

REVIEW OF DECISION PRINCIPLES AND VARIATIONS

Pure Coordination
(Zero Conflict of Interest)

1	1	0	0
0	0	1	1

Coordination Plus
Conflict of Interest

2	1	0	0
0	0	1	2

Applying Decision Principles to the 2x2 Matrix

Maximax	OK (but doesn't solve coordination problem)	Self-defeating
Minimax	No help	No help
Av/Exp Payoff Max	Not relevant	Not relevant
Dominance	No help	No help

Considering Variations on the 2x2 Matrix

Full Communication	Solves coordination problem	Introduces bargaining and possible deadlock
One-way Communication	Solves coordination problem	Communicator advantage
Strategic Intelligence	Solves coordination problem	May be advantageous
Strategic Deception	No incentive to deceive	No incentive to deceive
Credible Commitment	Solves coordination problem	First commitment "wins"
Sequential Moves	Solves coordination problem	First mover "wins"
Plus Credible Commitment	No effect	Pre-emptive commitment by second mover can "win"
Feasible Sidepayments	May introduce bargaining	Allows compromise (but also bargaining)