

CONTENTS

Series Editor's Introduction 5

Introduction 7

1. Representing Games: Extensive and Normal Forms 11

Primitive Concepts 11

The Extensive or Game Tree Form of Representation 12

The Normal or Matrix Form of Representation 16

Representing Games: The 1967 Middle East Crisis 17

Concluding Comments 20

2. Zero-Sum Games: Conflict at the Extreme 21

Introduction 21

Zero-Sum Games with a Saddlepoint 22

Zero-Sum Games without a Saddlepoint 28

Some Problems with Mixed Strategies 34

Concluding Comments 36

3. Nonzero-Sum Games: The Rest of the Continuum 36

Introduction 36

A Comparison of Zero-Sum and Nonzero-Sum Games 37

An Economic Policy Game 42

A Watergate Game 44

A Biblical Game 47

Prisoners' Dilemma and the Problem of
Inefficient Equilibria 51

Paradox Lost? 53

Concluding Comments 62

4. N-Person Games 64

Introduction 64

A Three-Person Game: The Geneva Conference of 1954 64

The Characteristic Function Form of Representation 71

The Core 74

The von Neumann-Morgenstern V-Solution 78

The Theory of Minimal Winning Coalitions 82

The Shapley Value and the Power Index 85

Concluding Comments 90

Notes 90

References 93

About the Author 96