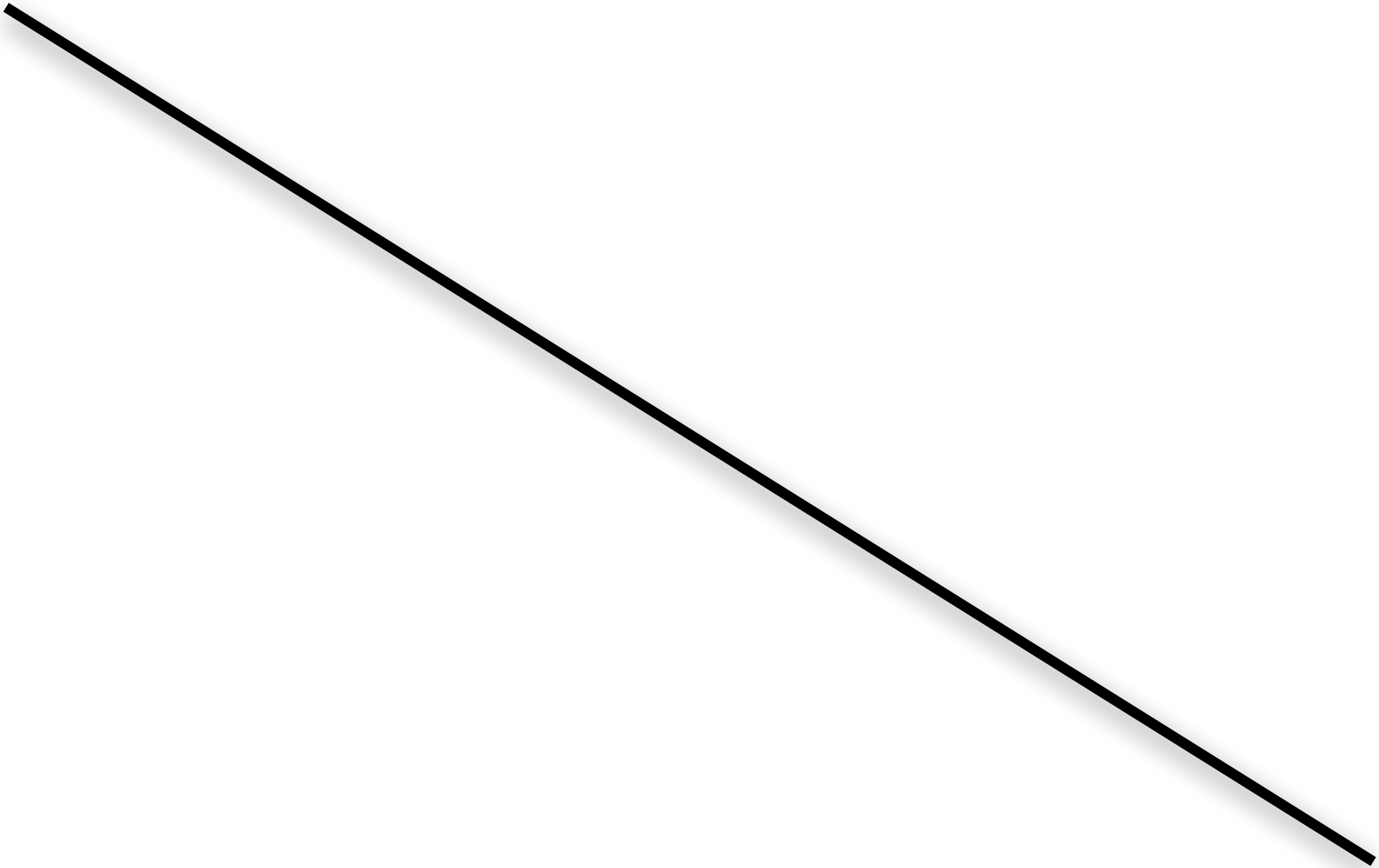
If country A cooperates

If country B cooperates



A gets:

$960

B gets:

$960

# If country B cheats

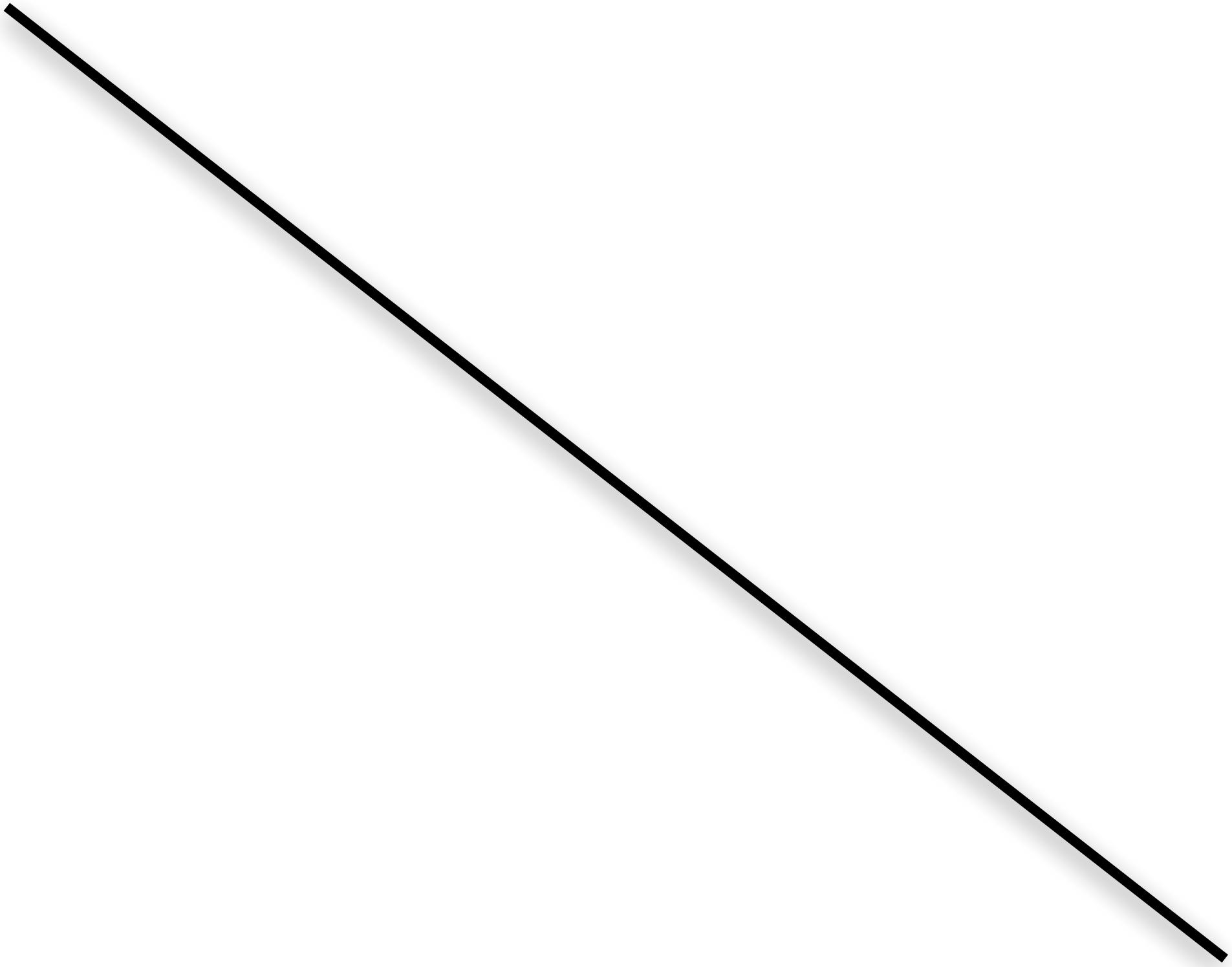
# If country A cheats

A gets:

$840

B gets:

$840

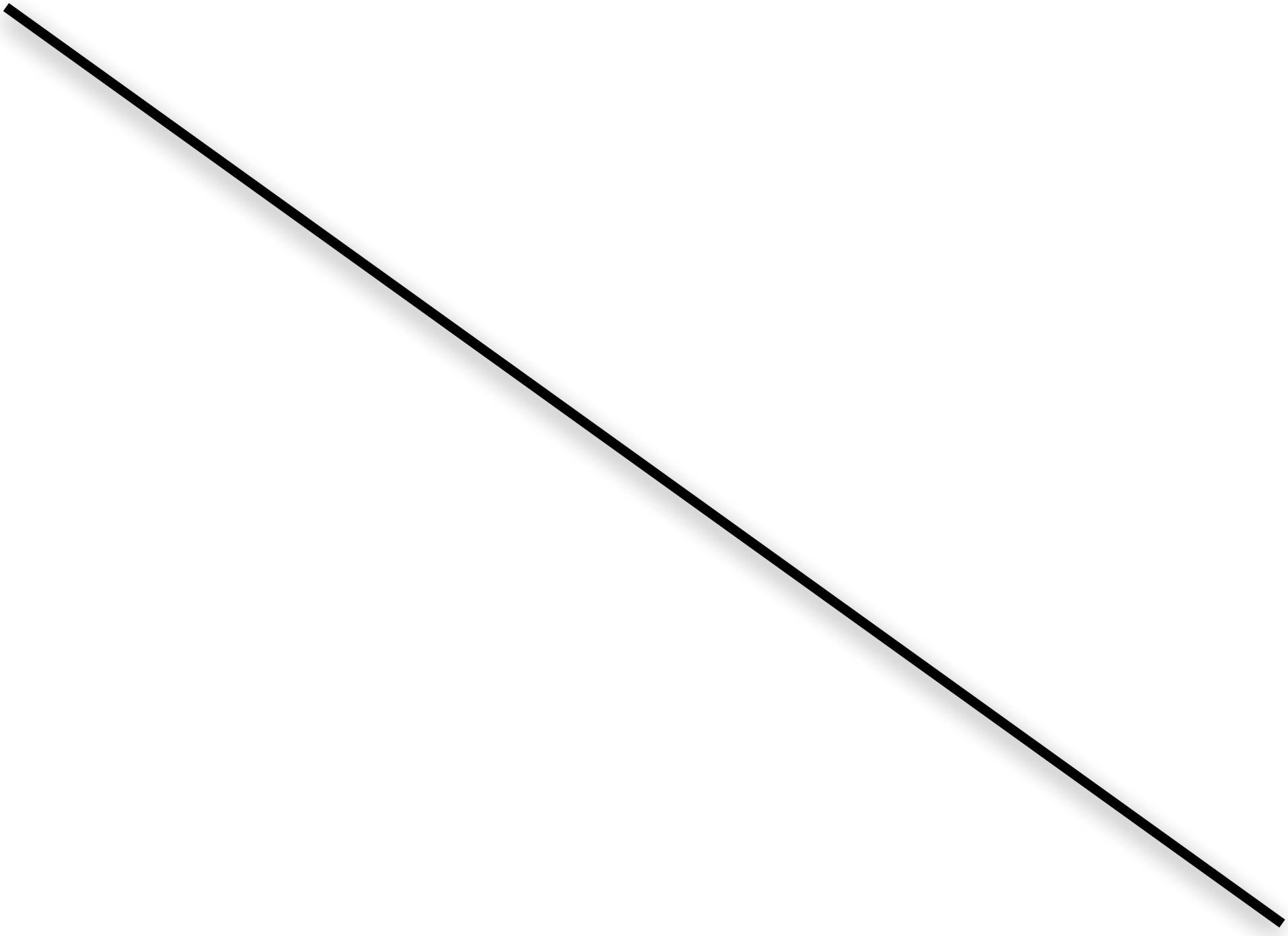


A gets:

$1,260

B gets:

$720

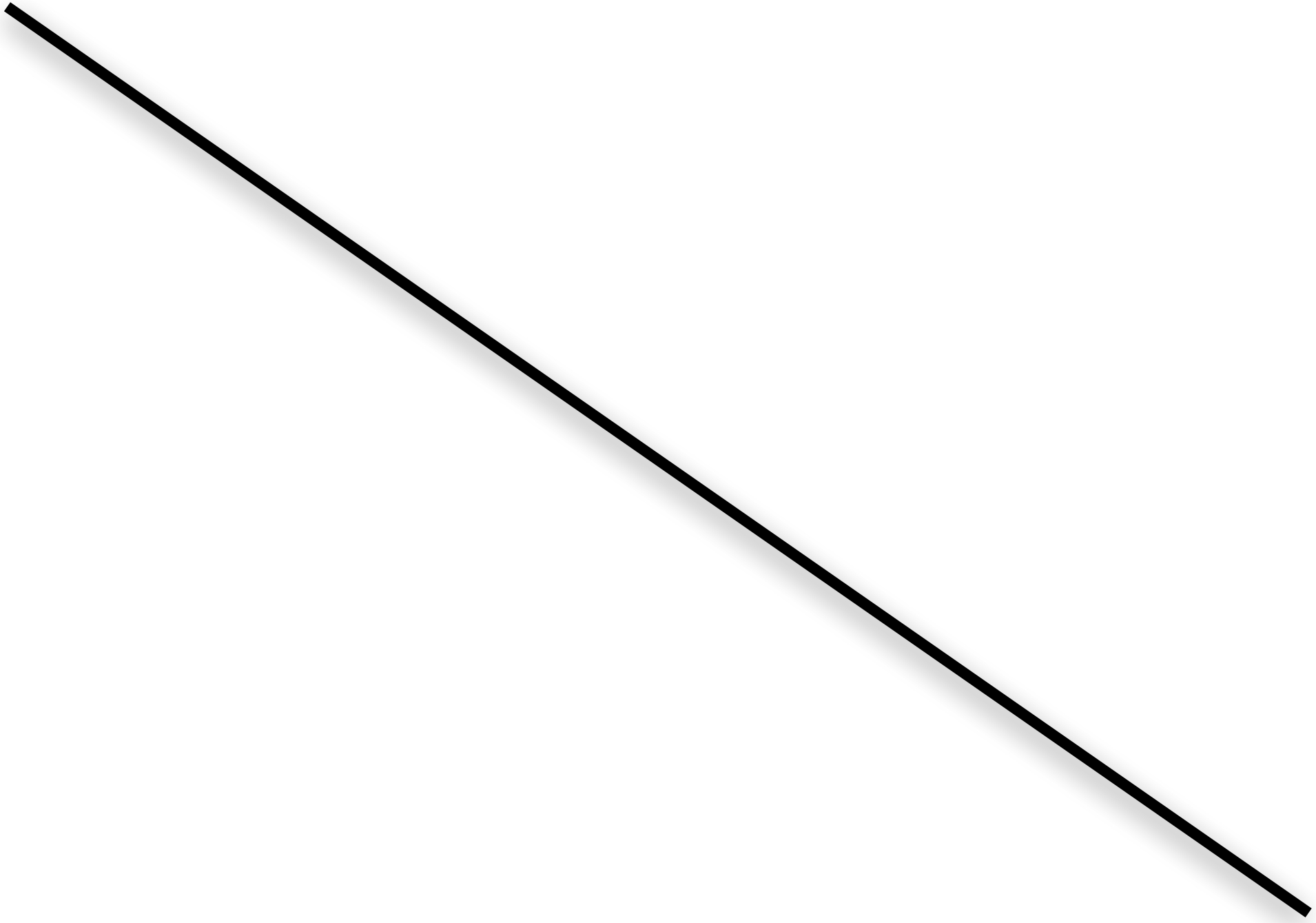


A gets:

$720

B gets:

$1,260



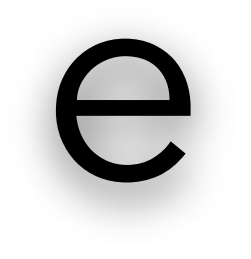
If country A cooperates

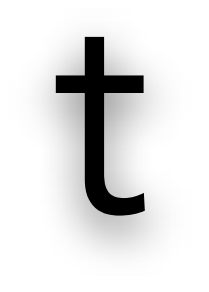
If country B cooperates

# If country A cheats

What should country A do if B cooperates?

W





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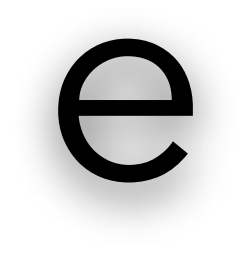

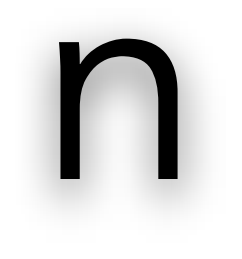
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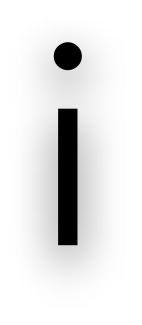

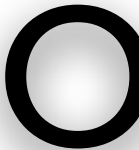

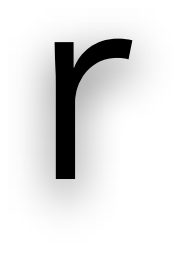

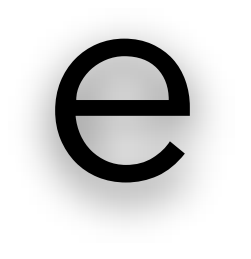

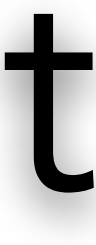

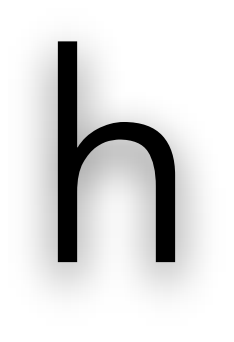

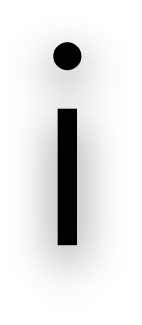

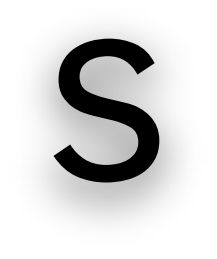
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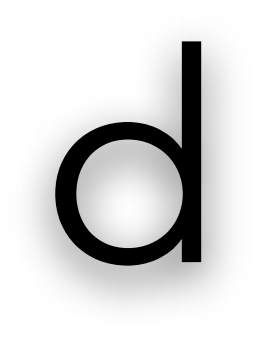

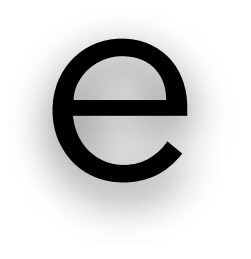

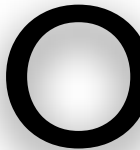

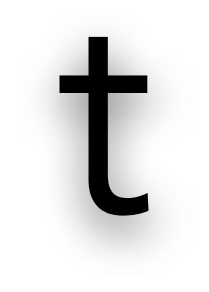

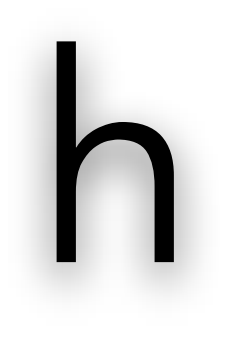
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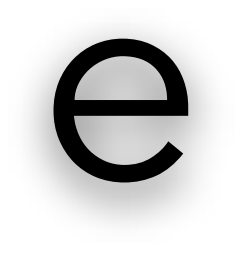

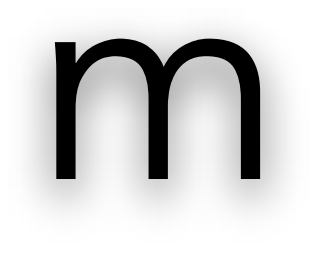


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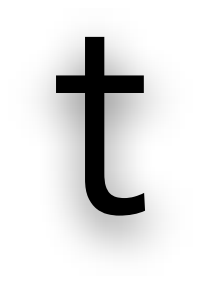

