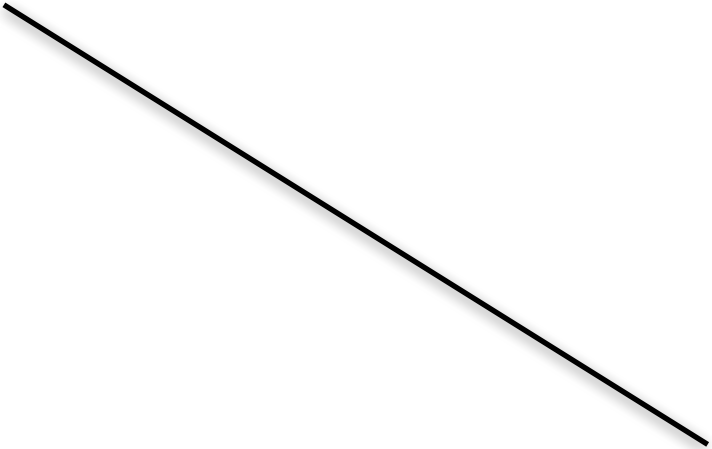




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|--|--|--|
|  |  |  |
|  |  |  |
|  |  |  |

If country A  
cooperates

If country B  
cooperates



A gets:

\$960

B gets:

\$960

If country B  
cheats



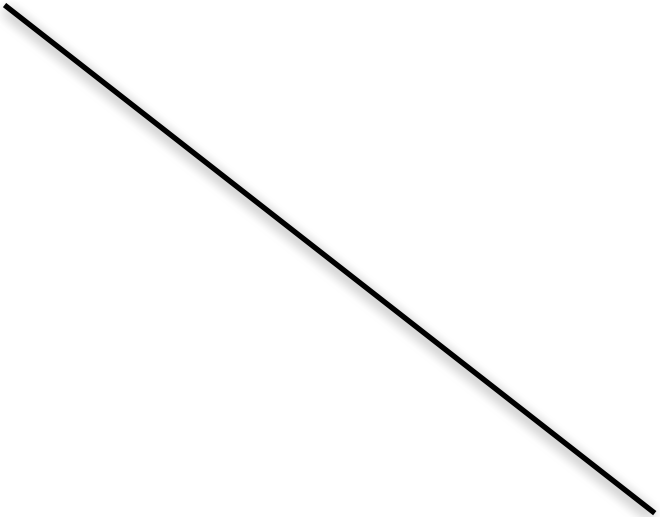
If country A  
cheats

A gets:

\$700

B gets:

\$700

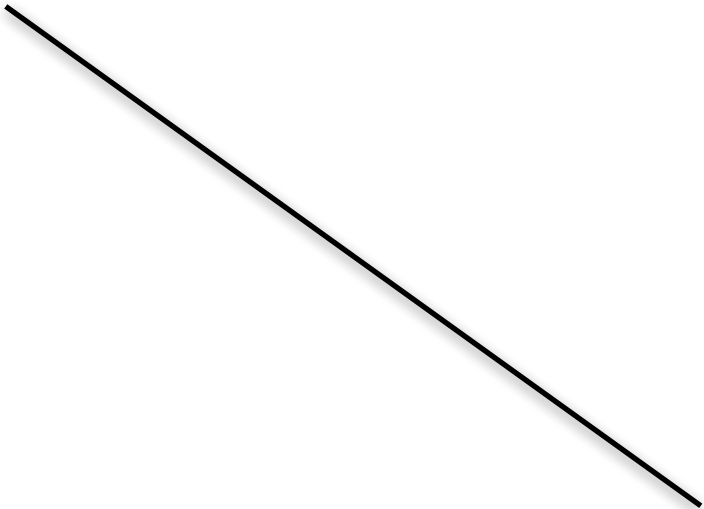


A gets:

\$1,260

B gets:

\$720



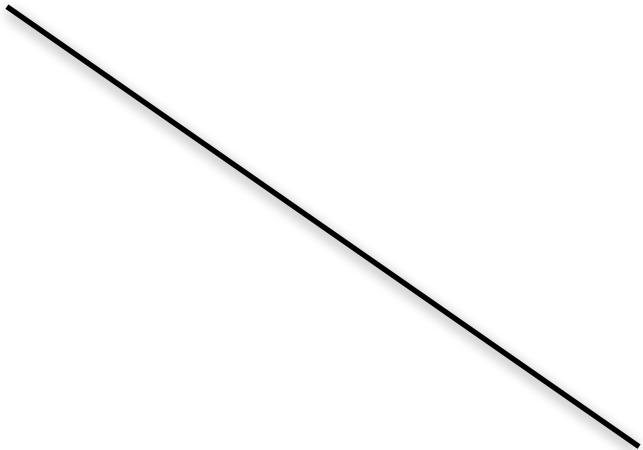
A gets:

\$720



B gets:

\$1,260



If country A  
cooperates

If country B  
cooperates

If country A  
cheats

**M**

2









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mm













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2



















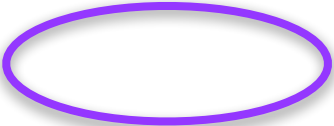
2

















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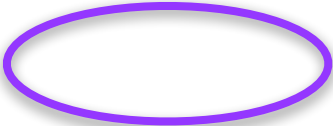
2





The **Maximin** Criteria: Choose the Strategy with the **maximum** of  
the **worst** outcomes

**Maximin  
strategy for B:  
Cooperate**





Country B's worst outcome if  
it cooperates: 720

Country B's worst outcome if  
it cheats: 700

Maximum of these: 720 (Cooperate)

# The Maximin Criteria: Choose the Strategy with the maximum of the worst outcomes

Country B's worst outcome if it cooperates: 720

Country B's worst outcome if it cheats: 700

Maximum of these: 720 (Cooperate)

Maximin  
strategy for B:  
Cooperate

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



Revenues

|                         | If country B cooperates                             | If country B cheats                                 |
|-------------------------|---|---|
| If country A cooperates | <div>A gets: \$960</div> <div>B gets: \$960</div>   | <div>A gets: \$720</div> <div>B gets: \$1,260</div> |
| If country A cheats     | <div>A gets: \$1,260</div> <div>B gets: \$720</div> | <div>A gets: \$700</div> <div>B gets: \$700</div>   |