

Abstract:

Evidence shows that, in simple 2-person interactions, the interacting agents' actions can sometimes be mutually correlated. Suppose that, when entering an interaction, an agent knows that his/her action will be correlated with that of his/her counterpart. To what extent -- and in what way (if at all) -- should the agent take this information into account? A concept of equilibrium for this kind of setting will be proposed and explored.