# Inducible Games: Using Tit-for-Tat to Stabilize Outcomes 

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March 2013


#### Abstract

Assume that one player ( $A$ ) in a two-person game can probabilistically detect the strategy choice of its opponent $(B)$ in advance, and that this fact is known to both players. We say that $A$ adopts probabilistic tit-for-tat if it credibly commits to cooperating if $B$ does, otherwise not, as signaled by its imperfect detector. In 20 of the 57 distinct $2 \times 2$ strict ordinal games with no mutually best outcome (35 percent), probabilistic tit-for-tat induces a non-Nash, Pareto-optimal outcome that is favorable to $A$. We call such games inducible. Sometimes the inducement is "weak," but more often it is "strong." As a case study, we consider the current conflict between Israel and Iran over Iran's possible development of nuclear weapons and show that Israel's credible commitment to probabilistic tit-for-tat can, with sufficiently accurate intelligence, induce a cooperative choice by Iran in one but not the other of the two plausible games that we argue model this conflict.


## Inducible Games: Using Tit-for-Tat to Stabilize Outcomes ${ }^{1}$

## 1. Introduction

A generation ago Axelrod (1984) argued that tit-for-tat-"I'll cooperate if you do; otherwise, I won't" - is a robust strategy for inducing cooperation in indefinitely repeated Prisoners' Dilemma (PD) games. In both of the two tournaments he conducted, tit-for-tat defeated all other strategies proposed. In the decades since, laboratory experiments on repeated PD have shown that tit-for-tat often induces cooperation, even though players have strictly dominant strategies of not cooperating in any single play. In addition, tit-for-tat seems to explain how cooperation emerges in several real-life situations.

But there have been numerous criticisms of Axelrod's conclusions. Some, for example, have argued that tit-for-tat is brittle strategy, because switching immediately to defection if an opponent defects can lock the players into defection until the end of play. By contrast, a delayed or more forgiving strategy (e.g., defect only if an opponent defects twice in a row, or probabilistic forms of tit-for-tat that render it more generous) avoids this problem and better allows for mistakes (Molander, 1985). Other critics have pointed out that still different strategies, including those that allow for mutations or various forms of reciprocity, frequently work better in an evolutionary setting (Nowak, 2006, 2011; Sigmund, 2010). On one matter, however, there is a consensus: No strategy is optimal in all situations, which in our view leaves all prescriptions about how to act in repeated PD suspect.

In this paper, we do not propose a new strategy for repeated PD or any other specific games, nor do we analyze the dynamics of the evolution of cooperation using

[^0]evolutionary game theory. Instead, we ask whether tit-for-tat can be put into a simultaneous-choice framework (repeated play and evolutionary game theory assume sequential play, wherein one player has imperfect, or probabilistic, information about its opponent's action in advance.

Based on this information, we assume that this player, in the single play of a game, credibly commits to choosing its strategy according to probabilistic tit-for-tat. We also assume that the opponent is aware of this commitment and responds rationally to it.

We apply this framework to all $2 \times 2$ games of conflict, of which PD is just one. ${ }^{2}$ We identify in which games this commitment, if believed, can induce an outcome favorable to the detecting player if its detector is sufficiently accurate.

We note that it is common for players to make pledges about the actions they intend to take. In the Cold War, for instance, the doctrine of mutually assured destruction (MAD) was essentially a reciprocal pledge by the two superpowers to abide by tit-for-tat. Arguably, it was effective in preventing nuclear war for nearly 50 years.

In the current model, only one player has a detector and makes a commitment. If the game is PD , the identity of the detecting player is unimportant, as PD is symmetric.

We will show that the detecting player's commitment to probabilistic tit-for-tat can undercut the dominance of the noncooperative choice of defect $(D)$ in one-shot PD, rendering the cooperative choice $(C)$ by both players optimal, given that the probability of correct detection is sufficiently high.

[^1]To be sure, giving the detecting player imperfect knowledge and the ability to make a credible commitment alters the structure of the classic PD. But the point of our analysis is to show that this reformulation, which we consider realistic, can lead the players to a preferred outcome (mutual cooperation in PD) that otherwise would elude them.

During the Cold War, each superpower assiduously sought to acquire information about the likely strategy choice of its opponent. A state's intelligence is typically assembled from a variety of sources, including the interception of electronic signals (possibly through computer hacking), observations from manned or unmanned overflights, satellite reconnaissance, and human informers and spies. Unsurprisingly, improvements in the ability to ferret out information about an opponent's plans have led to corresponding improvements in the ability to conceal or manipulate this information, so what is gleaned from sophisticated intelligence operations today may be no more accurate or reliable than when espionage relied solely on human intelligence.

Nonetheless, there is no denying the enormous resources now devoted to intelligence. Since the early 1960s, the most significant improvement in the detection capabilities of states has come from the use of reconnaissance satellites, which were first deployed by the superpowers but are now widely used. President Lyndon Johnson claimed that space reconnaissance had saved enough in military expenditures to pay for all other military and space programs (Biddle, 1972). President Jimmy Carter, in the first public acknowledgment of photo reconnaissance satellites, said that "in the monitoring of arms control agreements, they make an immense contribution to the security of all nations" (Chicago Tribune, October 2, 1978, p. 2).

Although intelligence is not always accurate, a maxim of intelligence agencies is that some information, even if imperfect, is better than none. We do not address the problem of acquiring high-quality information but ask, instead, when and how information that is known to be less than perfect can be used to advantage by players trying to influence the behavior of their opponents.

In this paper, we suppose that one player (whom we call the detector or the inducer) can detect with some probability the strategy choice of its opponent.

Probabilistic tit-for-tat is the pledge by the detector to select its strategy of cooperate if and only if it detects that its opponent (the inducee) also selects its strategy of cooperate. ${ }^{3}$

We call the resulting outcome cooperative.
We can assume throughout that the cooperative outcome is not a Nash equilibrium. ${ }^{4}$ If it were, it could be induced by the inducer's commitment to cooperate (with certainty) rather than a contingent commitment based on what it detects. Our goal is to identify those games in which probabilistic tit-for-tat is critical in inducing, or stabilizing, a non-Nash outcome.

Our main finding is that probabilistic tit-for-tat can induce a favorable outcomebetter for the detecting player than any pure-strategy Nash equilibrium-in 20 of the 57 conflict games (35 percent). We call these games inducible.

[^2]While the inducer, by committing to probabilistic tit-for-tat, renders it rational for the inducee to choose its cooperative strategy, the inducer's information may be inaccurate. Moreover, cooperation may not necessarily produce the inducer's preferred outcome after it detects cooperation by the inducee. Nonetheless, the inducer benefits from probabilistic tit-for-tat in inducible games if the detector is sufficiently accurate. For the inducee, the cooperative outcome may be preferred, or not, to a comparable Nash equilibrium.

The paper proceeds as follows. In section 2, we describe our model of inducement. In section 3 we specify the calculus of the inducee, which we assume to be Row, and in section 4 the calculus of the inducer (Column). These specifications enable us to identify 24 potentially inducible games (though two of them are the same game, with the inducer and inducee interchanging roles). We distinguish weakly from strongly inducible games, wherein inducement is more reliant on the quality of the detector.

