SAPIENZA
UNIVERSITÀ DI ROMA

The existence of Nash equilibria in n-player LQ-games , with applications to international monetary and trade agreements .

Giovanni Di Bartolomeo
Andrew Hughes Hallett
Nicola Acocella

ABSTRACT

The paper studies the relationship between equilibrium existence in LQ games and the classical theory of economic policy, generalizing some recent results. In particular, by focusing on system controllability instead of the controllability by one or some of the players, we find conditions for the existence of the Nash equilibrium which extend those required by the previous literature. The usefulness of our results is described by some examples in the field of international monetary and trade agreements.

Working Paper n°75