

Exam 1

Name: _____

Section: 10:30 am (Leah Berman)
 11:45 am (Kevin Meek)
 online (Kevin Meek)

Rules:

- Partial credit will be awarded, but you must show your work.
- You may have 1/2 of a standard page of paper (8.5" × 5.5" or 11" × 4.25") of notes, both sides.
- Calculators are allowed.
- Place a box around your **FINAL ANSWER** to each question where appropriate.
- Turn off anything that might go beep during the exam.

Good luck!

| Problem | Possible | Score |
|--------------|----------|-------|
| 1 | 20 | |
| 2 | 12 | |
| 3 | 20 | |
| 4 | 12 | |
| 5 | 18 | |
| 6 | 18 | |
| Extra Credit | (6) | |
| Total | 100 | |

1. (20 points)

A certain borough in Alaska has switched to using **Instant Runoff Voting (Ranked Choice Voting)** to determine the winner of its mayoral races.

In a recent municipal election, the preference schedule for the race was as follows:

| | 45 | 40 | 35 | 15 | 10 | 5 |
|------------|-------|-------|-------|-------|-------|-------|
| 1st choice | Bork | Alton | Clay | Bork | Davis | Davis |
| 2nd choice | Alton | Davis | Alton | Clay | Clay | Clay |
| 3rd choice | Clay | Clay | Bork | Davis | Bork | Alton |
| 4th choice | Davis | Bork | Davis | Alton | Alton | Bork |

- a. How many voters voted in the election? _____
- b. How many voters are needed to have a majority of the votes? _____
- c. Was there a winner after round 1 (that is, before anyone was eliminated)? Why or why not? Explain your answer.
- d. Was anyone eliminated in round 1? Explain your answer.
- e. Determine the winner of the election. Show your work clearly, in a way that someone else can follow. If you require multiple rounds, show the computations clearly, and clearly state which candidate is eliminated.

The winner of the election was _____ after _____ rounds.

3. (20 points)

- a. In the weighted voting system $[q : 10, 8, 2, 1]$, what is the **largest** value q can take? Justify your answer with a calculation.
- b. In the weighted voting system $[q : 25, 7, 6, 3]$, find a value for q so that P_1 is a dictator. Justify your answer with a calculation.
- c. Consider the weighted voting system $[26:10,8,6,4,4,2,1]$.
- Identify any players with veto power or state that none exist. Justify your answer.
 - Explain why P_6 , who has 2 votes, is not a dummy.

4. (12 points)

Consider the weighted voting system $[20 : 12, 10, 5, 3]$

- a. Find all winning coalitions.

Winning Coalitions

- b. Underline critical players in your winning coalitions above.

- c. Fill in the following chart:

| Player | | Banzhaf Power Index |
|--------|--|---------------------|
| P_1 | | |
| P_2 | | |
| P_3 | | |
| P_4 | | |

5. (18 points)

Suci and Matilda are dividing an ice cream cake with two flavors: hazelnut and chocolate. Each flavor takes up the same amount of cake, and the total value of the cake is \$32.



a. What is a fair share of the cake? _____

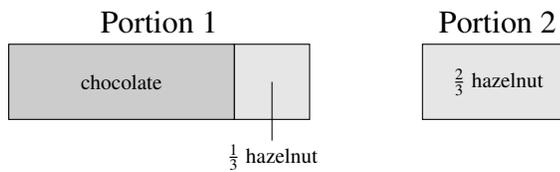
b. Suppose

- Suci likes hazelnut three times as much as chocolate.
- Matilda’s valuation is listed in the table.

Fill in the table of values for Suci.

| Person | Chocolate | Hazelnut | total value |
|---------|-----------|----------|-------------|
| Suci | | | |
| Matilda | 28 | 4 | |

c. Suppose Suci is the divider. They divide the cake into two portions: one portion consists of all of the chocolate and 1/3 of the hazelnut, and the other portion consists of the remaining 2/3 of the hazelnut.



i. Why is that division a fair division for Suci? Provide supporting calculations.

ii. Which portion of the cake does Matilda choose? Why? Provide supporting calculations.

6. (18 points)

- a. Four investors are dividing a piece of land valued at \$320,000. One was chosen as the divider, and their values of the division (in thousands) are shown below. They decide to use the Lone Divider process to divide the land.

| Person | Piece 1 | Piece 2 | Piece 3 | Piece 4 |
|----------|---------|---------|---------|---------|
| Sonya | \$90 | \$70 | \$ 80 | \$80 |
| Cesar | \$80 | \$80 | \$ 80 | \$80 |
| Adrianna | \$60 | \$70 | \$100 | \$90 |
| Raquel | \$70 | \$50 | \$90 | \$110 |

- i. What is the value of a fair share to each investor? _____
- ii. Who was the divider? Why? _____
- iii. Circle the bids in the table that are fair shares to each investor.
- iv. Is it possible to allocate the land so that everyone gets a fair share? If so, say who gets which piece of land; if not, say what happens next in the Lone Divider process.

- b. Suppose three friends are dividing a cake that has been partitioned into three slices. They value the slices as follows:

| | Slice 1 | Slice 2 | Slice 3 |
|---------|---------|---------|---------|
| Paul | \$2 | \$1 | \$6 |
| Quentin | \$3 | \$3 | \$3 |
| Rosie | \$1.50 | \$2.50 | \$5 |

- i. Circle a fair share for each person.
- ii. Explain why it's not possible to allocate one slice to each person at the first step.
- iii. Explain what happens next in the Lone-Divider process.

Extra Credit (6 points)

Paula and John, and Willie are dividing up two items: a life-sized replica of Danny DeVito, and a live goat. They submit the following sealed bids for the three items.

| | Danny Devito | Goat | total bid |
|--------|--------------|-------|-----------|
| Paula | \$130 | \$230 | |
| John | \$260 | \$190 | |
| Willie | \$310 | \$170 | |

a. Determine each person's fair share (in dollars).

| Paula's fair share | John's fair share | Willie's fair share |
|--------------------|-------------------|---------------------|
| | | |

b. Determine which person gets each item.

| Danny DeVito | Goat |
|--------------|------|
| | |

c. Determine the **surplus**. Show your work!

d. What is the final allocation? Include items and how much each person pays and receives in the end? Show your work!

Paula:

John:

Willie: