THE PROOF THAT A GAME MAY NOT HAVE A SOLUTION(1)

BY
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1. Introduction. In 1944 von Neumann and Morgenstern [3] introduced a theory of solutions (stable sets) for n-person games in characteristic function form. It has been shown that solutions do exist for several large classes of games, and it had been conjectured that every game has at least one solution. However, the author [2] recently described a ten-person game which has no solution. This paper gives a detailed proof that there is no solution for this game. The essential definitions for an n-person game will be reviewed before the counterexample and the proof are given.

2. Definitions. An n-person game is a pair \((N, v)\) where \(N = \{1, 2, \ldots, n\}\) is a set of \(n\) players labeled 1, 2, \ldots, \(n\) and where \(v\) is a real valued characteristic function on \(2^N\), i.e., \(v\) assigns a real number \(v(S)\) to each nonempty subset \(S\) of \(N\) and \(v(\emptyset) = 0\) for the empty set \(\emptyset\). Intuitively, the number \(v(S)\) represents the value (wealth, power) of the coalition \(S\). The set of imputations is

\[
A = \\left\{ x : \sum_{h \in N} x_h = v(N) \text{ and } x_h \geq v(\{h\}) \text{ for all } h \in N \right\}
\]

where \(x = (x_1, x_2, \ldots, x_n)\) is a vector with real components. Each imputation \(x\) represents a realizable distribution of the wealth among the players; player \(h\) receives the amount \(x_h\).

The players in a coalition \(S\) will prefer imputation \(x\) to \(y\) if each of them receives more in \(x\) and if they can effect \(x\). If \(x\) and \(y \in A\) and \(S\) is a nonempty subset of \(N\), then \(y\) dominates \(x\) via \(S\), denoted \(y \text{ dom}_S x\), means

\[
(1) \quad y_h > x_h \text{ for all } h \in S
\]

and

\[
(2) \quad \sum_{h \in S} y_h \leq v(S).
\]

If there exists an \(S\) such that \(y \text{ dom}_S x\), then one says that \(y\) dominates \(x\) and denotes this by \(y \text{ dom } x\). For any \(y \in A\) and \(Y \subset A\) define the following dominions:

\[
\begin{align*}
\text{Dom}_S y &= \{x \in A : y \text{ dom}_S x\}, \\
\text{Dom} y &= \{x \in A : y \text{ dom } x\}, \\
\text{Dom}_S Y &= \bigcup_{y \in Y} \text{Dom}_S y, \\
\text{Dom} Y &= \bigcup_{y \in Y} \text{Dom} y,
\end{align*}
\]

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and the inverse dominions:

\[ \text{Dom}^{-1} y = \{ z \in A : z \text{ dom } y \}, \]
\[ \text{Dom}^{-1} Y = \bigcup_{y \in Y} \text{Dom}^{-1} y. \]

To simplify the notation in (2) let

\[ y(S) = \sum_{k \in S} y_k. \]

Also, expressions such as \( x(\{1, 4, 7, 9\}) \) will be shortened to \( x(1, 4, 7, 9) \) or \( x(1479) \) throughout the paper.

A subset \( K \) of \( A \) is a solution for a game if

\[ K \cap \text{Dom } K = \emptyset \]

and

\[ K \cup \text{Dom } K = A. \]

If \( K' \subseteq X \subseteq A \), then \( K' \) is a solution for \( X \) means that

\[ K' \cap \text{Dom } K' = \emptyset \]

and

\[ K' \cup \text{Dom } K' \supseteq X. \]

The core of the game \((A, v)\) is

\[ C = \{ x \in A : x(S) \geq v(S) \text{ for all } S \subseteq A \}. \]

The core is a convex polyhedron (possibly empty). It is clear that for any solution \( K \), \( C \subseteq K \) and \( K \cap \text{Dom } C = \emptyset \).

