

INR 3303 — Practice Exercises 2
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For problems 1-6, circle all dominant strategies and Nash equilibria. Payoffs are given in the order of (Row, Column), where 1 = best and 4 = worst.

Hint: Remember, you can find Nash equilibria: first, by looking for dominant strategy equilibria; or, second, by looking to see if either player would change strategy for each outcome.

Example:

		Silent	Talk	
	Silent	2,2	4,1	1 = best 4 = worst
	Talk	1,4	3,3	

Talk is a dominant strategy for each side.
3,3 is the only nash equilibrium.

1.

		<u>Column</u>	
		H	T
<u>Row</u>	H	1,3	2,2
	T	3,4	4,1

2.

		<u>Column</u>	
		H	T
<u>Row</u>	H	3,3	1,4
	T	4,1	2,2

3

		<u>Column</u>	
		H	T
<u>Row</u>	H	1,3	4,2
	T	2,4	3,1

For problems 4-5, cross off all inferior strategies and circle all Nash equilibria. Payoffs are given in the order of (Row, Column), where 1 = best and 4 = worst (same as above).

4.

		<u>Column</u>	
		H	T
<u>Row</u>	H	3,2	4,1
	T	2,3	1,4

5

		<u>Column</u>		
		X	Y	Z
<u>Row</u>	A	7,1	5,4	2,6
	B	1,9	8,2	9,3
	C	6,5	3,7	4,8