1. Consider a coalitional game $v: \mathcal{P}(N) \to \mathbb{R}$ over the player set $N = \{1, 2, 3\}$ such that

$$v(A) = \begin{cases} 0 & A = \emptyset, \\ 1 & A = \{1\}, \{2\}, \\ 2 & A = \{3\}, \\ 4 & |A| = 2, \\ 5 & A = N. \end{cases}$$

Is v superadditive? What is its core?

2. Describe the core of a coalitional game v over the player set $N = \{1, 2, 3\}$, where

$$v(A) = \begin{cases} 0 & A = \emptyset, \\ |A| - 1 & A \neq \emptyset. \end{cases}$$

- 3. Prove that the Shapley value $\varphi^S(v)$ of a supermodular game v belongs to its core: $\varphi^S(v) \in \mathcal{C}(v)$.
- 4. A company has 3 shareholders whose shares are distributed in the following way. The first has 50 % shares and the remaining two have 25 % shares each. The three shareholders vote by using a weighted majority of votes. Describe precisely the resulting coalitional game. Compute the Shapley-Shubik index using the random order approach and then calculate the normalized Banzhaf index.
- 5. Consider a solution mapping $\psi \colon \Gamma \to \mathbb{R}^n$ over the set of all *n*-player coalitional games Γ defined by

$$\psi_i(v) = v(\{1, \dots, i\}) - v(\{1, \dots, i-1\}), \quad i \in N.$$

Show that ψ is efficient, additive, has the null player property, but fails symmetry.

- 6. Spanning tree game. The costs of connecting the cities denoted as 1, 2, and 3 to the supplier of energy 0 are depicted in Figure 1. Construct the associated minimum cost spanning tree game and show that its core is nonempty.
- 7. A simple game is a coalitional game $v: \mathcal{P}(N) \to \{0,1\}$ that is monotone and v(N) = 1. We call a player $i \in N$ in a simple game v a veto player, if for each coalition $A \subseteq N$ holds $v(A \setminus \{i\}) = 0$. Show that the following hold for any simple game v:
 - (a) Player i is veto if and only if $v(N \setminus \{i\}) = 0$.
 - (b) $C(v) \neq \emptyset$ if and only if v has a veto player.
 - (c) If the set of veto players $W \subseteq N$ is nonempty, then the core is

$$C(v) = \{ x \in \mathbb{R}^n \mid x(W) = 1, \ x_i \ge 0 \text{ pro } i \in W \text{ a } x_j = 0 \text{ pro } j \in N \setminus W \}.$$
 (1)

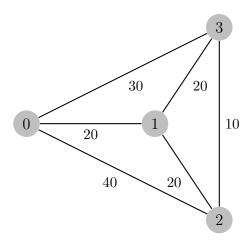


Figure 1: Graph from Example 6

- 8. Decide if the assertions below are true or false.
 - (a) If the core is nonempty, it always contains both nucleolus and the Shapley value.
 - (b) Shapley value and Banzhaf index are equal in every simple majority voting game.
 - (c) If marginal contributions of players i and j to every coalition are the same, then their Shapley values coincides.
 - (d) The core of every monotone coalitional game is nonempty.
 - (e) Nucleolus satisfies the properties of efficiency, symmetry, and null player property.
 - (f) Nucleolus is an additive solution concept.
 - (g) Shapley value $\varphi^S(v) = (\varphi_1^S(v), \dots, \varphi_n^S(v))$ of every *n*-player coalitional game v is uniquely determined by the (n-1)-tuple $(\varphi_1^S(v), \dots, \varphi_{n-1}^S(v))$.
 - (h) Shapley value is *individually rational*, that is, $\varphi_i^S(v) \geq v(\{i\})$.
 - (i) The nucleolus is individually rational.

References

- [1] J. González-Díaz, I. García-Jurado, and M. G. Fiestras-Janeiro. An Introductory Course on Mathematical Game Theory, volume 115 of Graduate Studies in Mathematics. American Mathematical Society, 2010.
- [2] M. Maschler, E. Solan, and S. Zamir. Game Theory. Cambridge University Press, 2013.
- [3] G. Owen. Game theory. Academic Press Inc., San Diego, CA, third edition, 1995.