3. Example. A game which has no solution is \((N, v)\) where

\[ N = \{1, 2, 3, 4, 5, 6, 7, 8, 9, 10\} \]

and \( v \) is given by:

\[ v(N) = 5, v(\{1, 3, 5, 7, 9\}) = 4, \]
\[ v(\{1, 2\}) = v(\{3, 4\}) = v(\{5, 6\}) = v(\{7, 8\}) = v(\{9, 10\}) = 1, \]
\[ v(\{3, 5, 7, 9\}) = v(\{1, 5, 7, 9\}) = v(\{1, 3, 7, 9\}) = 3, \]
\[ v(\{3, 5, 7\}) = v(\{1, 5, 7\}) = v(\{1, 3, 7\}) = 2, \]
\[ v(\{3, 5, 9\}) = v(\{1, 5, 9\}) = v(\{1, 3, 9\}) = 2, \]
\[ v(\{1, 4, 7, 9\}) = v(\{3, 6, 7, 9\}) = v(\{5, 2, 7, 9\}) = 2, \]
\[ v(S) = 0 \text{ for all other } S \subseteq N. \]

The set of imputations for this game is

\[ A = \{ x : x(N) = 5 \text{ and } x_h \geq 0 \text{ for all } h \in N \}. \]
It is helpful to introduce the five-dimensional hypercube
\[ B = \{ x \in A : x(1, 2) = x(3, 4) = x(5, 6) = x(7, 8) = x(9, 10) = 1 \}, \]
and the following six vertices of \( B \):
\[
\begin{align*}
  c^0 &= (1, 0, 1, 0, 1, 0, 1, 0, 1, 0), \\
  c^2 &= (0, 1, 1, 0, 1, 0, 1, 0, 1, 0), \\
  c^4 &= (1, 0, 0, 1, 1, 0, 1, 0, 1, 0), \\
  c^6 &= (1, 0, 1, 0, 0, 1, 1, 0, 1, 0), \\
  c^8 &= (1, 0, 1, 0, 1, 0, 0, 1, 1, 0), \\
  c^{10} &= (1, 0, 1, 0, 1, 0, 1, 0, 0, 1).
\end{align*}
\]
One can show that the core of this game is the convex hull of the six imputations \( c^h \) \( (h = 0, 2, 4, 6, 8, 10) \). For the proofs in this paper it is sufficient to prove that \( C \) contains this convex hull. This can be done by simply checking that each of these \( c^h \) satisfies all of the inequalities \( x(S) \geq x(S) \) in the definition of \( C \). It is also easy to check that any \( x \in B \) which satisfies \( x(13579) \geq 4 = x(\{1, 3, 5, 7, 9\}) \) will be in \( C \), and thus
\[
C = \{ x \in B : x(13579) \geq 4 \}.
\]
4. **Partition of \( A \).** To prove that this game has no solution, it is necessary to define several regions in \( A \). It will be assumed in these definitions and throughout the remainder of this paper (unless otherwise specified) that the variable indices \( i, j, k, p, q, \) and \( r \) take on the values
\[
(i, j, r, k) = (1, 3, 4, 5), (3, 5, 6, 1), \text{ and } (5, 1, 2, 3)
\]
and
\[
(p, q) = (7, 9) \text{ and } (9, 7).
\]
For example, an expression containing the subscript \( i \) stands for the three expressions where \( i = 1, 3, \) and \( 5 \); an expression containing the indices, \( i, j, \) and \( k \) represents the three expressions where the ordered triple \((i, j, k) = (1, 3, 5), (3, 5, 1), \) and \((5, 1, 3) \); and an expression containing \( p \) represents the two expressions where \( p = 7 \) and \( 9 \). The letter \( h \) will continue as a free index which is defined whenever it is used.