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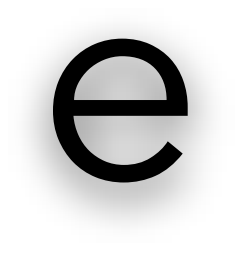

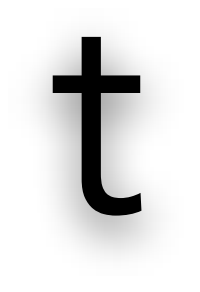
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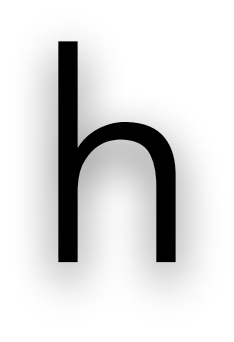

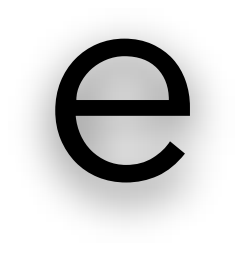

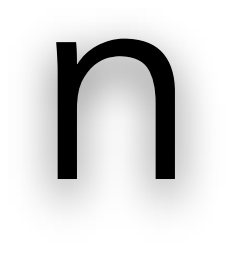
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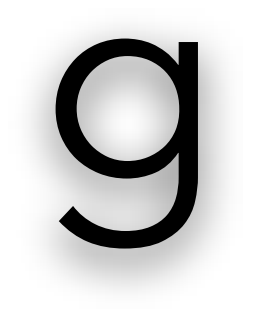
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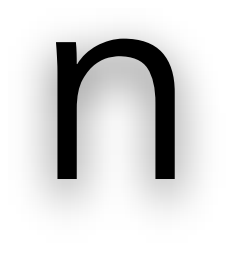
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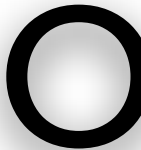

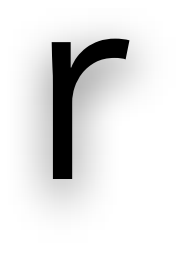
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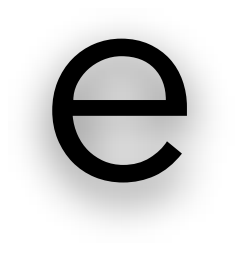

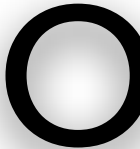

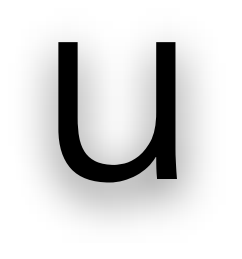

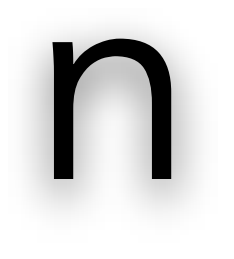
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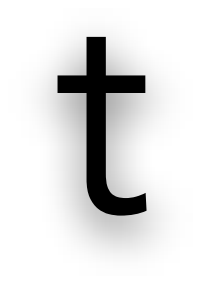

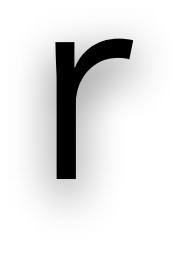

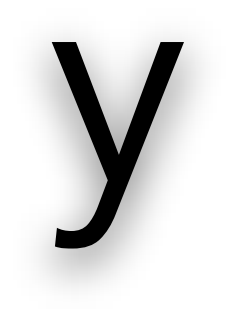
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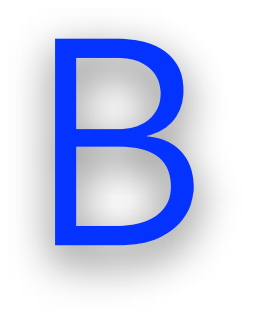
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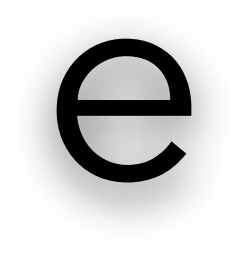

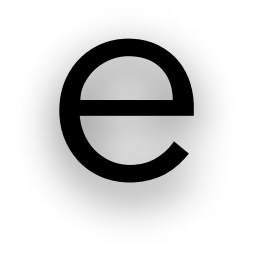

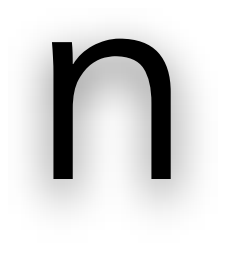
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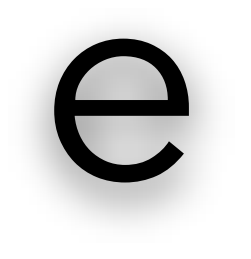

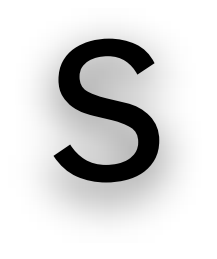
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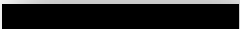

