Statistics 473: Game Theory
Problem Set 6

Due: <u>Tuesday</u> March 5:

1) i) Do Problem 156.2 a),b)
ii) What are all the possible strategies for each player?
iii) Write out the strategic from of the game and determine all pure strategy Nash equilibria.
iv) Find all subgame perfect equilibria.

2) For the game in Figure 160.1
a) What are all the possible strategies for each player?
b) Write out the strategic from of the game and determine all pure strategy Nash equilibria.
c) Find all subgame perfect equilibria.

3) i) Do Problem 156.2 c) from the text.
ii) What are all the possible strategies for each player?
iii) Find all subgame perfect equilibria.
iv) Argue there is a Nash equilibrium where Karl chooses Rosa and both Rosa and Ernesto choose B.

4) Do problem 163.2 from the text. In addition, find all subgame perfect equilibria. Is there an outcome from a Nash equilibrium that does not occur in a subgame perfect equilibrium?