

Prisoner's dilemma (E12)

- ⇒ Two companies that dominate the market have to decide whether they carry out research or not. Each company decides on its own, without knowing the other company's decision. The pay-off is the profit in million USD. Is there a dominant strategy, that is, the best outcome for a player regardless of the decision taken by the other player?

		Company B			
		research		no research	
Company A	research	6	50	80	-12
	no research	- 8	90	35	75

Click to get the answer!