

Exercises 3
CS409 Algorithmic Game Theory
 Term 2, 2018/2019

1. Give a Nash equilibrium for the following extension of a Rock-Paper-Scissors game and justify your answer.

| | | II | | | |
|---|----------|---------|---------|----------|---------|
| | | Rock | Paper | Scissors | Well |
| I | Rock | 0 0 | 1 -1 | -1 1 | 1 -1 |
| | Paper | -1 1 | 0 0 | 1 -1 | -1 1 |
| | Scissors | 1 -1 | -1 1 | 0 0 | 1 -1 |
| | Well | -1 1 | 1 -1 | -1 1 | 0 0 |

2. Show that for any real numbers a , b , c , d , and e , the two-player zero-sum game with payoff matrix

$$A = \begin{pmatrix} a & a & b & b \\ c & d & c & d \\ c & e & c & e \end{pmatrix}$$

has a pure Nash equilibrium.

3. Find all Nash equilibria of the game Chicken.

| | | II | |
|---|----------|---------|------------|
| | | swerve | straight |
| I | swerve | 0 0 | 1 -1 |
| | straight | -1 1 | -10 -10 |

4. Suppose player I sabotages her own car by disabling her airbag. A collision is now much worse for player I and we obtain the following modified game of Chicken.

| | | | |
|---|----------|---------|------------|
| | | II | |
| | | swerve | straight |
| I | swerve | 0 0 | 1 -1 |
| | straight | -1 1 | -10 -25 |

Find all Nash equilibria of this game.