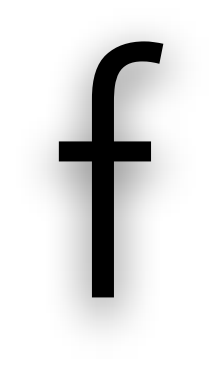

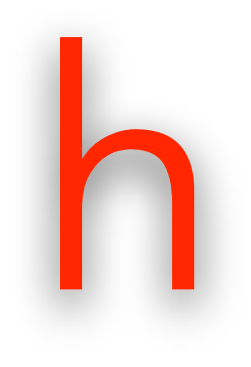
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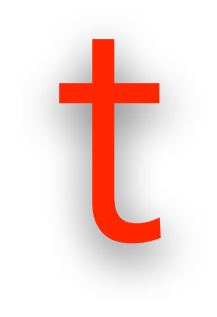


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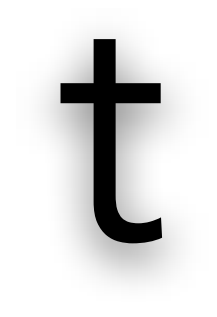

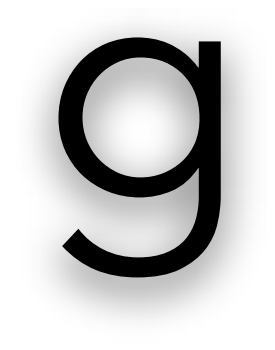

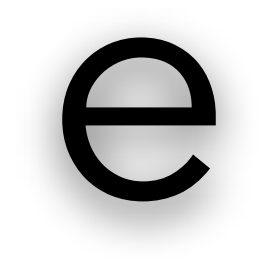

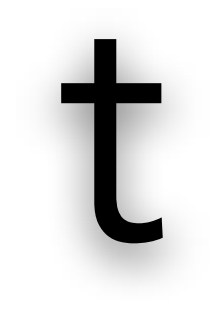

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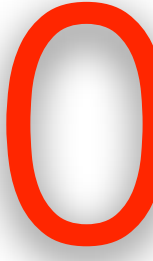

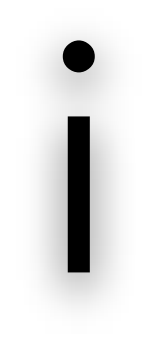

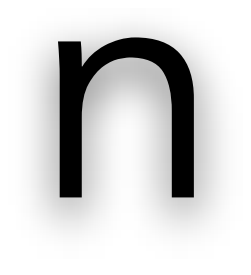

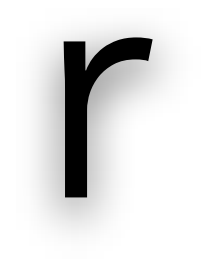
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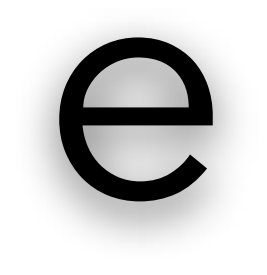

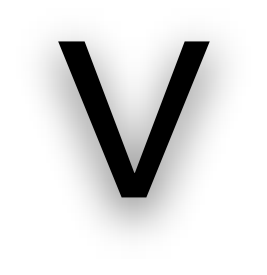

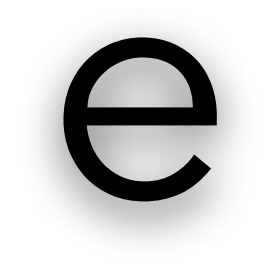

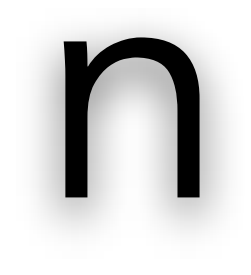
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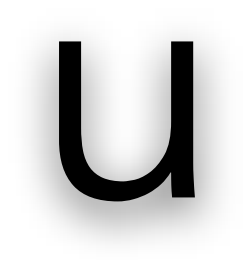
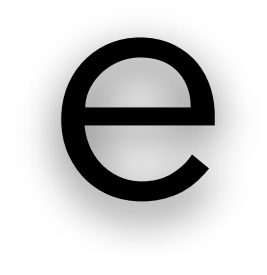
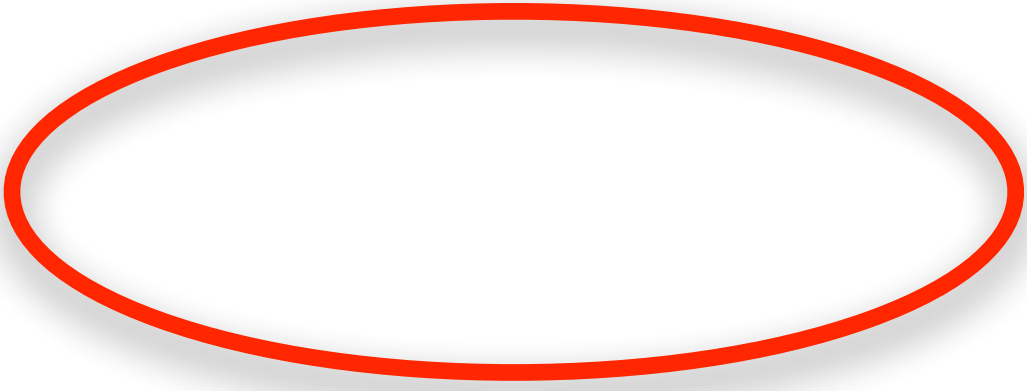
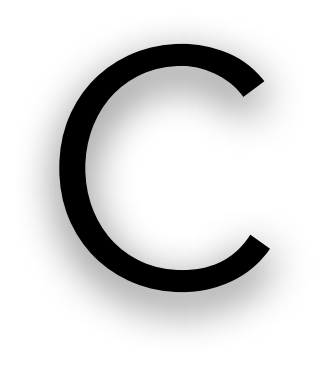
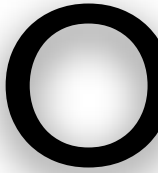


