

Examen Economics & Strategy – mai 2009

Question 1

	L	C	R
T	(1,1)	(3,2)	(4,2)
M	(2,2)	(0,0)	(1,0)
B	(4,1)	(1,1)	(3,3)

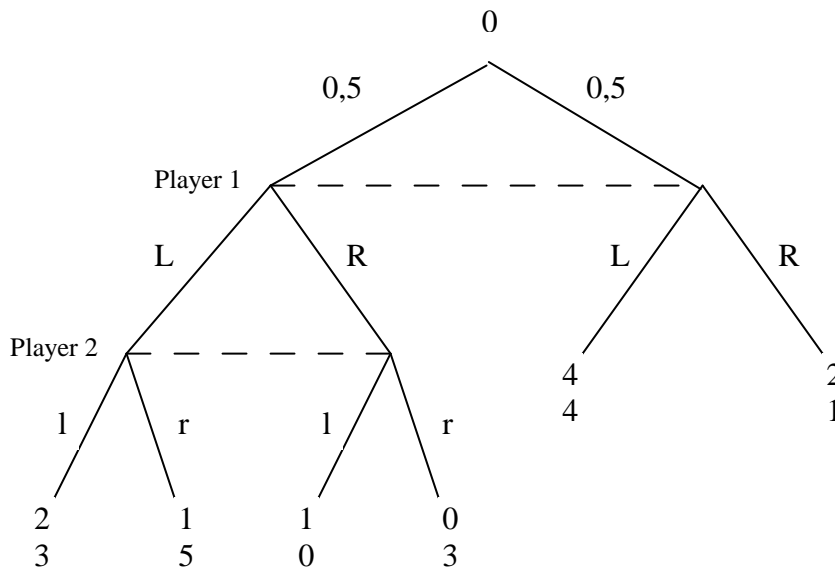
Which pure strategies survive iterated elimination of strictly dominated strategy ? (27 points)

Question 2

	L	R
T	(2,1)	(0,2)
B	(0,1)	(1,0)

This game has one Nash equilibrium, give it. (27 points)

Question 3



- What are the strategy set of the players ? give the normal form representation. (20 points)
- What are the Nash equilibria ? What are the subgame perfect equilibria ? (10 points)
- Are these Nash equilibria, perfect Bayesian equilibria ? (16 points)