In section 5 we discard one of the duplicative games, and three others, because they have Nash equilibria that Column (the inducer) prefers to the inducible outcome. In these games, the inducer can effect a Nash equilibrium by a commitment strategy simpler that probabilistic tit-for-tat. This leaves 20 inducible games, in which the cooperative outcome that Column can induce benefits it and, usually to a lesser extent, Row.

In section 6 we apply our analysis to international relations, focusing on the current conflict between Iran and Israel over Iran's possible development of nuclear weapons and Israel's choice of attacking or not attacking Iran's nuclear facilities. We summarize our analysis, and draw several conclusions, in section 7 .

## 2. Imperfect Detection and Probabilistic Tit-for-Tat

Assume Row and Column play a $2 \times 2$ game, depicted in Figure 1, wherein each player can choose either to cooperate ( $C_{R}$ for Row, $C_{C}$ for Column) or defect ( $D_{R}$ for Row, $D_{C}$ for Column). Assume further that Column has a detector, which signals possibly inaccurately - the choice that Row is about to make ( $C_{R}$ or $D_{R}$ ). We analyze whether and when Column can use probabilistic tit-for-tat to induce the $C C$, or $\left(C_{R}, C_{C}\right)$, outcome. ${ }^{5}$

Figure 1 about here

The reliability of the detector-the probability that it gives a correct (accurate) signal-depends on whether Row's choice is $C_{R}$ or $D_{R}$. We measure this reliability using two conditional probabilities,

$$
\begin{aligned}
& p=\operatorname{Pr}\left\{\text { detector signals } C_{R} \mid \text { Row chooses } C_{R}\right\} \\
& q=\operatorname{Pr}\left\{\text { detector signals } D_{R} \mid \text { Row chooses } D_{R}\right\} .
\end{aligned}
$$

Note that the parameters $p$ and $q$ satisfy $0 \leq p, q \leq 1$; we will call $(p, q)$ the characteristic of the detector. The values of $p$ and $q$ are properties of the detector and do not depend on any player's plans, beliefs, or expectations. We assume these values are common knowledge: Each player knows them, knows that the other player knows them, knows that this knowledge is known, ad infinitum. ${ }^{6}$

[^3]Probabilistic tit-for-tat commits Column to act on the basis of the signal it receives; we assume that choice of a strategy by Row as well as Column is based only on this commitment. ${ }^{7}$ For example, if Row chooses $C_{R}$, then Column's choice will depend on whether the detector signals $C_{R}$ (with probability $p$ ) or $D_{R}$ (with probability 1-p).

We model the detector as a so-called binary classifier (Fawcett, 2004), or a device that provides a binary signal that depends stochastically on the state of a binary system. In the simplest case, Column's detector $(p, q)$ has fixed values of $p$ and $q$. A more sophisticated approach recognizes that the values of $p$ and $q$ might be adjusted, altering the way that the detector assesses evidence.

In representing this adjustment, we focus on the characteristic curve of the detector, which is the functional relation of $q$ to $p .{ }^{8}$ The issue is the sensitivity of the detector to True Positives (Row chooses $C_{R}$; Detector signals $C_{R}$ ) as opposed to False Positives (Row chooses $D_{R}$; Detector signals $C_{R}$ ). Most real-world detectors can be "tuned" by varying the amount (or strength) of evidence required to conclude that a positive has occurred. If the required level of evidence is high, then there are few false positives, but true positives are often missed; if level of evidence is low, then most true positives are correctly signaled, but false positives become more frequent. A typical characteristic curve is shown in Figure 2.

## Figure 2 about here

[^4]Formally, we represent a characteristic curve as a function, $q=f(p)$. Column chooses a value of $q$, say $q_{0}$, and then uses the detector with characteristic $\left(p_{0}, q_{0}\right)$, where $p_{0}=f\left(1-q_{0}\right)$. It is usually assumed that $f(0)=1, f(1)=0, f(p)>1-p$ for $0<p<1$, and $f(p)$ is strictly decreasing in $p$. Note that, as the detector improves, $p$ and/or $q$ becomes larger, which implies that points on the characteristic curve move upward and to the right.

It is convenient to have a simple measure of the quality of a detector. We use the value of $p^{*}$, defined as the unique solution of $p=f(p)$ (see Figure 2). A value of $p^{*}$ near 1 indicates a high-quality detector.

How should Column use its detector in the play of a $2 \times 2$ game? We assume that it conditions its choice, $C$ or $D,{ }^{9}$ on the signal that it receives from its detector. ${ }^{10}$ Thus, we ask whether Column can induce $C C^{11}$ using a detector with characteristic $(p, q)$ by responding to Row's (apparent) choice of $C$ with $C$, and Row's (apparent) choice of $D$ with $D$.

As already noted, Column's probabilistic tit-for-tat strategy -its pledge that "I'll cooperate if I detect that you will cooperate; otherwise, I won't"-is subject to two kinds of error. When Row chooses $C$ and Column incorrectly detects $D$, which occurs with probability $1-p$, a false negative occurs; when Row chooses $D$ and Column incorrectly detects $C$, which occurs with probability $1-q$, the error is a false positive.

We will discuss later the comparative damage of these two errors, which presumably accounts for Column's choice of a detector characteristic. For now, we proceed to identify the $2 \times 2$ games in which there is a cooperative outcome $(C C)$ that is not stable on its own (i.e., is not Nash) but that can be stabilized by probabilistic tit-for-

[^5]tat, provided that the detector is good enough (even if less than perfect). Among other things, we show that $C C$ must be at least as favorable to Column (the inducer) as to Row (the inducee). Whereas $C C$ is always Column's best or its next-best outcome, it is never best for Row and may even be Row's next-worst outcome.

## 3. Row's (Inducee's) Calculus

We assume that Column correctly detects Row's choice of $C$ with probability $p$ and correctly detects Row's choice of $D$ with probability $q$. Given our assumption that Column's commitment to probabilistic tit-for-tat is credible, Row's expected payoffs from its choices of $C$ and $D$ are as follows:

$$
\begin{aligned}
& E_{R}(C)=p a_{11}+(1-p) a_{12} \\
& E_{R}(D)=q a_{22}+(1-q) a_{21} .
\end{aligned}
$$

Row prefers to choose $C$ iff $E_{R}(C) \geq E_{R}(D)$, which is true iff

$$
\begin{equation*}
p\left(a_{11}-a_{12}\right)+q\left(a_{21}-a_{22}\right) \geq a_{21}-a_{12} . \tag{1}
\end{equation*}
$$

We call (1) the Inducement Condition for Row. We next specify several reasonable conditions which, if satisfied, justify the conclusion that the existence of the detector, and Column's credible commitment to rely on it, can induce Row to choose $C$.

First, it must be the case that

$$
\begin{equation*}
a_{21}>a_{11}, \tag{R1}
\end{equation*}
$$

because otherwise a detector is not necessary - Column can induce Row to choose $C$ simply by credibly committing to choose $C$. To see why, note that if (R1) fails, Row-
knowing that the outcome will be in the first column if Column commits to $C$-will choose $C$ because $a_{11} \geq a_{21}$. Thus, (R1) is a necessary condition for us, because if it fails, CC can be induced without a detector.

To understand our second condition, suppose that Row believes that Column's detector works perfectly, so Column will always choose $C$ in response to Row's choice of $C$, and $D$ in response to Row's choice of $D$. Then, effectively, Row must choose between $C C$ and $D D$. For $C C$ to be induced, Row must find it no less preferable than $D D$, that is

$$
\begin{equation*}
a_{11} \geq a_{22} \tag{R2}
\end{equation*}
$$

because otherwise Row would prefer that Column actually carry out its threat-choose $D$ after detecting $D$.

Notice that (R2) is equivalent to the Inducement Condition for Row, (1), in the case that $p=q=1$. Thus, if ( R 2 ) holds, inducement always succeeds if the detector is perfect.

Our third condition, which we call inducibility, is roughly that inducement depends on the detector's being good enough. This condition allows for inducement when the detector is less than perfect.

We distinguish two kinds of inducibility:

1. Inducement is weak if it does not work when the detector fails completely-that is, when $(p, q)=(0,0)$.
2. Inducement is strong if, when it works for some detector, then it also works for any detector that is an improvement on the first.

Recall that improving a detector means increasing its values of $p, q$, or both. Thus, for strong inducibility, we require that if inducement works for a detector with characteristic $(p, q)$, then it also works for any detector with characteristic $\left(p^{\prime}, q^{\prime}\right)$, where $p^{\prime} \geq p$ and $q^{\prime} \geq q$.

We show in the Appendix that a necessary condition for weak inducibility is

$$
\begin{equation*}
a_{12}<a_{21} \tag{R3}
\end{equation*}
$$

and a necessary condition for strong inducibility is

$$
\begin{equation*}
a_{12} \leq a_{11} \tag{R4}
\end{equation*}
$$

For $2 \times 2$ strict ordinal games, assumptions (R1) and (R2) imply that $a_{22}<a_{11}<a_{21}$. Because Row's payoff, $a_{12}$, can be inserted at any point in this ordering, there are four possible strict orderings for Row:
(a) $a_{12}<a_{22}<a_{11}<a_{21}$.
(b) $a_{22}<a_{12}<a_{11}<a_{21}$.
(c) $a_{22}<a_{11}<a_{12}<a_{21}$.
(d) $a_{22}<a_{11}<a_{21}<a_{12}$.

These four orderings can be conveniently described by setting the utilities of Row's best, next-best, next-worst, and worst outcomes equal to $4,3,2$, and 1 , respectively. This yields (a) $a_{12}=1$, (b) $a_{12}=2$, (c) $a_{12}=3$, and (d) $a_{12}=4$. Note that (R3) holds in cases (a), (b), and (c), whereas (R4) holds only in cases (a) and (b). Thus, cases (a) and (b) are
strongly (and also weakly) inducible, whereas case (c) is weakly but not strongly inducible, and case (d) is not inducible.

In Figure 3, the shaded regions in the $(p, q)$ unit squares indicate the characteristics of all detectors for which the Inducement Condition for Row, (1), holds. These regions, separated by straight lines from the noninducibility (unshaded) regions, are calculated as if the aforementioned ordinal values (4, 3, 2, 1) were cardinal.

## Figure 3 about here

In the Appendix, we draw a distinction between the strongly inducible games described by Figures 3(a) and 3(b). Assume a detector has a characteristic curve of the kind shown in Figure 2. In Figure 3(b), Column can always choose a detector characteristic, $\left(p_{0}, f\left(p_{0}\right)\right)$, that satisfies the Inducement Condition for Row, (1) whereas fi Figure 3(a) holds this condition may fail for some detectors. We say that strong inducement is guaranteed in Figure 3(b) but not in Figure 3(a); for details, see the Appendix.

## 4. Column's (Inducer's) Calculus and 24 Potentially Inducible Games

Having determined the conditions under which one player (Column) can induce an outcome ( $C C$ ) using an imperfect detector and a credible commitment to probabilistic tit-for-tat, we next inquire under what conditions this commitment would benefit Column as the inducer.

If Column's detector were perfect, recall from section 3 that it offers, in effect, Row the choice between $C C$ and $D D$. A necessary condition for this inducement is, therefore, that Column prefers $C C$ to $D D$ :

$$
\begin{equation*}
b_{11} \geq b_{22} . \tag{C1}
\end{equation*}
$$

In particular, if (C1) and (R2) both hold, both Column and Row agree that $C C$ is preferable to $D D$; thus, $C C$ is Pareto-superior to $D D$.

Now assume that conditions (R1) - (R3) hold so that, as noted earlier, $a_{21}$ is Row's best payoff. If it were the case that $b_{21} \geq b_{11}$, then $D C$ would be a Nash equilibrium, and would be preferred by both players to $C C$. In such a case, it would make no sense for Column to try to induce $D C$. We therefore require that

$$
\begin{equation*}
b_{11}>b_{21}, \tag{C2}
\end{equation*}
$$

a condition that implies that the two players have opposite preferences for $C C$ and $D C-$ Column prefers $C C$, Row prefers $D C$ - which is precisely why a sufficiently good detector is needed to induce $C C$ via tit-for-tat.

Now assume a strict ordinal game. We noted in section 3 that there are three configurations of Row's payoffs - denoted (a), (b), and (c)—that are consistent with (R1), (R2), and (R3). It is easy to verify that there are eight configurations of Column's payoffs that are consistent with conditions (C1) and (C2) (see Figure 4). It follows that the $8 \times 3=24$ games shown in Figure 4 satisfy all of our necessary conditions. One-third of these games are weakly but not strongly inducible, while the rest are both weakly and strongly inducible. But, we caution, the 24 games are only "potentially" inducible, for reasons we will discuss in section 5 .

## Figure 4 about here

Recall from section 1 (ftn. 2) that there are $572 \times 2$ conflict games (for a complete listing, see the Appendices in Brams, 1994, 2011). Each game in the list is equivalent to up to seven others, which can be obtained by interchanging the rows and/or the columns and/or the players.

In fact, two of the 24 games in Figure 4 are equivalent in this sense: \#22i ('i' is for interchange) is the mirror image of \#22 (also potentially inducible), obtained by interchanging the players. Thus, Figure 4 lists 23 distinct $2 \times 2$ conflict games; either player can induce $C C$ in \#22.

Also worth noting is that two other games in Figure 4, PD (\#32) and Chicken (\#57), are symmetric, so the strategic problems faced by their players are identical. In these three games, either player can induce $C C$. What is remarkable is that, with these three exceptions, in any inducible game Column can induce $C C$; there are no instances in which an inducible game is equivalent but not identical to a listed game.

## 5. 20 Inducible Games

In four of the 24 games in Figure 4, Column will not in fact be motivated to induce $C C$, because there is a pure-strategy Nash equilibrium that Column prefers to $C C$. Because Column can effect these equilibria by credibly committing to choosing its strategy associated with them, it gains no benefit in committing to tit-for-tat and relying on an imperfect detector.

We, therefore, remove these four games (\#20, \#22, \#53, and \#57) from the list of Figure 4. In two of them (\#20 and \#53), the outcome that Column can induce with a detector, $(2,3)$, is in fact Pareto-inferior to the Nash equilibrium (3,4) - worse for both

Column and Row. Inducement is particularly problematic in game \#53, because there is a second Nash equilibrium, $(4,2)$, which Row prefers to Column's preferred Nash equilibrium, $(3,4)$, and, presumably, could induce by credibly committing to its $D$ strategy.

In Chicken (\#57), either player can stabilize CC, using probabilistic tit-for-tat. But this game has two equilibria, each preferred by one player, so again there is the potential for a clash of commitments.

