

Model Question Paper-I with effect from 2022(CBCS Scheme)

USN

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Fourth Semester B.E Degree Examination

ALGORITHMIC GAME THEORY (BAI405D)

TIME:03Hours

Max.Marks:100

Note:

1. Answer any **FIVE** full questions, choosing at least **ONE** question from each **MODULE**
2. M: Marks, L: RBT levels, C: Course outcomes.

		Module - 1				M	L	C																					
Q.1	a	Analyze the game theoretical model- 'Bach or Stravinsky' and hence find the pure Nash equilibrium, if it exists.				7	L4	CO2																					
	b	For the below payoff matrix, find the Nash Equilibria and check whether it is a Strict Nash Equilibrium or not, with appropriate reasoning.				7	L3	CO4																					
			<table border="1"> <tr> <td></td> <td colspan="3">Player 2</td> </tr> <tr> <td></td> <td>L</td> <td>M</td> <td>R</td> </tr> <tr> <td rowspan="2">Player 1</td> <td>T</td> <td>1,1</td> <td>1,0</td> <td>0,1</td> </tr> <tr> <td>B</td> <td>1,0</td> <td>0,1</td> <td>1,0</td> </tr> </table>					Player 2				L	M	R	Player 1	T	1,1	1,0	0,1	B	1,0	0,1	1,0						
	Player 2																												
	L	M	R																										
Player 1	T	1,1	1,0	0,1																									
	B	1,0	0,1	1,0																									
c	Explain the terms: (i) Strategic Game (ii) Nash Equilibrium with suitable examples.				6	L2	CO1																						
OR																													
Q.2	a	Analyze the game theoretical model- 'Stag Hunt' and hence find the pure Nash equilibrium, if it exists.				7	L4	CO2																					
	b	Apply best response functions to find Nash Equilibrium in				7	L3	CO4																					
			<table border="1"> <tr> <td></td> <td colspan="3">Player 2</td> </tr> <tr> <td></td> <td>L</td> <td>C</td> <td>R</td> </tr> <tr> <td rowspan="3">Player 1</td> <td>U</td> <td>13,3</td> <td>1,4</td> <td>7,3</td> </tr> <tr> <td>M</td> <td>4,1</td> <td>3,3</td> <td>6,2</td> </tr> <tr> <td>D</td> <td>-1,9</td> <td>2,8</td> <td>8,-1</td> </tr> </table>					Player 2				L	C	R	Player 1	U	13,3	1,4	7,3	M	4,1	3,3	6,2	D	-1,9	2,8	8,-1		
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	M	4,1	3,3	6,2																									
	D	-1,9	2,8	8,-1																									
c	Explain the terms: (i) Best Response function (ii) Strict Domination with suitable examples.				6	L2	CO1																						
Module – 2																													
Q.3	a	Analyze the game of 'Matching Pennies' and apply method of best responses to find mixed strategy Nash Equilibrium.				7	L4	CO2																					
	b	Apply mixed strategy algorithm to find the expected payoffs for each player in the following game.				7	L3	CO4																					
			<table border="1"> <tr> <td></td> <td colspan="2">Player 2</td> </tr> <tr> <td></td> <td>L</td> <td>C</td> </tr> <tr> <td rowspan="2">Player 1</td> <td>T</td> <td>3,-3</td> <td>-2,2</td> </tr> <tr> <td>D</td> <td>-1,1</td> <td>0,0</td> </tr> </table>					Player 2			L	C	Player 1	T	3,-3	-2,2	D	-1,1	0,0										
	Player 2																												
	L	C																											
Player 1	T	3,-3	-2,2																										
	D	-1,1	0,0																										
c	Analyze whether a mixed strategy (3/4,0, 1/4) for player 1 and (0, 1/3, 2/3) for player 2 in the following game is a mixed strategy nash equilibrium.				6	L4	CO2																						

