

**Abstract :**

This article provides an exact non-cooperative foundation of the sequential Raiffa solution for two-person bargaining games. Based on an approximate foundation due to Myerson (1991) for any two-person bargaining game  $(S,d)$ , an extensive form game  $G^{S,d}$  is defined that has an infinity of weakly subgame perfect equilibria whose payoff vectors coincide with that of sequential solution of  $(S,d)$ . Moreover, all those equilibria share the first stage of game. By a modification of  $G^{S,d}$  the analogous result is provided for subgame perfect equilibria. These results immediately extend to implementation of sequential Raiffa (solution based) social choice rule in subgame perfect equilibrium.

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**Walter Trockel** is Professor of Mathematical Economics in Bielefeld University since 1985. His main fields of research are Mathematical Economics, Game Theory (Cooperative Games, Market Games, Mechanisms), General Equilibrium Theory (Large Economies, Demand Analysis), Decision Theory, Social Choice and Institutional Design.



The Center for Research in Economic Analysis of the University of Luxembourg is pleased to invite you to the **Lunchtime Seminar in Economics:**

## Non-Cooperative Foundation of the Sequential Raiffa Solution

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**Bielefeld University**

**June 9, 2011**  
**13:00 – 14:00**

Campus Limpertsberg  
Building of Science – Room BS001  
162a, avenue de la Faïencerie  
L-1511 Luxembourg

Lunch is planned for the participants

Registration: by email to [ldel-colloques@uni.lu](mailto:ldel-colloques@uni.lu)

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