Eliminating the four aforementioned games from the potentially inducible games in Figure 4 , we focus on the $2 \times 2$ conflict games in which there is an unstable $C C$ outcome that can be stabilized using probabilistic tit-for-tat. In Figure 5, we arrange the 20 inducible games into five classes.

## Figure 5 about here

Perhaps surprisingly, inducible games have a substantial overlap with the class of difficult games identified by Brams and Kilgour (2009); see also Brams (2011, ch. 5). In these games, $C C$ is the unique outcome that is either best (4) or next-best (3) for each player, is Pareto-superior to $D D$, and is not a Nash equilibrium. Brams and Kilgour (2009) showed that in a difficult game, the $C C$ outcome can be stabilized by a process akin to voting.

The difficult games can be viewed as a class that generalizes both Prisoners' Dilemma and Chicken. Remarkably, all 11 difficult games are potentially inducible; only Chicken is not inducible.

The classification shown in Figure 5 extends the classification of difficult games suggested by Brams and Kilgour (2009), which reflects their Nash equilibrium properties.

The 10 difficult games that are inducible fall into classes 1,2 , and 3 below. The complete classification is as follows:

1. The game is difficult and the $D D$ outcome is a Nash equilibrium (4 games).
2. The game is difficult and there is a Nash equilibrium, but it is neither $C C$ nor $D D$ (3 games).
3. The game is difficult and there is no Nash equilibrium in pure strategies (3 games).
4. The game is not difficult, and the $C C$ outcome is next-best for Row (4 games).
5. The game is not difficult, and the $C C$ outcome is next-worst for Row (6 games).

It might seem a misnomer to call the $(2,4)$ outcomes in the class 5 games "cooperative." In fact, these are exactly the six weakly inducible games. In contrast to the 14 strongly inducible games, wherein Row (the inducee) receives its next-best payoff (3) at $C C$, Row does relatively poorly in the class 5 games by receiving its next-worst outcome. Indeed, when Column misdetects and chooses $D$ in these games, Row actually does better, obtaining its next-best payoff (3), a point we will return to later.

Of the 20 inducible games in Figure 5, only in game 3 (PD, \#32) and game 5 (\#22i) is CC the next-best outcome for both players. In the 18 other inducible games, Column obtains its best outcome (4) and Row does not, suggesting that the inducer tends to do better. ${ }^{12}$

[^6]Our inducibility condition (1) shows that inducement fails for a detector with low values of $p$ and $q$, but succeeds for a detector with high values of $p$ and $q$. A rough measure of how good a detector must be can be obtained from the threshold probability for Row, $p_{0}$, which is the least value of $p$ such that $(p, p)$ is within the inducement region. This calculation is equivalent to the assumption that $p=q .{ }^{13}$

In Figure 3, the value $p=p_{0}$ defines the point where the 45-degree line enters the inducement region. By setting $q=p$ in (1), it is easy to verify that

$$
\begin{equation*}
p_{0}=\frac{\left(a_{21}-a_{12}\right)}{\left(a_{21}-a_{12}\right)+\left(a_{11}-a_{22}\right)} . \tag{2}
\end{equation*}
$$

For a detector with characteristic on the 45 -degree line, Row will be willing to choose $C$ rather than $D$ if and only if $p \geq p_{0}$. Because we are assuming (R2), it can be shown from (2) that $0<p_{0}<1$ if and only if (R3) holds - that is, if and only if the game is weakly inducible.

To see the significance of the threshold value, $p_{0}$, suppose that the characteristic of a detector is known. If the value $p^{*}$ defined earlier (see Figure 2) satisfies $p^{*}>p_{0}$, then the detector is good enough for inducement. ${ }^{14}$ Of course, this threshold probability $p_{0}-$ above which Column can induce Row to choose $C$, rendering $C C$ possible if not likely is calculated by assuming that the players' ordinal rankings for outcomes are cardinal utilities.

[^7]For specific inducible games, actual values of $p_{0}$ may be quite different from those shown in Figure 5. To illustrate, assume in game 9 that Row's cardinalization is $10,9,8$, 1 , so its worst payoff is far below the others. Applying (3), $p_{0}=1 / 5$, so even poor predictions by Column can still make it rational for Row to choose $C$, thereby precluding its worst outcome.

Paradoxically, in the two inducible games mentioned earlier where $C C$ yields $(3,3), \# 3$ (PD) and \#5, it is in Column's interest that $p$ be greater than $p_{0}$-but not by much. In each game, Column benefits by misdetecting Row's choice of $C$ on occasion, giving Column an "excuse" to choose $D$ and thereby obtain its best outcome of $(1,4)$. In these two inducible games, and only in these two, better predictions-above the threshold value of $p_{0}$-are not in Column's interest. Moreover, these misdetections produce Row's worst outcome.

Curiously, in the six class 5 games it is Row that benefits when Column's detector fails. In these games, Row obtains a payoff of 3 at $C D$ instead of 2 at $C C$, whereas Column always does best (4) at $C C$. In these games, too, the players have opposite interests in the quality of detection, given that Column's detection probability is sufficient to induce Row to choose $C$.

These "opposite interests" of players in certain games, while anomalous, should not detract from our main result-namely, that in more than $1 / 3$ of the $2 \times 2$ conflict games, Column can induce Row to make a choice favorable to Column. To the degree that Column's detector is accurate, this leads to an outcome that would otherwise be unstable. In section 6, we explore the implications of these results in international
relations, using them to illuminate the strategic situation of Iran and Israel regarding Iran's possible development of nuclear weapons.

## 6. Tit-for-Tat in International Relations ${ }^{15}$

In the international arena, tit-for-tat depends on a state's (i) having intelligence on the probabilities of an opponent's choices, (ii) communicating to the opponent its intention to act according to this intelligence, and (iii) being believed by the opponent. The use of tit-for-tat presumes that a player can not only learn what its opponent is about to do but also influence that opponent's choice, benefiting itself in the process. Our calculations demonstrate that in 20 of the $2 \times 2$ conflict games, the opponent can be induced to cooperate using probabilistic tit-for-tat if the inducer's detection probability is sufficiently high, and this probability is known to both players.

For an opponent to respond cooperatively, however, requires that it believe the detector will follow tit-for-tat and do what its detector tells it to do, even though this might not be the detector's optimal strategy after inducement occurs. For this reason, the detector's reputation for keeping its word is crucial for probabilistic tit-for-tat to work.

As a case in point, consider the current conflict between Iran and Israel over the suspicions of Israel, as well as other countries and the International Atomic Energy Agency, that Iran is enriching uranium in order to develop nuclear weapons that could be used against Israel. Iran denies this intent, despite the discovery of previously hidden nuclear facilities and the uncovering of other deceptions; it claims, rather, that it desires to enrich uranium only as an alternative energy source to be used for civilian purposes.

[^8]Israel's Prime Minister, Benjamin Netanyahu, and other leaders have threatened to attack Iran and destroy its nuclear capability unless there is proof, based on a rigorous inspection of its suspected nuclear facilities, that Iran is not developing nuclear weapons. (Other Israeli leaders have opposed such an attack, arguing that at best it might delay but not stop Iran's acquisition of nuclear weapons.) At the time of writing (February 2013), Israel and Iran are at an impasse, with Iran denying international inspectors access to the facilities in question.