Using these conventions on the variable indices, define the following twelve subsets of \( B \):
\[
\begin{align*}
  E_i &= \{ x \in B : x_j = x_k = 1, x_l < 1, x(79) < 1 \}, \\
  E &= E_1 \cup E_2 \cup E_3, \\
  F_{jk} &= \{ x \in B : x_j = x_k = 1, 1 \leq x(79) \} - C, \\
  F_p &= \{ x \in B : x_p = 1, x_q < 1, x(35q) \geq 2, x(51q) \geq 2, x(13q) \geq 2 \} - C, \\
  F_{79} &= \{ x \in B : x_7 = x_9 = 1 \} - C, \\
  F_{135} &= \{ x \in B : x_1 = x_3 = x_5 = 1 \} - C, \\
  F &= F_{35} \cup F_{51} \cup F_{13} \cup F_7 \cup F_9 \cup F_{79} \cup F_{135}.
\end{align*}
\]
Figure 1 pictures the traces of these various regions as they appear in some of the (three-dimensional) cubical traces of the five-dimensional hypercube \( B \). Figure 2 illustrates a wedge \( E_1 \cup F_{135} \).
In each cube

Top face: \( x_1 = 1, \ x_2 = 0 \)
Bottom face: \( x_1 = 0, \ x_2 = 1 \)
Right face: \( x_3 = 1, \ x_4 = 0 \)
Left face: \( x_3 = 0, \ x_4 = 1 \)
Back face: \( x_5 = 1, \ x_6 = 0 \)
Front face: \( x_5 = 0, \ x_6 = 1 \)

\( x_7 = 1, \ x_8 = 0, \ x_9 = 0, \ x_{10} = 1 \)

\( x_7 = \frac{1}{2}, \ x_8 = \frac{1}{2}, \ x_9 = 0, \ x_{10} = 1 \)

\( x_7 = 0, \ x_8 = 1, \ x_9 = 0, \ x_{10} = 1 \)
FIGURE 1. Traces in $B$ of $C$, $F$, and $E$ for constant $x_7$, $x_8$, $x_9$, and $x_{10}$. 
Note: $E_j$ excludes top face ($F_{135}$ UC) and back face ($F_{ki}$ UC).

Key

<table>
<thead>
<tr>
<th>$E_j$</th>
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<tbody>
<tr>
<td>$G_j(y)$</td>
</tr>
<tr>
<td>$x(ir79) = 2$</td>
</tr>
<tr>
<td>$C$</td>
</tr>
</tbody>
</table>

Top: $x_1 = x_3 = x_5 = 1, \ x_2 = x_4 = x_6 = 0$

Edge:

$E_j$

$x_7 = 1, \ x_8 = 0, \ x_9 = 0, \ x_{10} = 1$

$x(ir79) = 2$

$F_{ki}$

Edge:

$x_7 = 0, \ x_8 = 1, \ x_9 = 0, \ x_{10} = 1$

Bottom: $x_i = x_{j+1} = x_{k+1} = 1, \ x_{i+1} = x_j = x_{k+1} = 0$

Figure 2. Regions $E_j$, $F_{135}$, and $G_j(y)$. 

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The regions $A - B$, $B - (C \cup E \cup F)$, $C$, $E$, and $F$ form a partition of $A$. This is obvious if one verifies that $C \cap E = \emptyset$ and $E \cap F = \emptyset$. However, if $x \in E$ then $x_h \leq 1$ for $h = 1, 3, 5$ and $x(135) < 1$. Thus $x(13579) < 4$ and so $C \cap E = \emptyset$. From the definitions, $E \cap F_{135} = \emptyset$, and if $y \in F - F_{135}$ then $y(79) \geq 1$. Thus $E \cap F = \emptyset$.

To prove that this game has no solution it is sufficient to prove that

(I) $\text{Dom} C \supset \{A - B\} \cup \{B - (C \cup E \cup F)\}$,

(II) $E \cap \text{Dom} (C \cup F) = \emptyset$, and

(III) there exists no solution $K'$ for $E$.

5. Dominion of the core. First, one must show that $\text{Dom} C \supset A - B$. Pick $x \in A - B$, i.e., consider any $x$ with $x_h \geq 0$ for all $h \in N$, $\sum_{h \in N} x_h = 5$, and $x(h - 1, h) \neq 1$ for some $h = 2, 4, 6, 8$ or 10. It is clear that there exists an $h = 2, 4, 6, 8, 10$ such that $x(h - 1, h) < 1$. For this $h$ let $y = (x_h - e)c_0 + (x_h + e)c_h$ where $2e = 1 - x_h - x_h > 0$. Then $y \in C$, and $y \in \text{dom}(x_{h-1, h})x$, since $y_h = x_h + e > x_h$, and $y(h - 1, h) = x(h - 1, h) + 2e = 1$. In summary, the closed line segment joining $c_0$ and $c_h$ is contained in $C$ and its dominion contains any $x \in A$ with $x(h - 1, h) < 1$. Therefore, $\text{Dom} C \supset A - B$, and thus one needs only to consider the region $B$ when looking for solutions to this game.

Next, one must prove that $\text{Dom} C \supset B - (C \cup E \cup F)$. Pick any $x \in B - (C \cup E \cup F)$. It follows from the definitions of $B$, $C$, $E$, and $F$ that $x$ must satisfy the conditions

(5) $0 \leq x_h \leq 1$ for all $h \in N$,

(6) $x(13579) < 4$,

(7) $x_j < 1$, $x_k < 1$ for $(j, k) = (3, 5), (5, 1), (1, 3)$,

(8) $x_q < 1$,

and either

(9) $x_p < 1$

or

(9') $x_p = 1$ and either $x(35q) < 2$, $x(51q) < 2$, or $x(13q) < 2$

where $(p, q) = (7, 9)$ or $(9, 7)$ in the relations (8), (9), and (9'). It follows that if $x \in B - (C \cup E \cup F)$ then $x \in B$ and either

(i) $x(13579) < 4$ and $x_h < 1$ for $h = 1, 3, 5, 7, 9$,

(ii) $x(13579) < 4$, $x_i = 1$, and $x_h < 1$ for $h = i, k, 7, 9$, or

(iii) $x(13579) < 4$, $x_i \leq 1$, $x_p = 1$, $x_h < 1$ for $h = j, k, q$, and either $x(jkq) < 2$ or

$x(mq) < 2$ for $m = j$ or $k$

where $(i, j, k) = (1, 3, 5), (3, 5, 1), (5, 1, 3)$, and $(p, q) = (7, 9)$ or $(9, 7)$.

Each of these three cases will now be considered.

In case (i), one can pick $y \in B$ such that $y(13579) = 4$ and $1 \geq y_h > x_h$ for $h = 1, 3, 5, 7, 9$. Observe that $y(2, 4, 6, 8, 10) = 5 - y(1, 3, 5, 7, 9) = 1$;
\( \{2, 4, 6, 8, 10\} \setminus \{h\} = 1 - y_h = y_{h-1} \) for \( h = 2, 4, 6, 8, \) and \( 10 \); and thus \( y = \sum_h y_h c^h \)

where \( h = 2, 4, 6, 8, \) and \( 10 \). Therefore, \( y \) is in the convex hull of \( c^2, c^4, c^6, c^8, \) and \( c^{10} \), and \( y \in \text{dom}(\{2, 4, 6, 8, 10\} \times X) \). In summary, the convex hull of the \( c^h (h = 2, 4, 6, 8, \) and \( 10 \)) is contained in \( C \) and its dominion contains all \( x \in B \) which satisfy (i).

In case (ii), \( x(jkq) < 3 \), since \( x_i = 1 \) and \( x(13579) < 4 \). In this case one can pick \( y \in B \) such that \( y(jkq) = 3, y_i = 1, \) and \( 1 \leq y_h > x_h \) for \( h = j, k, 7, \) and \( 9 \). Observe that \( y(j + 1, k + 1, 8, 10) = 5 - y(i, i + 1) - y(j, k, 7, 9) = 1; \) \( y(\{j + 1, k + 1, 8, 10\} \setminus \{h\}) = 1 - y_h = y_{h-1} \) for \( h = j + 1, k + 1, 8, \) and \( 10 \); and thus \( y = \sum_h y_h c^h \) where \( h = j + 1, k + 1, 8, \) and \( 10 \). Therefore, \( y \) is in the convex hull of \( c^{j+1}, c^{k+1}, c^8, \) and \( c^{10} \), and \( y \in \text{dom}(\{j, k, 7, 9\} \times X) \). In summary, the convex hull of the \( c^h (h = j + 1, k + 1, 8, \) and \( 10 \)) is contained in \( C \) and its dominion contains all \( x \in B \) which satisfies (ii).

Consider case (iii) and first assume that \( x(jkq) < 2 \). One can pick \( y \in B \) such that \( y(jkq) = 2, y_i = 1, y_p = 1, \) and \( 1 \leq y_h > x_h \) for \( h = j, k, \) and \( q \). Observe that

\[
(10) \quad A \cap \text{Dom}_s A = \emptyset
\]

when \( S = N \) and when \( v(S) = 0 \).

Second, note that

\[
(11) \quad E \cap \text{Dom}_{h-1, h} A = \emptyset \quad \text{for all} \quad h = 2, 4, 6, 8, \text{and} \ 10
\]

since \( E \subseteq B \) and \( x(h-1, h) = 1 = v([h-1, h]) \) for all \( x \in B \).

Third, one can show that

\[
(12) \quad E_i \cap \text{Dom}_s B = \emptyset \quad \text{for all} \quad S \neq \{i, r, 7, 9\}.
\]
If \( x \in E_i \) then \( x_j = x_k = 1 \), and if \( y \in B \) then \( y_h \leq 1 \) for all \( h \in N \). Thus \( y \) cannot dominate \( x \) via any \( S \) which contains \( j \) or \( k \). This remark along with (10) and (11) proves (12).

Fourth, one proves that

\[ E \cap \text{Dom}_{\{i, r, 7, 9\}} C = \emptyset. \]

If \( y \in C \) and \( \text{Dom}_{\{i, r, 7, 9\}} y \neq \emptyset \), then \( 0 \leq y_h \leq 1 \) for all \( h \in N \), \( y(13579) \geq 4 \), and \( y(ir79) \leq 2 \). This implies that \( y_j = y_k = 1 \) and \( y_r = 0 \), and thus \( \text{Dom}_{\{i, r, 7, 9\}} y = \emptyset \) and (13) holds.

Fifth, one can show that

\[ E \cap \text{Dom}_{\{i, r, 7, 9\}} F = \emptyset. \]

If \( y \in F \) and \( \text{Dom}_{\{i, r, 7, 9\}} y \neq \emptyset \), then \( y_r > 0 \) and \( y(ir79) \leq 2 \). However, if one considers the different parts of \( F \), he can show that one of these latter two inequalities fails to hold. If \( y \in F_{79} \) then \( y(79) = 2 \), and thus \( y_i \) and \( y_r = 0 \) or \( y(ir79) > 2 \). If \( y \in F_{135} \) then \( y_i = y_7 = y_9 = 1 \), and thus \( y_r = 0 \). If \( y \in F_{ih} \) then \( y_j = y_k = 1 \), and thus \( y_y = 0 \) or \( y(ir79) > 2 \). If \( y \in F_{2} \) (recall that the pair \( (p, q) = (7, 9) \) and \( (9, 7) \)), then \( y_7 = y_9 = 1 \), and \( y(ihq) \geq 2 \) for \( h = j \) and \( k \); and thus \( y(iq) \geq y(ihq) - 1 \geq 1 \), and so \( y_r = 0 \) or \( y(ir79) = y(irpq) > 2 \).

The conditions (10) through (14) are sufficient to prove (II). Although it will not be done in this paper, one could prove in addition that \( F \cap \text{Dom} \left( C \cup E \cup F \right) = \emptyset \). This would imply that \( C \cup F \) is contained in any solution \( K \) for this game.

7. Domination within the region \( E \). In order to prove condition (III), i.e., that there exists no solution \( K^* \) for \( E \), one must consider possible domination between imputations in \( E \). However, (10), (11), and (12) imply that only domination via coalitions of the type \( \{i, r, 7, 9\} \) need be considered. Furthermore,

\[ E_i \cap \text{Dom}_{\{i, r, 7, 9\}} \left( E_i \cup E_k \right) = \emptyset, \]

because if \( y \in E_i \cup E_k \) then \( y_j = 1 \), and thus \( y_{j+1} = y_r = 0 \). Therefore, the only possible domination within \( E \) is illustrated by the diagram:

\[ E_5 \xrightarrow{\{3, 6, 7, 9\}} E_3 \xrightarrow{\{1, 4, 7, 9\}} E_1 \xrightarrow{\{5, 2, 7, 9\}} E_5. \]

