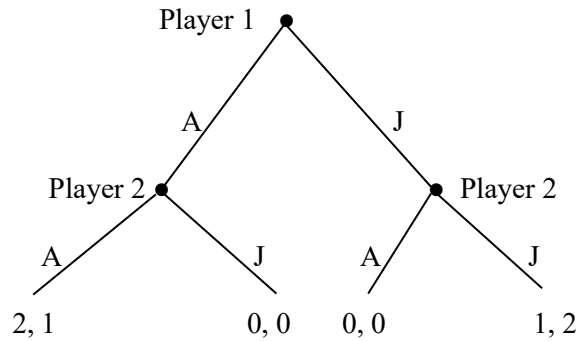


Test
Advanced Microeconomics: Part II (Uwe Jirjahn)

Winter 25/26

Choose two questions out of the three questions Q1, Q2, Q3.

Q.1 Consider the following extensive-form game:



Q.1.a Depict the corresponding normal form of the game.

Q.1.b Identify the Nash equilibria.

Q.1.c Identify the subgame-perfect Nash equilibrium by using backward induction.

Q.2 Consider the following normal-form game:

Player 2 Player 1	A	B	C	D	E	F	G	H
X	1, 1	1, 1	1, 1	1, 1	3, 2	3, 2	3, 2	3, 2
Y	4, 1	4, 1	2, 3	2, 3	2, 3	2, 3	4, 1	4, 1
Z	5, 2	1, 1	5, 2	1, 1	5, 2	1, 1	5, 2	1, 1

Find the pure-strategy Nash equilibria by iterated elimination of dominated strategies.

Q.3 Consider the following normal-form game:

Player 2 Player 1	U	W	E
U	3, 3	1, 4	0, 0
W	4, 1	0, 0	-1, -1
E	0, 0	-1, -1	-2, -2

Write down the set of strategy profiles and find the strategy profiles that constitute pure-strategy Nash equilibria.

Note: If you answer all questions, we will only consider Q.1 and Q.2.