Because of its resistance to international inspection, Iran has already suffered severe economic sanctions imposed by the United States, the European Union, and other countries, and even more sanctions are scheduled. They all have a tit-for-tat aspect, with the sanctioners offering to relax or lift the sanctions if Iran agrees to allow inspections and credibly commits to stopping any movement toward the production of nuclear weapons. But other countries, including China and Russia, have opposed the use of sanctions.

The most immediate danger of armed conflict arises from Israel's threat to attack Iran's nuclear-production facilities. More specifically, failing an agreement, Israel plans to attack Iran's facilities before a point of no return - called a "zone of immunity" by Israeli Defense Minister Ehud Barak (Landler and Sanger, 2012) - is reached, when these facilities become sufficiently hardened (they are inside a mountain) to be effectively impregnable. Whether the United States would actively participate in such an attack, or covertly facilitate it, is unclear, but President Barack Obama said on March 8, 2012, that the United States "will always have Israel's back."

Israel has never publicly acknowledged possessing nuclear weapons, but is widely presumed to have them; it has promised that it would never be the first party to introduce them into a conflict. Yet the present Israeli government avers that Iran's acquisition of nuclear weapons threatens its existence, and it seems ready to arrest Iran's development of them if economic sanctions or covert actions-including assassinations and cyberwarfare, which have been carried out already (Bergman, 2012; Bronner, 2112; Erdbrink, 2012) - do not work.

Unlike the superpowers during the Cold War, Israel appears unwilling to rely on its own nuclear deterrent and MAD, perhaps in part because it fears that terrorists could gain control of any nuclear weapons Iran develops. Israel's small size makes its survival an issue—even if retaliation is possible—whereas Iran's ability to absorb a retaliatory strike is greater, possibly giving it an incentive to preempt with nuclear weapons.

As models of the confrontation of Israel and Iran, we propose the two games shown in Figures 6a and 6b. Iran chooses between developing $(D)$ or not developing $(\bar{D})$ nuclear weapons, and Israel chooses between attacking $(A)$ or not attacking $(\bar{A})$ Iran's nuclear facilities. ${ }^{16}$ Israel's preferences are the same in the two games, whereas Iran's preferences vary, with Iran's next-best and next-worst outcomes interchanged in the two games.

## Figures $6 a$ and $6 b$ about here

[^9]We assume Israel's ranking to be $\bar{D} \bar{A}>D A>\bar{D} A>D \bar{A}$. As justification, there is little doubt that Israel would most prefer a cooperative solution ( $\bar{D} \bar{A}$ ), in which Iran does not develop nuclear weapons so no attack is required, and least prefer that Iran develop nuclear weapons without making an effort to stop their production $(D \bar{A})$. Between attacking weapons that are being developed ( $D A$ ) and a mistaken attack when weapons are not being developed ( $\bar{D} A$ ), we assume that Israel would prefer the former (the latter strategy would create a crisis, but it would not be disastrous to Israel's security).

As for Iran, at least given its present leadership, we assume its most preferred outcome is to develop nuclear weapons without being attacked $(D \bar{A})$, and its least preferred is not to develop nuclear weapons and be attacked anyway ( $\bar{D} A$ ). In between, Iran's preferences are less clear. In Figure 6a, we assume that Iran prefers the cooperative outcome ( $\bar{D} \bar{A}$ ) to the noncooperative outcome ( $D A$ ), and in Figure 6 b we assume the reverse. Thus, the issue between our two games modeling this conflict is whether Iran prefers to develop weapons and be attacked, or neither.

In both games, $D$ is a dominant strategy for Iran, and the unique Nash equilibrium is the noncooperative outcome $(D A)$. Figure 6a is the weakly and strongly inducible game \#1 (Figure 5), while Figure 6b is not inducible. In this game, Iran (Row) does best (4) or next best (3) by choosing its dominant strategy, $D$, so it cannot be induced to cooperate, independent of the quality of Israel's detection apparatus.

By contrast, probabilistic tit-for-tat does induce Iran's choice of $\bar{D}$ in game \#1 if Israel's detection capability is good enough (assuming the 4,3,2,1 cardinalization of this game, as in Figure 6, the threshold condition is $p^{*}>p_{0}=3 / 4$ ). But if Iran only barely
prefers $\bar{D} \bar{A}$ to $D A$, so that the gap between $a_{11}$ and $a_{22}$ is much smaller than the gap between $a_{21}$ and $a_{12}$, near-perfect detection would be required. For example, utilities of 4 , $3.1,3$, and 1 for Iran's best to worst payoffs in game 1 produce a threshold of $p_{0}=0.97 .{ }^{17}$

The assumption that $p=q$ (see section 2) may be appropriate in this particular case. If Israel correctly detects that Iran is developing nuclear weapons, it will probably correctly detect when it is not, though proving a "negative" can be difficult. ${ }^{18}$ To be sure, in other situations (e.g., medical testing), the two reliability measures, $p$ and $q$, may be designed or selected to be very different, but this seems less likely in international relations when intelligence is unbiased.

As we noted earlier, Iran has not proved inducible so far, at least under the pressure of economic sanctions, though this could change. Whether Iran will be persuaded to be more forthcoming as sanctions are increased, or under the threat of imminent attack by Israel, may well depend on whether its preferences are closer to those in Figure 6a or Figure 6b. But we emphasize that only in the former game can Iran be induced to cooperate.

Even if Israel's detection probability is greater than the threshold value required for tit-for-tat to induce cooperation, there may be complicating factors. For example, if Israel's detection probability is not common knowledge, as we assumed earlier, Iran may believe that Israel's intelligence capabilities are insufficient to ascertain its development

[^10]of nuclear weapons. So it may proceed to develop them, mistakenly thinking that its efforts will not be detected.

In summary, we have suggested that the current conflict between Iran and Israel over Iran's possible development of nuclear weapons can be represented by two plausible games. In one, Iran cannot be induced to cooperate via probabilistic tit-for-tat, no matter how accurate is the intelligence Israel has on its activities, but in the other it can be induced if Israel has a sufficiently high probability of correctly detecting Iran's strategy, and Iran knows this. Clearly, the future is uncertain. But we think our model contributes to clarifying the basis of this uncertainty.

## 7. Summary and Conclusions

We have shown that, in 20 of the $572 \times 2$ games of conflict ( 35 percent), there are unstable (non-Nash) outcomes that can be stabilized by probabilistic tit-for-tat and that are preferred by the detector (inducer) to any pure-strategy Nash equilibrium. For this reason, we called these outcomes "cooperative."

While they are always best (4) or next-best (3) outcomes for the detector (inducer), they are either next-best (14 games) or next-worst (six games) for the inducee. But even in the latter games (the class 5 games in Figure 5), the induced outcome is Paretooptimal.

In two of these games (\#15 and \#16), there are Nash equilibria that the inducee would prefer. Moreover, we showed that in a few games, if inducement works and the inducee chooses $C$, either the inducer or the inducee can benefit when the inducer misdetects the choice of $C$ and responds with $D$.

In the ten difficult inducible games (classes 1,2, and 3 in Figure 5), a group that includes Prisoners' Dilemma, the cooperative outcome is either best or next best for both players, and it is the only such outcome. In these games, the case is strongest that it is in the interest of both players to stabilize this outcome via probabilistic tit-for-tat.

