

Dominance

Lecture 36

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1 Dominance

2 Simple Card Games

3 More Examples

- The Travelers' Dilemma
- The Diners' Dilemma
- The Colonel Blotto Game

4 Assignment

1 Dominance

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4 Assignment

Dominance

Definition (Row Dominance)

In a payoff matrix, row r **dominates** row s if every payoff in row r is **greater than or equal to** the *corresponding* payoff in row s .

Dominance

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Definition (Column Dominance)

In a payoff matrix, column c **dominates** column d if every payoff in column c is **less than or equal to** the *corresponding* payoff in column d .

Dominance

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In a payoff matrix, row r **dominates** row s if every payoff in row r is **greater than or equal to** the *corresponding* payoff in row s .

Definition (Column Dominance)

In a payoff matrix, column c **dominates** column d if every payoff in column c is **less than or equal to** the *corresponding* payoff in column d .

- In each case, the dominating row or column is the one that is more advantageous to that player.

Dominance

- A **dominated row** can be removed from the game, because a rational row player would never choose it.
- A **dominated column** can be removed from the game, because a rational column player would never choose it.

Dominance

- A **dominated row** can be removed from the game, because a rational row player would never choose it.
- A **dominated column** can be removed from the game, because a rational column player would never choose it.
- In this manner, larger games can often be reduced to smaller, simpler games.

Example with 3 Options

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		Bob		
		1	2	3
Andy	1	-1	+3	+4
	2	-6	-2	+5
	3	-8	-10	-3

- Our example of Andy and Bob choosing a number from 1 to 3 is a zero-sum game.

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Andy	1	-1	+3	+4
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- Our example of Andy and Bob choosing a number from 1 to 3 is a zero-sum game.
- Through row and column dominance, we can reduce it to a trivial 1×1 game.

Outline

1 Dominance

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4 Assignment

A Card Game

A Card Game

- Andy is holding the 2 of spades ($2\spadesuit$) and the 5 of hearts ($5\heartsuit$).
- Bob is holding the 3 of clubs ($3\clubsuit$) and the 7 of diamonds ($7\diamondsuit$).
- Each player plays one of his cards.
- If the colors match, the Andy wins the sum of the numbers.
- If the colors do not match, Bob player wins the sum of the numbers.
- Write the payoff matrix.

A Card Game

A Card Game

		Bob	
		3♣	7♦
Andy	2♠	+5	-9
	5♥	-8	+12

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		Bob	
		3♣	7♦
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- It is clear that neither player has a pure strategy.
- It is also clear that there is no row or column dominance.

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- It is clear that neither player has a pure strategy.
- It is also clear that there is no row or column dominance.
- What should Andy and Bob do?

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- It is clear that neither player has a pure strategy.
- It is also clear that there is no row or column dominance.
- What should Andy and Bob do?
- We will deal with that in the next lecture.

A Card Game

A Card Game

- Andy is holding the 2 of spades ($2\spadesuit$), the 7 of hearts ($7\heartsuit$), and the king of diamonds ($K\spadesuit$).
- Bob is holding the 3 of clubs ($3\clubsuit$), the 6 of diamonds ($6\spadesuit$), and the queen of spades ($Q\spadesuit$).
- Each player plays one of his cards.
 - If both are face cards (queen or king), then Andy wins \$10.
 - If only one is a face card, then the one who played the face card wins \$8.
 - If neither is a face card, then whichever player played the larger number, wins the difference between the numbers, in dollars.

Another Card Game

Another Card Game

		Bob		
		3♣	6♦	Q♠
Andy	2♠	-1	-4	+8
	7♥	+4	+1	+8
	K♦	-8	-8	+10

Another Card Game

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		3♣	6♦	Q♠
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- Does either player have a pure strategy?

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		3♣	6♦	Q♠
Andy	2♠	-1	-4	+8
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- Does either player have a pure strategy?
- Use row and column dominance to reduce the game as far as possible.

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		3♣	6♦	Q♠
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- Does either player have a pure strategy?
- Use row and column dominance to reduce the game as far as possible.
- What will Andy and Bob do?

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The Travelers' Dilemma

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- At their destination, they discovered that the airline lost their suitcases.
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- The airline will reimburse them the value of their suitcases and contents up to a maximum of \$5, with a minimum reimbursement of \$2.

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- Andy and Bob took a trip on an airplane.
- At their destination, they discovered that the airline lost their suitcases.
- The suitcases, as well as their contents, were identical, and therefore of the same value.
- The airline will reimburse them the value of their suitcases and contents up to a maximum of \$5, with a minimum reimbursement of \$2.
- The airline manager separates Andy and Bob and asks each to write down the value of his suitcase and its contents.

The Travelers' Dilemma

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- The manager tells them that if they both write down the same value (\$2, \$3, \$4, or \$5), then the airline will reimburse them for that amount.

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- The manager tells them that if they both write down the same value (\$2, \$3, \$4, or \$5), then the airline will reimburse them for that amount.
- However, if their values do not agree, then the airline will assume that the smaller value is the correct one.

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- Furthermore, the one who wrote down the smaller value receives the smaller value **plus** \$2. . .

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- While the one who wrote down the larger value receives the smaller value **minus** \$2.

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- However, if their values do not agree, then the airline will assume that the smaller value is the correct one.
- Furthermore, the one who wrote down the smaller value receives the smaller value **plus** \$2. . .
- While the one who wrote down the larger value receives the smaller value **minus** \$2.
- What values should Andy and Bob write down in order to receive as much as they can from the airline?

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- **The Diners' Dilemma**
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4 Assignment

The Diners' Dilemma

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- Andy and Bob to go a restaurant together and agree to split the bill equally between.

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The Diners' Dilemma

- Andy and Bob to go a restaurant together and agree to split the bill equally between.
- There are two entrees available.
 - The \$10 meal, which Andy and Bob both value at \$10.
 - The \$20 meal, which Andy and Bob both value at \$16.

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- Andy and Bob to go a restaurant together and agree to split the bill equally between.
- There are two entrees available.
 - The \$10 meal, which Andy and Bob both value at \$10.
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- If Andy or Bob were dining alone, they would order the \$10 meal because they feel the \$20 is overpriced.

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 - The \$10 meal, which Andy and Bob both value at \$10.
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- If Andy or Bob were dining alone, they would order the \$10 meal because they feel the \$20 is overpriced.
- But each figures that if they order the \$20 meal and the other orders the \$10 meal, then he will get the \$20 meal for \$15 dollars!

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- If Andy or Bob were dining alone, they would order the \$10 meal because they feel the \$20 is overpriced.
- But each figures that if they order the \$20 meal and the other orders the \$10 meal, then he will get the \$20 meal for \$15 dollars!
- What is their optimal strategy?

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- The assumptions are
 - On each battlefield, the army with the greater number of regiments will win.
 - At least one regiment must be sent to each battlefield.

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 - On each battlefield, the army with the greater number of regiments will win.
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- Neither Col. Blotto nor Col. Lotso knows the other's strategy.

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- The assumptions are
 - On each battlefield, the army with the greater number of regiments will win.
 - At least one regiment must be sent to each battlefield.
- Col. Blotto's opponent, Col. Lotso, is facing the same decision.
- Neither Col. Blotto nor Col. Lotso knows the other's strategy.
- How should Col. Blotto divide his army?

The Greatly Simplified Colonel Blotto Game

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- In a greatly simplified version of the Colonel Blotto Game, Andy and Bob must write down 3 numbers, in nondecreasing order, that add up to 6.

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- After doing so, they compare their lists.

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- The payoff is the net number of wins for the players.

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- After doing so, they compare their lists.
- In each position of their lists, the larger number wins.
- The payoff is the net number of wins for the players.
- What numbers should Andy and Bob write down?

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- Work the problems on Handout #3.