

Review

1 Important concepts

1. Player, strategy, payoff
2. Dominated strategy, dominant strategy
3. Best responses
4. Pure strategy, mixed strategy
5. Nash equilibrium (NE)
6. Games of perfect/imperfect information
7. Pure strategy in a dynamic game
8. Subgame-perfect equilibrium (SPE)
9. Repeated games
10. Games of complete/incomplete information
11. Type, belief
12. Bayesian Nash Equilibrium (BNE)
13. Perfect Bayesian Equilibrium (PBE)

2 Methods for solving problems

1. Iterated elimination of strictly dominated strategies
2. NE
 - Pure-strategy NE: for discrete strategies, underline the best responses; for continuous strategies, use first-order conditions

- Mixed-strategy NE: use the indifference conditions
3. Backward induction, SPE
 4. One-shot deviation principle in infinitely repeated game
 5. BNE (type, belief, Bayesian updating)
 6. PBE (guess and verify)