

Speltheorie (hertentamen) (WISB272) 21 augustus 2003

Schrijf je naam en registratienummer op vel no. 1 en schrijf je naam ook bovenaan elk ander in te leveren vel.

Question 1

Consider a version of Nim played exactly as Nim except that in each move a player may take away any number of stones from one or two heaps. There are n heaps and at least one stone must be taken in a move. Each position (k_1, \dots, k_n) can be represented as a rectangular matrix with elements 0 and 1 in n rows, such that row j is the expansion of k_j in base 2, perhaps complemented by some zeroes on the left.

- Prove that a position is a P-position if and only if the number of 1's in each column of the matrix is divisible by 3.
- Use the result in (a) to decide if $(12, 19, 27)$ is a N-position and if 'yes' find the first winning move.

Question 2

A game on a 4×4 chessboard with two rooks is played by two players. The rooks may occupy the same or different squares. As the game starts, both rooks are on the square $(1, 1)$, and in each move a player may select one of the rooks to move. If the player decides to move a rook in square (x, y) she must move it to either a square (x', y) with $x' > x$ or a square (x, y') with $y' > y$. The players alternate the moves and the last player to move wins.

- Decide if the initial position is a P-position.
- Determine the Sprague-Grundy function of the game.

Question 3

Solve the game with matrix

$$\begin{pmatrix} 2 & 5 & 1 & 7 \\ 4 & 3 & 6 & 2 \end{pmatrix}$$

Question 4

Find all Nash equilibria in the following games:

- $\begin{pmatrix} 0, 0 & -2, 1 \\ 1, -2 & -3, -3 \end{pmatrix}$
- $\begin{pmatrix} 1, 1 & 3, 3 \\ 4, 0 & 0, 4 \end{pmatrix}$
- $\begin{pmatrix} 0, 0 & 0, 0 & 2, 2 \\ 0, 0 & 3, 3 & 0, 0 \\ 1, 1 & 0, 0 & 0, 0 \end{pmatrix}$.

Question 5

Consider the cooperative game with bimatrix $\begin{pmatrix} 1, 2 & 4, 3 & 6, 2 \\ 4, 0 & 3, 3 & 2, 2 \end{pmatrix}$.

- a) Assuming nontransferable utility, sketch the feasible set and determine its Pareto boundary.
- b) Assuming a transferable utility find the TU-solution, including threat strategies, disagreement point and side payment.

Question 6

Consider the three-person game in coalitional form with the characteristic function $v(\emptyset) = 0$, $v(\{1\}) = 0$, $v(\{2\}) = 1$, $v(\{3\}) = -1$, $v(\{1, 2\}) = 2$, $v(\{1, 3\}) = 0$, $v(\{2, 3\}) = 1$, $v(\{1, 2, 3\}) = 3$.

- a) Decide if the core is empty and if 'no' find a stable imputation.
- b) Compute the Shapley value.

Question 7

Consider the Cournot duopoly model with price per item equal to $(29 - s)_+ + 1$ where s is the total amount produced. Producer's i cost of producing $x \geq 0$ items is $x + i$.

- a) Suppose there are two producers. What is their equilibrium production and the total profit?
- b) Suppose there are n producers. Find all possible values of n such that the equilibrium production is profitable for each of the producers.