Next, one can consider what a typical element in \( E \) will dominate and what will dominate it. First, define the three regions

\[ G_i(y) = \{ x \in E_i : x_7 > y_7, x_9 > y_9, \text{ and } y(ir79) \leq 2 \} \]

where \( y \) can be any element in \( E \). (See Figure 2.) It is clear that the \( G_i(y) \) are non-empty. If \( y \in E_i \) and \( y(ir79) > 2 \), then \( E \cap \text{Dom} y = \emptyset \); and if \( y \in E_i \) and \( y(ir79) \leq 2 \), then

\[ E \cap \text{Dom} y = \{ x \in E_i : x_7 < y_7 \text{ and } x_9 < y_9 \}, \]
since \( y_i = 1 > x_i \) and \( y_j = y_{j+1} > 0 = x_{j+1} = x_j \). Similarly, one sees that if \( y \in E_i \) then
\[
E \cap \text{Dom}^{-1} y = \{ x \in E_j : x_7 > y_7, x_9 > y_9, \text{and } x(r79) \leq 2 \} = G_j(y).
\]
One can also show that for any \( y \in E \), \( \text{Dom} G_i(y) \supseteq G_k(y) \) and
\[
(15) \quad E \cap \text{Dom}^{-1} G_k(y) = G_i(y).
\]
Finally, one can assume that there exists a solution \( K' \) for \( E \) and arrive at a contradiction. Clearly \( K' \neq \emptyset \). Pick an arbitrary \( z \in K' \) and assume that \( z \in E_j \) where \( j = 1, 3, \) or \( 5 \). For the remainder of this section \( (i, j, k) \) will always refer to one particular triple \((1, 3, 5), (3, 5, 1)\), or \((5, 1, 3)\). Condition \((3')\) implies that \( K' \cap \text{Dom}^{-1} z = \emptyset \), and thus
\[
(16) \quad K' \cap G_k(z) = \emptyset.
\]
Thus \((4'), (15), \) and \((16)\) imply that
\[
(17) \quad K' \cap G_k(z') = \emptyset.
\]
One can therefore pick a \( z' \in K' \cap E_i \) with \( z'_7 > z_7 \) and \( z'_9 > z_9 \). Repeating the argument up to \((17)\) for \( z' \), one obtains
\[
(18) \quad K' \cap G_k(z') = \emptyset.
\]
Since \( G_k(z') \subseteq G_k(z) \), conditions \((16)\) and \((18)\) give the desired contradiction. Therefore, \((III)\) is verified, and this completes the proof that this game has no solution.

8. Superadditivity. An arbitrary game \((N, v)\) is said to have a superadditive characteristic function if \( v(S_1 \cup S_2) \geq v(S_1) + v(S_2) \) whenever \( S_1 \cap S_2 = \emptyset \). The classical theory of games assumed a superadditive \( v \). The particular game \((N, v)\) described in this paper does not have a superadditive \( v \). However, one can use a method of Gillies [1, pp. 68–69] to extend this game to a game \((N, v')\) with a superadditive \( v' \). For every \( S \subseteq N \) define
\[
v'(S) = \max \sum_{k=1}^{m} v(S_k)
\]
where this maximum is taken over all partitions \( \{ S_1, S_2, \ldots, S_m \} \) of \( S \). The resulting \( v' \) is superadditive. One can also check that for this particular game, \( v'(S) = v(S) \) for all \( S \subseteq N \) which have \( v(S) > 0 \). In particular \( v'(N) = v(N) \) and thus the set \( A \) remains the same. One can also show (see Gillies) that if \( y \text{ dom } x \) in the game \((N, v')\), then \( y \text{ dom } x \) in the game \((N, v)\). Thus the game \((N, v')\) has the same core and solutions as \((N, v)\). Therefore, the game \((N, v')\) has a superadditive \( v' \) and it has no solution.

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