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# Correlated Equilibrium and Nash Equilibrium as an Observer's Assessment of the Game

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## Abstract

Noncooperative games are examined from the point of view of an outside observer who believes that the players are rational and that they know at least as much as the observer. The observer is assumed to be able to observe many instances of the play of the game; these instances are identical in the sense that the observer cannot distinguish between the settings in which different plays occur. If the observer does not believe that he will be able to offer beneficial advice then he must believe that the players are playing a correlated equilibrium, though he may not initially know which correlated equilibrium. If the observer also believes that, in a certain sense, there is nothing connecting the players in a particular instance of the game then he must believe that the correlated equilibrium they are playing is, in fact, a Nash equilibrium.

**Keywords:** [Decision Choices and Conditions](#); [Game Theory](#); [Cooperation](#);

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