Homework assignment # 4

1. Construct a normal form representation of the following game among three players. The players must choose among three alternatives, a₁, a₂, and a₃. Call the players Plane, Row and Column. The status quo is represented by outcome a₁.

Assume the players have the following preferences:

Plane: (a₁, a₂, a₃)

Row:  (a₂, a₃, a₁)

Column:  (a₃, a₁, a₂)

Also assume that the following decision rule determines the outcome: if two or more of the players agree on one of the three alternatives, that alternative is the outcome. If all three players disagree, the status quo (a₁) results.

2. Determine the sincere and the sophisticated outcome if you can.