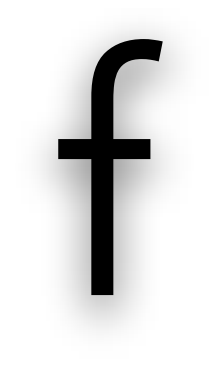
If country A cheats

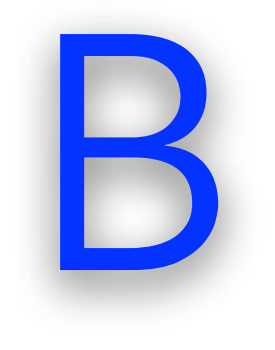
What is the worst outcome for country B if A cooperates?

We ignore this side of the matrix

We ignore A's revenues







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a

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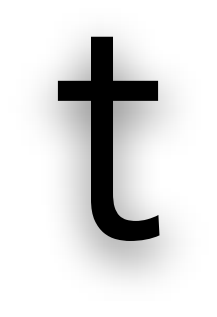

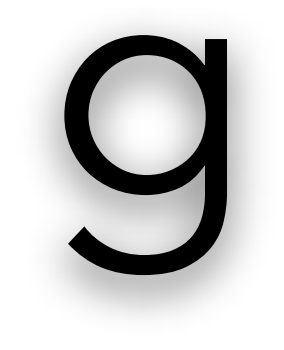
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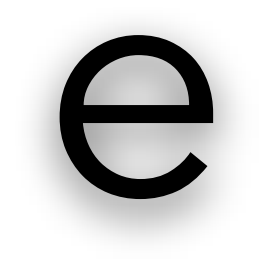

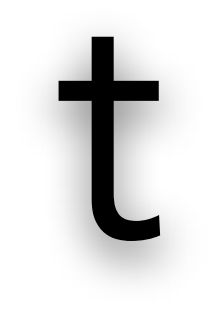

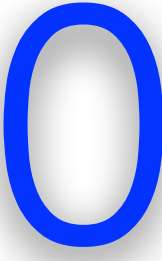

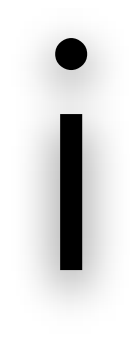

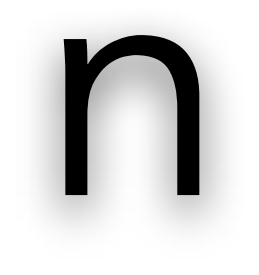
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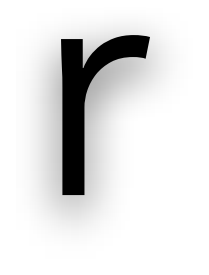
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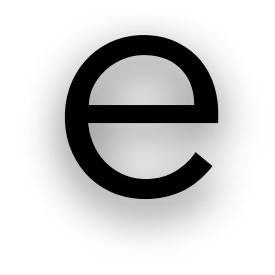

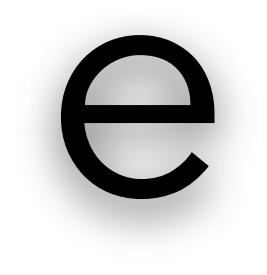

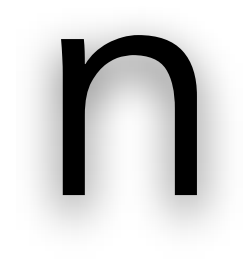
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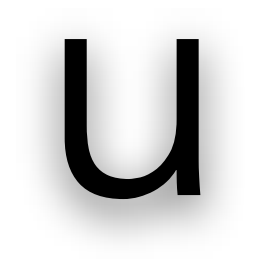
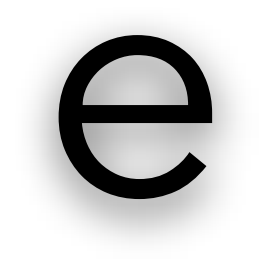
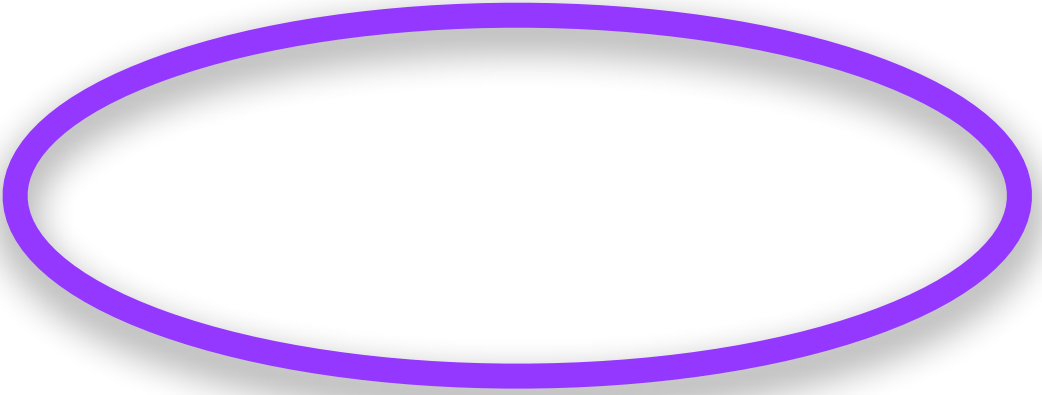
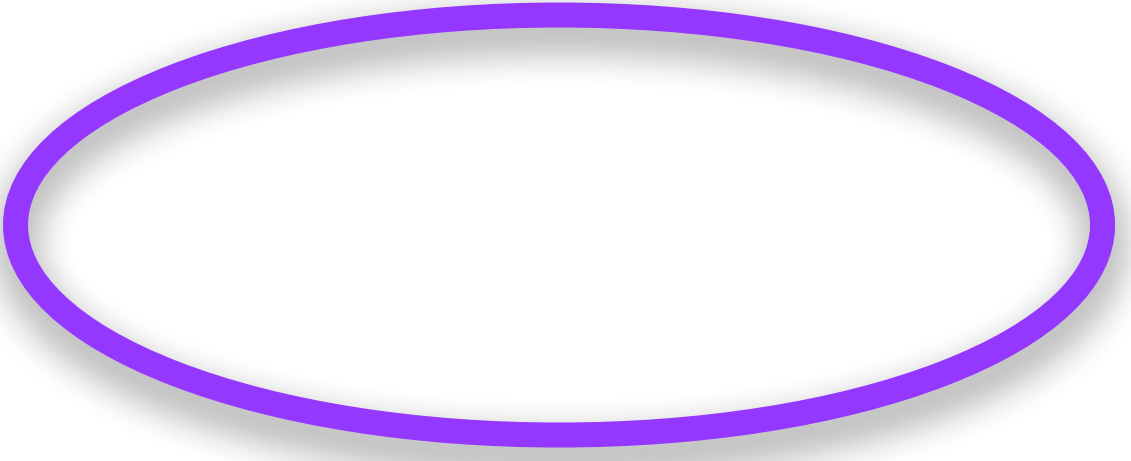




If B cooperates, it gets $960 in revenue





Country B's worst outcome occurs if it cooperates

Let's find the "worst outcome" for Country B

Country B only cares for its own revenue

If there is no Dominant Strategy, choose the least worse…

The Maximin Criteria

Worst
outcome:
Cooperate

If B cheats, it gets $1,260 in revenue

The Maximin Criteria

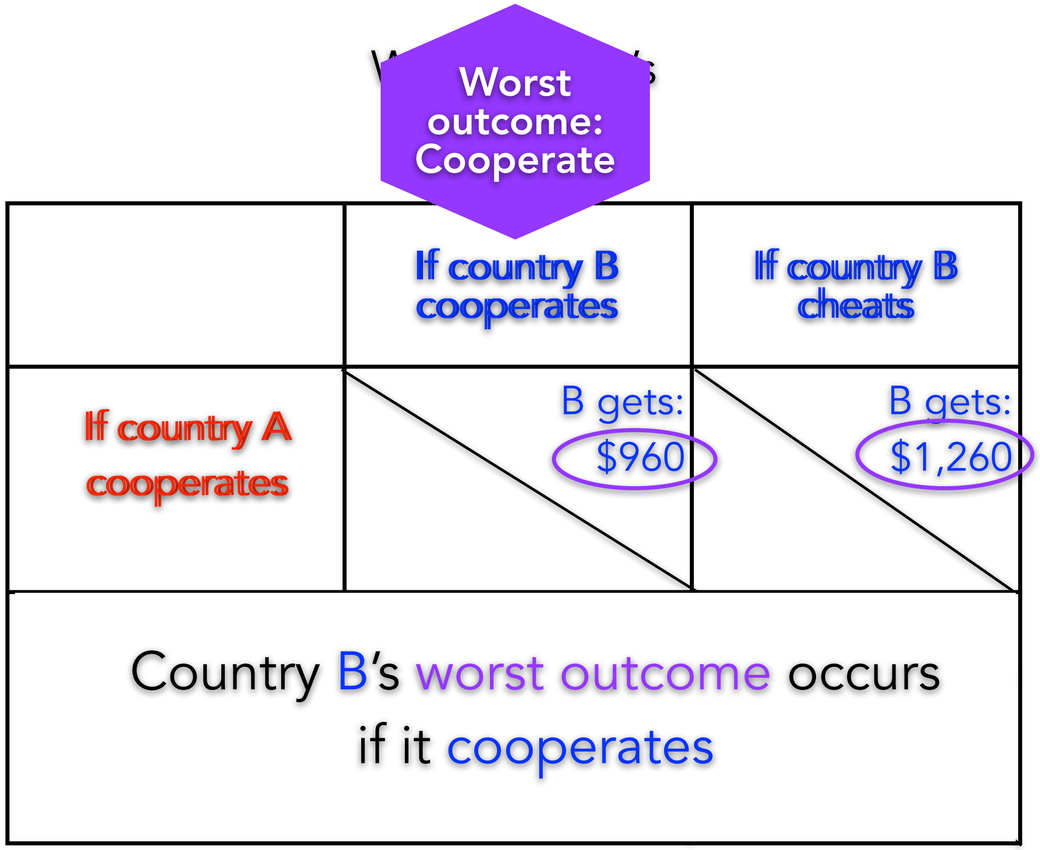
Let's find the "worst outcome" for Country B

What is the worst outcome for country B if A cooperates?

Country B only cares for its own revenue

If B cooperates, it gets $960 in revenue

If B cheats, it gets $1,260 in revenue



We ignore this side of the matrix

	If country B cooperates	If country B cheats
If country A cooperates	B gets: $960 A gets: $960	B gets: $1,260 A gets: $720
If country A cheats	B gets: $720 A gets: $1,260	B gets: $700 A gets: $700