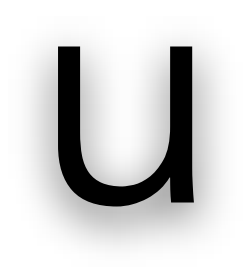


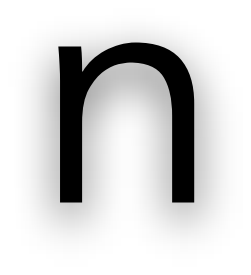
If A cooperates, it gets $960 in revenue

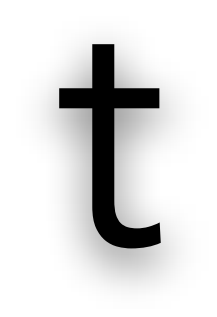


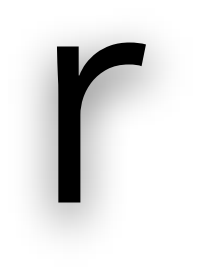


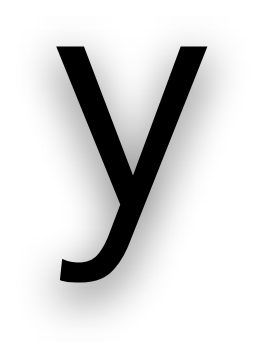








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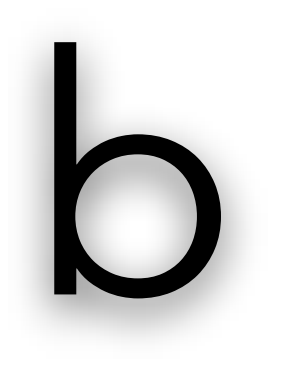

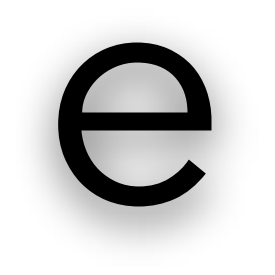

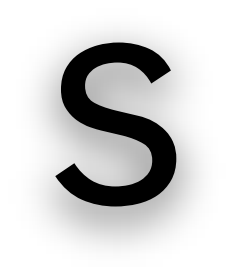

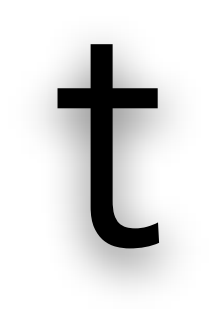

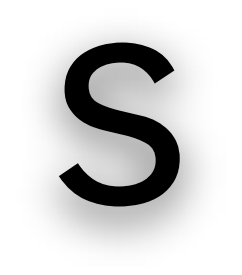

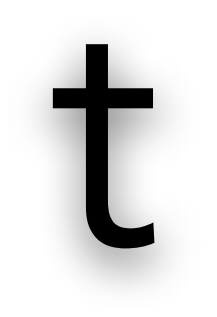

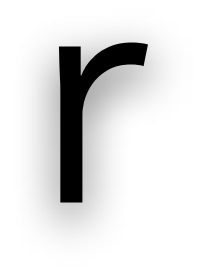

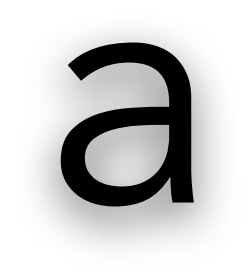
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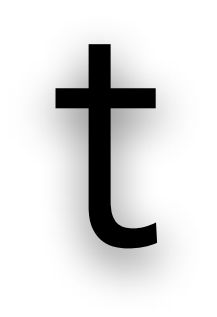

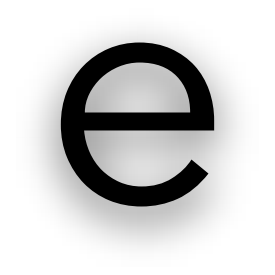


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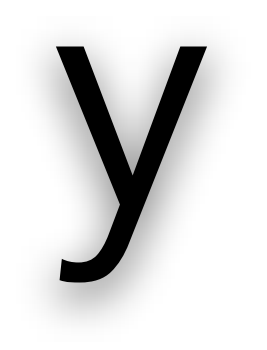
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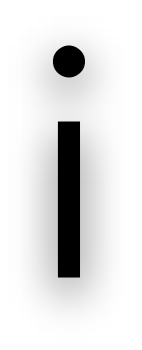

