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Algorithmic Game Theory

Summer Term 2024

Exercises 12

08–12/07/2024

Problem 1.

Consider the 3-person cooperative game with $v(C) = 2$ if $|C| \geq 2$ and $v(C) = 0$ otherwise. Show that $\{(1, 1, 0), (1, 0, 1), (0, 1, 1)\}$ is a stable set of this game.

Problem 2.

Show that the game from Problem 1 has (at least) one other stable set.

Hint: Consider the stable set given for "Hospitals and X-Ray Machines" in the lecture.

Problem 3.

Consider the following cooperative game: $P = \{1, 2, 3\}$ and

$$\begin{aligned}v(\{1\}) &= 2, v(\{2\}) = 4, v(\{3\}) = 6 \\v(\{1, 2\}) &= 6, v(\{1, 3\}) = 8, v(\{2, 3\}) = 12 \\v(\{1, 2, 3\}) &= 14\end{aligned}\tag{1}$$

Do the following:

(a) Compute each player's marginal contributions to coalitions.

(b) Check whether there exists a dummy player.

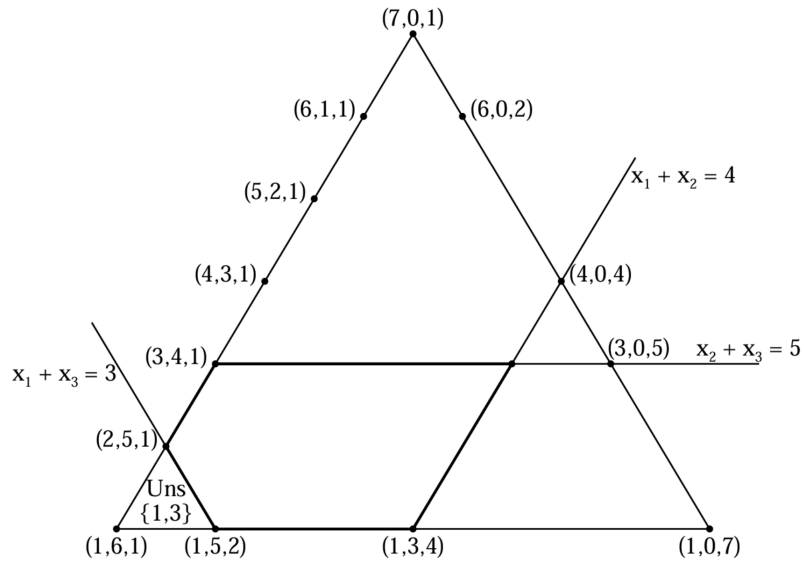
Problem 4.

Consider the following cooperative game: $P = \{1, 2, 3\}$ and

$$\begin{aligned}v(\emptyset) &= 0 \\v(\{1\}) &= 1, v(\{2\}) = 0, v(\{3\}) = 1 \\v(\{1, 2\}) &= 4, v(\{1, 3\}) = 3, v(\{2, 3\}) = 5 \\v(\{1, 2, 3\}) &= 8\end{aligned}\tag{2}$$

Note that the imputations are the points (x_1, x_2, x_3) such that $x_1 + x_2 + x_3 = 8$ and $x_1 \geq 1, x_2 \geq 0, x_3 \geq 1$.

The set of all possible imputations is illustrated in the following triangle where we denote those imputations as *unstable* (abbreviated as *Uns* in the picture) that are not coalitionally rational.



Answer the following questions:

- (a) Which of the imputations are not coalitionally rational? A first set of such unstable imputations is already given through the coalition $\{1,3\}$.
- (b) Identify the core of the game based on the unstable imputations.
- (c) Is the vector of Shapley values contained in the core? For this exercise, compute the Shapley values based on the original formula.