In any such game, the quality (characteristic) of the detector must fall into a zone of inducement (Figure 3) for probabilistic tit-for-tat to work. If the characteristic is a point on a characteristic curve (Figure 2), the possibility of inducement depends on whether the characteristic curve enters the zone of inducement (details are given in the Appendix).

Our case study of the Iran-Israel conflict presented two games that plausibly model this conflict. One is both weakly and strongly inducible, whereas the other is not inducible. Time will tell whether this conflict is resolved peaceably; if it is, it seems likely that inducible game \#1 was the one played, and Israel's use of probabilistic tit-fortat was effective.

In conclusion, we have provided a version of tit-for-tat that is quite different from that used in repeated play or evolutionary game theory. We think this perspective offers new insight into how cooperation can be stabilized in a large number of games wherein it is known that one side has the capability, with sufficient accuracy, to detect and respond in a tit-for-tat manner to the strategy choice of its opponent.

## Appendix

This Appendix shows how the definitions of weak and strong inducibility are connected to the conditions (R3) and (R4) utilized in section 3. Weak inducement is distinguished from strong inducement as follows:

1. Inducement is weak when it fails if the detector fails, i.e., when $(p, q)=(0,0)$.
2. Inducement is strong if, when it works for some detector, then improving the detector cannot cause it to fail: If inducement works for some $(p, q)$, then it is strong when it works for every $\left(p^{\prime}, q^{\prime}\right)$ such that $p^{\prime} \geq p$ and $q^{\prime} \geq q$.

To explore these conditions further, recall that

$$
\begin{equation*}
p\left(a_{11}-a_{12}\right)+q\left(a_{21}-a_{22}\right) \geq a_{21}-a_{12} \tag{1}
\end{equation*}
$$

which we called condition (1), or the Inducement Condition for Row, is a necessary condition for inducement. Assume that (R1) holds, and note that it implies that the Inducement Condition for Row fails for $(p, q)=(1,0)$. This explains why $(1,0)$ is never in the shaded inducement regions shown in Figure 3. Similarly, if (R2) holds, then the Inducement Condition for Row always holds when $(p, q)=(1,1)$, so $(1,1)$ always lies in the shaded inducement region (Figure 3).

Together, (R1) and (R2) imply that $a_{21}>a_{22}$, and therefore that the coefficient of $q$ in the inducement condition is positive. It is then easy to verify that (1) holds for $(p, q)$ with $p=1$ and $q \geq q_{1}$ iff $q_{1}=\frac{a_{21}-a_{11}}{a_{21}-a_{22}}$. Note also that $0<q_{1} \leq 1$.

Similarly, it can be shown that (1) holds for $(p, q)$ with $p=0$ and $q \geq q_{0}$ iff $q_{0}=\frac{a_{21}-a_{12}}{a_{21}-a_{22}}$. The boundary that separates the values of $(p, q)$ satisfying (1) from those values where (1) fails is the straight line joining $\left(0, q_{0}\right)$ and $\left(1, q_{1}\right)$. This line is shown in each panel of Figure 3. Observe that $q_{0}>1$ in Figure 3(a) and $q_{0}<0$ in Figure 3(d). Clearly, it is always the case that, if inducement is possible for $(p, q)$, then it is also possible for every $\left(p, q^{\prime}\right)$ such that $q^{\prime} \geq q$.

The principle of weak inducibility is that the stabilization of $C C$ by probabilistic tit-for-tat relies minimally on the detector. This is not the case if $(p, q)=(0,0)$ lies in the inducement region, that is in case $3(\mathrm{~d})$, which arises whenever $q_{0} \leq 0$, or $a_{12} \geq a_{21}$. Thus, a necessary condition for weak inducibility is

$$
\begin{equation*}
a_{21}>a_{12} \tag{R3}
\end{equation*}
$$

Put another way, (R3) is necessary and sufficient for inducement to be impossible with a detector with characteristic near $(0,0)$. It is easy to verify that (R3) holds iff $q_{0} \geq 0$, which is true in cases $3(\mathrm{a}), 3(\mathrm{~b})$, and 3(c).

Figure 3(c) also shows that even when (R3) holds, it is possible for inducement to succeed with a $(p, q)$ detector but fail with $\left(p^{\prime}, q\right)$ detector where $p^{\prime}>p$. This is a violation of the principle of strong inducibility - that if inducement succeeds with any detector, then it also succeeds with any detector that is an improvement on the first. This phenomenon occurs whenever the straight line separating the region where inducement succeeds (above) and the region where it fails (below) has a positive slope, as in Figure 3(c).

Recall that (R1) and (R2) imply that $a_{21}>a_{22}$ and, therefore, that the coefficient of $q$ in (1) is positive. Differentiating (1) implicitly demonstrates that the slope of this straight line is $\frac{d q}{d p}=\frac{a_{12}-a_{11}}{a_{21}-a_{22}}$. We therefore define a game to be strongly inducible iff the separating line has a nonpositive slope, which occurs iff

$$
\begin{equation*}
a_{11} \geq a_{12} \tag{R4}
\end{equation*}
$$

Because of (R1) and (R2), (R4) implies (R3). Thus, strong inducibility implies weak inducibility. In summary, weak inducibility occurs if (R1) - (R3) hold, and strong inducibility occurs if (R1) - (R4) hold. Strong inducibility occurs in cases 3(a) and 3(b), and weak inducibility in cases 3(a), 3(b), and 3(c).

In $2 \times 2$ strict ordinal games, Row can be weakly induced to choose $C$ iff

$$
a_{21}>a_{11}>a_{22} \text { and } a_{21}>a_{12}
$$

and strongly induced to choose $C$ iff

$$
a_{21}>a_{11}>a_{22} \text { and } a_{11}>a_{12} .
$$

In both cases, Row's maximum payoff must be $a_{21}$; in the absence of probabilistic tit-fortat, Row would prefer to move from $C C$ to $D C$.

Finally, there are two distinct cases of strong inducibility when Column's detector has a characteristic curve $q=f(p)$. Assume Column chooses a value of $p$, say $p_{0}$, and then uses its detector with characteristic $\left(p_{0}, f\left(p_{0}\right)\right)$, as discussed in section 2 and shown in Figure 2. By superimposing Figure 2 on Figure 3(a), it is clear that some characteristic curves may not intersect the (shaded) inducement region. Thus, in Figure 3(a), which
occurs when $a_{21}>a_{11}>a_{22}>a_{12}$ (and is equivalent to $q_{0}>1$ ), it may be impossible to select detector characteristics so as to achieve inducement.

In this case, inducement is said to be not guaranteed. Of course, probabilistic tit-for-tat with a good enough detector, for which $f(p)\left(\right.$ or $\left.p^{*}\right)$ is close enough to 1 , will succeed, and inducement will be strong.

The situation is different for Figure 3(b), which occurs when $a_{21}>a_{11}>a_{12}>a_{22}$, In this case, it is clear that when Figure 2 is superimposed on Figure 3(b), there will always be some $p_{0}$ so that $\left(p_{0}, f\left(p_{0}\right)\right)$ lies in the inducement region in the upper left of Figure 3(b). Note that Figure 3(b), for which inducement is said to be guaranteed, corresponds to $q_{1} \leq q_{0} \leq 1$. This guarantee applies to games \#7, \#8, \#9, \#10, \#13, and \#14.

Figure 1
$2 \times 2$ Game in Which Each Player Can Cooperate (C) or Defect (D)


Figure 2
Characteristic Curve for an Imperfect Detector


Figure 3

## Region in $(p, q)$ Unit Square where Inducement Can Occur (Four Cases)



Note
Weak and strong inducement are defined in both the text and the Appendix.
Guaranteed and not guaranteed are defined in the Appendix.

Figure 4

## Three Payoff Configurations for Row, and Eight for Column, Produce 24 Potentially Inducible Games

| Column Configurations | Row Configurations |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{aligned} & 3,2 \\ & 4,1 \end{aligned}$ |  |  | $\begin{aligned} & 3,1 \\ & 4,2 \end{aligned}$ |  |  | $\begin{array}{r} 2,3 \\ 4,1 \end{array}$ |  |  |
|  |  |  |  |  |  |  |  |  |  |
| 4,3 | (3,4) | $(2,3)$ | \#50 ${ }^{\text {d }}$ | $\begin{aligned} & (3,4) \\ & (4,2) \\ & \hline \end{aligned}$ | $\begin{aligned} & (1,3) \\ & (1,2) \end{aligned}$ | \#35 ${ }^{\text {d }}$ | $\begin{aligned} & (2,4) \\ & (4,2) \\ & \hline \end{aligned}$ | $\begin{aligned} & (3,3) \\ & (1,1) \end{aligned}$ | \#56 |
| 2,1 | $(4,2)$ | $(1,1)$ |  |  |  |  |  |  |  |
| 4,3 | $(3,4)$ | $(2,3)$ | \#29 ${ }^{\text {d }}$ | $(3,4)$ | $(1,3)$ | \#28 ${ }^{\text {d }}$ | $(2,4)$ | $(3,3)$ | \#47 |
| 1,2 | $(4,1)$ | $(1,2)$ |  | $(4,1)$ | $(2,2)$ |  | $(4,1)$ | $(1,2)$ |  |
| 4,2 | (3,4) | $(2,2)$ | \#37 | $(3,4)$ | $(1,2)$ | \#33 | $(2,4)$ | $(3,2)$ | \#39 |
| 3,1 | $(4,3)$ | $(1,1)$ |  | $(4,3)$ | $(2,1)$ |  | (4,3) | $(1,1)$ |  |
| 4,2 | (3,4) | $(2,2)$ | \#31 ${ }^{\text {d }}$ | $(3,4)$ | $(1,2)$ | \#27 ${ }^{\text {d }}$ | $(2,4)$ | $(3,2)$ | \#45 |
| 1,3 | $(4,1)$ | $(1,3)$ |  | $(4,1)$ | $(2,3)$ |  | $(4,1)$ | $(1,3)$ |  |
| 4,1 | (3,4) | $(2,1)$ | \#36 | $(3,4)$ | $(1,1)$ | \#34 | $(2,4)$ | $(3,1)$ | \#38 |
| 3, 2 | $(4,3)$ | $(1,2)$ |  | $(4,3)$ | $(2,2)$ |  | (4,3) | $(1,2)$ |  |
| 4,1 | (3,4) | $(2,1)$ | \#46 ${ }^{\text {d }}$ | $(3,4)$ | $(1,1)$ | \#48 ${ }^{\text {d }}$ | $(2,4)$ | $(3,1)$ | \#43 |
| 2,3 | $(4,2)$ | $(1,3)$ |  | $(4,2)$ | $(2,3)$ |  | $(4,2)$ | $(1,3)$ |  |
| 3,4 | $(3,3)$ | (2,4) | \#57* ${ }^{\text {d }}$ | $(3,3)$ | $(1,4)$ | \#22i | $(2,3)$ | (3,4) | \#53* |
| 2,1 | $(4,2)$ | $(1,1)$ | Ch | (4,2) | $(2,1)$ |  | (4,2) | $(1,1)$ |  |
| 3, 4 | (3,3) | $(2,4)$ | \#22*d | $(3,3)$ | $(1,4)$ | \#32 ${ }^{\text {d }}$ | $(2,3)$ | (3,4) | \#20* |
| 1,2 | $(4,1)$ | $(1,2)$ |  | $(4,1)$ | $(2,2)$ | PD | $(4,1)$ | $(1,2)$ |  |

## Notes

1. Rankings of the payoffs to the players are as follows: $4=$ best; $3=$ next-best; $2=$ nextworst; 1 = worst.
2. The numbers (\#) of each game are those in the Appendices of Brams $(1994,2011)$.
3. Games \#32 (Prisoners' Dilemma) and \#57 (Chicken), the only symmetric games, are identified by PD and Ch, respectively.
4. Game \#22i is obtained by interchanging Column and Row in game \#22.
5. The inducible outcomes in all 24 games are those in the upper left, wherein Column is the inducer.
6. Pure-strategy Nash equilibria are underscored.
7. Games in which there is a Nash equilibrium preferred by Column to the inducible outcome are indicated with an asterisk (*). There are four such games.
8. The 11 difficult games (see section 5) are indicated with a superscript ' d .'
9. The eight games in the right-hand column are weakly but not strongly inducible; the remaining 16 games are weakly and strongly inducible.

## Figure 5

Classification of 20 Inducible Games, with Threshold Detection Probability ( $p_{0}$ )

## 10 Difficult Games

Class 1 (4 games)

| 1 (27) |  | 2 (28) |  | $3 \text { (32) }$ <br> Prisoners' Dilemma |  | 4 (48) |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  |  |
| $(3,4)$ | $(1,2)$ | $(3,4)$ | $(1,3)$ | $(3,3)$ | $(1,4)$ | $(3,4)$ | $(1,1)$ |
| $(4,1)$ | (2,3) | $(4,1)$ | (2,2) | $(4,1)$ | (2,2) | $(4,2)$ | [2,3) |
| $p_{0}=3 / 4$ |  | $p_{0}=3 / 4$ |  | $p_{0}=3 / 4$ |  | $p_{0}=3 / 4$ |  |

## Class 2 (3 games)

5 (22i)

| $(3,3)$ | $(1,4)$ |
| :--- | :--- |
| $(4,2)$ | $(2,1)$ |

$p_{0}=1 / 2$
6 (35)
7 (50)

| $(3,4)$ | $(1,3)$ |
| :--- | :--- |
| $(4,2)$ | $(2,1)$ |

$p_{0}=3 / 4$

| $(3,4)$ | $(2,3)$ |
| :--- | :--- |
| $(4,2)$ | $(1,1)$ |
| $p_{0}=1 / 2$ |  |

$p_{0}=1 / 2$

## Class 3 (3 games)

8 (29)

| $\mathbf{( 3 , 4 )}$ | $(2,3)$ |
| :--- | :--- |
| $(4,1)$ | $(1,2)$ |
| $p_{0}=1 / 2$ |  |

9 (31)
10 (46)

| $(\mathbf{3 , 4 )}$ | $(2,2)$ |
| :---: | :---: |
| $(4,1)$ | $(1,3)$ |
| $p_{0}=1 / 2$ |  |

Figure 5 (cont.)

