

## Problem Set 2

1. Show that the strategic equivalence relation satisfies symmetry, reflexivity and transitivity.
2. A seller (player 1) values his house at 100 million JPY. Buyers 2 and 3 value seller 1's house at 120 million JPY and 150 million JPY, respectively. Give a characteristic function form.
3. Does  $dom_S$  satisfy transitivity? If "Yes" give a proof; and if "No" give a counter-example.
4. Does  $dom$  satisfy transitivity? If "Yes" give a proof; and if "No" give a counter-example.
5. Show that "dom" is not affected by strategic equivalence.