

# Transfers in Non-cooperative Games

Pradeep Dubey

## **Abstract**

Consider players at a Nash Equilibrium (NE) of a non-cooperative game of money, which serves as their “status quo” in that game. We examine the possibility that they might innovate monetary transfers amongst themselves, thereby changing the game. In the domain of transfers which — in conjunction with concomitant NE of the changed game — are both “transparent” and “budget-balanced”, our focus is on those where all players are made better off compared to the status quo. By way of key examples, we analyse the Prisoners’ Dilemma, the Centipede Game, Contests, and Crime and Punishment (in a population equilibrium).

**Joint work with:** Siddhartha Sahi