			Player 2					
			L(0)	C(1/3)	R(2/3)			
	Player 1	U(3/4)	3,2	3,3	1,1			
		M(0)	2,2	0,1	2,0			
		D(1/4)	-1,4	5,1	0,7			

OR

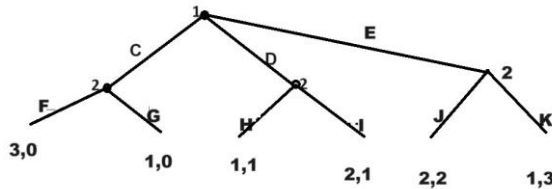
Q.4	a	Analyze the game theoretical model – ‘Expert diagnosis model’ and hence find the pure and mixed Nash equilibrium.	7	L4	CO2
	b	Find all the mixed strategy Nash Equilibria of the game by eliminating any strictly dominated actions and then constructing the player’s best response functions.	7	L3	CO4
	c	Analyze whether the mixed strategy (0,1/2,1/2) yields a better payoff to Player 1 than pure strategy.	6	L4	CO2

		Player 2		
		L	C	R
Player 1	T	1,2	2,0	4,3
	D	2,3	2,1	1,2

		Player 2	
		P	S
Player 1	P	1,0	1,0
	S	4,1	0,1
	R	0,1	3,1

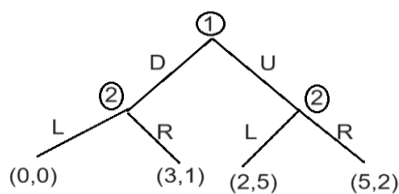
Module – 3

Q.5	a	Analyze the game theoretical model – ‘The Ultimatum game’ and hence find its subgame perfect equilibrium.	10	L4	CO2
	b	Find all the subgames of the following game. Also using Backward induction, find the subgame perfect equilibrium	10	L3	CO4



OR

Q.6	a	Analyze the game theoretical model – ‘Stackelberg’s model of duopoly’ and hence find its subgame perfect equilibrium.	10	L4	CO2
	b	Find all the subgames of the following game. Also using Backward induction, find subgame perfect equilibrium	10	L3	CO4



Module – 4

Q.7	a	Find the Bayesian Nash equilibrium of BoS model –where both the players are unsure whether other player wants to meet or avoid him.	10	L3	CO4
	b	Develop a model in case of ‘Cournot’s game with imperfect information’ about both cost and information.	10	L4	CO2

OR

Q.8	a	Find the Nash Equilibrium for the following Bayesian model, in which Player 1 chooses T with probability $1/2$ and e is a real number between 0 and $1/2$. <table border="1" style="display: inline-table; margin: 5px;"> <tr><td></td><td>L</td><td>M</td><td>R</td></tr> <tr><td>T</td><td>$1, 2e$</td><td>$1, 0$</td><td>$1, 3e$</td></tr> <tr><td>B</td><td>$2, 2$</td><td>$0, 0$</td><td>$0, 3$</td></tr> </table> <table border="1" style="display: inline-table; margin: 5px;"> <tr><td></td><td>L</td><td>M</td><td>R</td></tr> <tr><td>T</td><td>$1, 2e$</td><td>$1, 3e$</td><td>$1, 0$</td></tr> <tr><td>B</td><td>$2, 2$</td><td>$0, 3$</td><td>$0, 0$</td></tr> </table>		L	M	R	T	$1, 2e$	$1, 0$	$1, 3e$	B	$2, 2$	$0, 0$	$0, 3$		L	M	R	T	$1, 2e$	$1, 3e$	$1, 0$	B	$2, 2$	$0, 3$	$0, 0$	10	L3	CO4
		L	M	R																									
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B	$2, 2$	$0, 3$	$0, 0$																										
b	Develop a model in case of ‘Providing public good’ game where each person knows only his valuation.	10	L4	CO2																									