## 20 Inducible Games and Column's Threshold Detection Probability $\left(p_{0}\right)$

## 10 Other Games

## Class 4 (4 games)

| 11 (33) |  | 12 (34) |  | 13 (36) |  | 14 (37) |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $(3,4)$ | $(1,2)$ | $(3,4)$ | $(1,1)$ | $(3,4)$ | $(2,1)$ | $(3,4)$ | $(2,2)$ |
| (4,3) | $(2,1)$ | (4,3) | $(2,2)$ | $(4,3)$ | $(1,2)$ | (4,3) | $(1,1)$ |
| $p_{0}=3 / 4$ |  | $p_{0}=3 / 4$ |  | $p_{0}=1 / 2$ |  | $p_{0}=1 / 2$ |  |

Class 5 (6 games)

15 (38)

| $(2,4)$ | $(3,1)$ |
| :--- | :--- |
| $(4,3)$ | $(1,2)$ |

$p_{0}=1 / 2 \mathrm{~W}$
19 (47)

| $(2,4)$ | $(3,3)$ |
| :--- | :--- |
| $(4,1)$ | $(1,2)$ |
| $p_{0}=1 / 2 \mathrm{~W}$ |  |

$p_{0}=1 / 2 \mathrm{~W}$

16 (39)

| $(2,4)$ | $(3,2)$ |
| :--- | :--- |
| $(4,3)$ | $(1,1)$ |

$p_{0}=1 / 2 \mathrm{~W}$
20 (56)

| $\mathbf{( 2 , 4 )}$ | $(3,3)$ |
| :---: | :---: |
| $(4,2)$ | $(1,1)$ |
| $p_{0}=1 / 2 \mathrm{~W}$ |  |

## Notes

1. Rankings of the payoffs to the players are as follows: $4=$ best; $3=$ next-best; $2=$ nextworst; $1=$ worst.
2. The numbers in parentheses correspond to the game listing in the Appendices of Brams (1994, 2011).
3. Pure-strategy Nash equilibria are underscored.
4. Weakly inducible games are indicated by the letter 'W.'
5. Inducible outcomes are in boldface at the upper left.
6. For each game, the probability $p_{0}$ is the threshold value for inducement. A detector with $p^{*}>p_{0}$ can be used by Column to induce the $C C$ outcome.

## Figure 6

Iran-Israel Conflict: Two Games Wherein Iran Chooses to Develop (D) or Not Develop $(\bar{D})$ Nuclear Weapons and Israel Chooses to Attack (A) or Not Attack ( $\bar{A}$ )

Figure 6a: Game 1 (27)

$$
p_{0}=3 / 4
$$

## Notes

1. Rankings of the payoffs to the players are as follows: $4=$ best; $3=$ next best; $2=$ next worst; $1=$ worst.
2. The game in Figure 6a is game \#1 in Figure 5 and game \#27 in the listing in the Appendices of Brams $(1994,2011)$. The game in Figure 6b does not appear in Figure 5, because it is not inducible, but is \#24 in the aforementioned listing.
3. Pure-strategy Nash equilibria are underscored.
4. The inducible outcome of the game in Figure 6a is in boldface.
5. The threshold probability $\left(p_{0}\right)$ for the game in Figure 6a is a measure of the quality of the detector required for inducement (see section 4).

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[^0]:    ${ }^{1}$ We thank Bryan Bruns for valuable comments on an earlier version of this paper.

[^1]:    ${ }^{2} \mathrm{PD}$ is one of exactly 78 distinct $2 \times 2$ strict ordinal games in which two players, each with two strategies, can strictly rank the resulting four outcomes from best to worst. When the 21 games with a mutually best outcome are excluded, there remain 57 games, called conflict games, which include PD. There has been considerable recent work on classifying $2 \times 2$ strict ordinal games and understanding their topology. See Robinson and Goforth (2005), Bruns (2011), and citations therein.

[^2]:    ${ }^{3}$ Although the strategy "cooperate" is well defined in PD, it is not always clear what it means in other games, which is why we associate it with a favorable outcome for the inducer. As we will see, the induced (cooperative) outcome may be either a next-best or next-worst outcome for the inducee.
    ${ }^{4}$ Technically, a Nash equilibrium is a profile of strategies (one for each player) associated with an outcome from which neither player would unilaterally depart because it would not benefit by doing so. Because each outcome in a strict ordinal game is associated with a unique strategy profile, specifying a Nashequilibrium strategy profile is equivalent to specifying a Nash equilibrium outcome. Here we consider only pure-strategy Nash equilibria, but we note that sometimes it is possible for mixed-strategy equilibria to be perturbed slightly to induce certain outcomes (Brams and Kilgour, 1988).

[^3]:    ${ }^{5}$ Because we have not specified the game, our question is completely general. We will determine when either player could use an imperfect detector to stabilize any outcome.
    ${ }^{6}$ Such common knowledge might be acquired by Column's demonstration of the quality of its detection equipment to Row. In a related model of arms-control inspection, putting an inspectee "on notice" via such a prior move can induce greater cooperation on the part of the inspectee (Brams and Kilgour, 1992). Of course, in other situations an inspector may wish to hide its ability to detect the choice of an opponent, lest the opponent take countermeasures to conceal its choices. In section 5 we show that there are a few games in which, after Row chooses to cooperate, either Column or Row can benefit when Column misdetects Row's choice and chooses not to cooperate.

[^4]:    ${ }^{7}$ Our assumption implies that the players' choices depend only on how Row's possible choices affect expected outcomes. In particular, Column does not treat the detector signal as additional (posterior) information to be integrated, using Bayesian techniques, with some prior analysis of the game. To maintain generality, we impose no specific assumptions on the game or on the way the players analyze it.
    8 A more common approach, not convenient here, involves an $R O C$ (receiver operating characteristic) curve. ROC curves are widely used in reliability engineering, signal processing, machine intelligence, and medicine. See Fawcett (2004) for background and additional references.

[^5]:    ${ }^{9}$ When the player choosing a strategy is clear from the context, we drop the subscript, $C$ or $R$. ${ }^{10}$ For an application to arms races, see Brams, Davis, and Straffin (1979a, 1979b) and Dacey (1979).
    ${ }^{11}$ When a strategy pair $X Y$ is used to identify an outcome, $X$ is Row's strategy and $Y$ is Column's strategy.

[^6]:    12 This statement is based on the comparative ranks of players, not on an interpersonal comparison of their utilities. In this case, a player is said to do better than its opponent when it obtains its best outcome and its opponent does not.

[^7]:    ${ }^{13}$ In the context of international relations, we discuss in section 6 when this assumption might be applicable and when not.
    ${ }^{14}$ The converse of this statement is false. Nonetheless, the value of $p_{0}$ is a useful measure of how good a detector must be for inducement to occur.

[^8]:    ${ }^{15}$ We thank Etel Solingen for valuable comments on an earlier version of this section. Her chapters on Iran and Israel in Solingen (2007) offer background on the past calculations of these countries' leaders about the acquisition of nuclear weapons. For more recent information on the effects of threats and sanctions on Iran, see Nader (2012).

[^9]:    ${ }^{16}$ Biran and Tauman (2008) analyze a game modeling a similar situation in which there is imperfect detection, but they do not distinguish the two reliability parameters. They prove several propositions relating the detection probability, which may or may not be common knowledge, to different equilibria in the game.

[^10]:    17 A related question is whether detection of uranium enrichment or actual weaponization, or something in between, would constitute a casus belli for Israel.
    ${ }^{18}$ So can proving a "positive," as the United States learned when it incorrectly detected the presence of weapons of mass destruction in Iraq before it launched its attack in March 2003. But intelligence in this case seems to have been biased by the Bush administration's extreme antagonism toward Saddam Hussein and its desire to depose him.