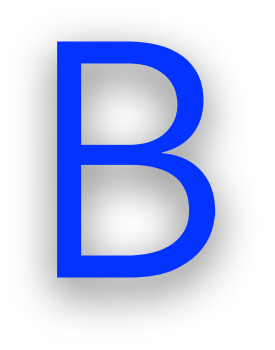
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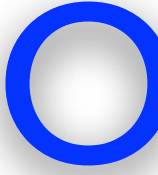

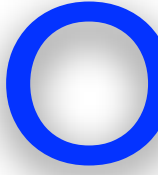


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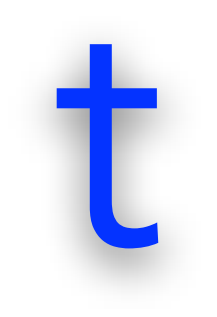

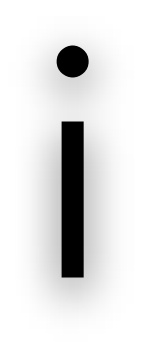

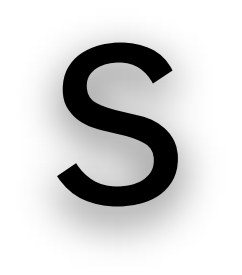

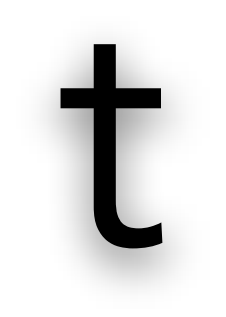

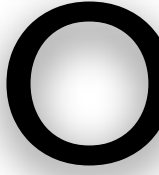


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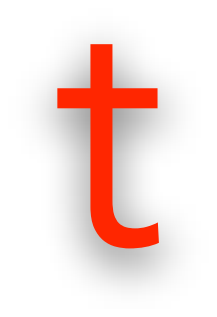


# Let's find the best strategy for Country A

Country A only cares for its own revenue


Best:
cheat

We then ignore this side of the matrix

We then ignore country B's revenues

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

Country A's best strategy if B cooperates is to cheat

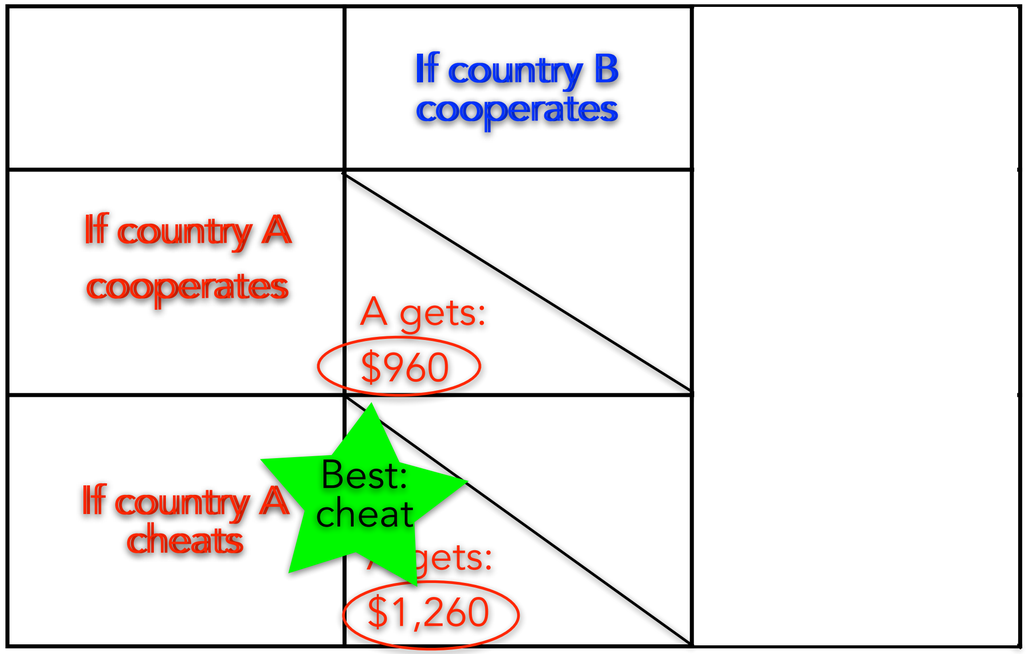
# Let's find the best strategy for Country A

What should country A do if B cooperates?

Country A only cares for its own revenue

We then ignore country B's revenues

We then ignore this side of the matrix




Country A's best strategy if B cooperates is to cheat

If A cooperates, it gets $960 in revenue

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

Let's find the best strategy for Country A

| | If country B cooperates | If country B cheats |
|---|---|---|
| If country A cooperates | B gets: $960<br>A gets: $960 | B gets: $1,260<br>A gets: $720 |
| If country A cheats | B gets: $720<br>A gets: $1,260 | B gets: $840<br>A gets: $840 |