Module – 5

Q.9	a	Find the maximization strategy for each player, both pure and mixed, for the following game. <table border="1" style="margin: 5px;"> <tr><td></td><td colspan="2" style="text-align: center;">Player 2</td></tr> <tr><td></td><td style="text-align: center;">L</td><td style="text-align: center;">R</td></tr> <tr><td rowspan="2" style="text-align: center;">Player 1</td><td style="text-align: center;">L</td><td style="text-align: center;">$4, 1$</td></tr> <tr><td style="text-align: center;">R</td><td style="text-align: center;">$7, 0$</td></tr> </table>		Player 2			L	R	Player 1	L	$4, 1$	R	$7, 0$	6	L3	CO4
		Player 2														
		L	R													
Player 1	L	$4, 1$														
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b	Determine whether the following games are strictly competitive or not in (i) Pure Strategies (ii) Mixed strategies <table border="1" style="margin: 5px;"> <tr><td></td><td colspan="2" style="text-align: center;">Player 2</td></tr> <tr><td></td><td style="text-align: center;">L</td><td style="text-align: center;">R</td></tr> <tr><td rowspan="2" style="text-align: center;">Player 1</td><td style="text-align: center;">L</td><td style="text-align: center;">$2, 2$</td></tr> <tr><td style="text-align: center;">R</td><td style="text-align: center;">$3, 0$</td></tr> </table>		Player 2			L	R	Player 1	L	$2, 2$	R	$3, 0$	7	L3	CO4	
	Player 2															
	L	R														
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c	Analyze ‘Infinitely repeated prisoner’s dilemma’ with Tit for Tat strategy and hence find the Nash Equilibrium. <table border="1" style="margin: 5px;"> <tr><td></td><td colspan="2" style="text-align: center;">Player 2</td></tr> <tr><td></td><td style="text-align: center;">Quiet</td><td style="text-align: center;">Confess</td></tr> <tr><td rowspan="2" style="text-align: center;">Player 1</td><td style="text-align: center;">Quiet</td><td style="text-align: center;">$2, 2$</td></tr> <tr><td style="text-align: center;">Confess</td><td style="text-align: center;">$3, 0$</td></tr> </table>		Player 2			Quiet	Confess	Player 1	Quiet	$2, 2$	Confess	$3, 0$	7	L4	CO2	
	Player 2															
	Quiet	Confess														
Player 1	Quiet	$2, 2$														
	Confess	$3, 0$														

OR

Q.10	a	Find the maximization strategy for each player, both pure and mixed, for the following game. <table border="1" style="margin: 5px;"> <tr><td></td><td colspan="2" style="text-align: center;">Player 2</td></tr> <tr><td></td><td style="text-align: center;">L</td><td style="text-align: center;">R</td></tr> <tr><td rowspan="2" style="text-align: center;">Player 1</td><td style="text-align: center;">L</td><td style="text-align: center;">$2, -2$</td></tr> <tr><td style="text-align: center;">R</td><td style="text-align: center;">$0, 0$</td></tr> </table>		Player 2			L	R	Player 1	L	$2, -2$	R	$0, 0$	6	L3	CO4
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	Player 2															
	L	R														
Player 1	U	$1, -1$														
	D	$2, -3$														
c	Analyze ‘Infinitely repeated prisoner’s dilemma’ with Grim Trigger Strategy-with limited punishment and hence find the Nash Equilibrium. <table border="1" style="margin: 5px;"> <tr><td></td><td colspan="2" style="text-align: center;">Player 2</td></tr> <tr><td></td><td style="text-align: center;">Quiet</td><td style="text-align: center;">Confess</td></tr> <tr><td rowspan="2" style="text-align: center;">Player 1</td><td style="text-align: center;">Quiet</td><td style="text-align: center;">$2, 2$</td></tr> <tr><td style="text-align: center;">Confess</td><td style="text-align: center;">$3, 0$</td></tr> </table>		Player 2			Quiet	Confess	Player 1	Quiet	$2, 2$	Confess	$3, 0$	7	L4	CO2	
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