

→ Directed n/w $G = (V, E)$, $e \in E$, $c_e: \mathbb{N} \rightarrow \mathbb{R}_+$
 non-neg, non-decreasing.

→ Agents $N = \{1, \dots, n\}$

→ $i \in N$, wants to go from s_i to t_i , $s_i, t_i \in V$

$\mathcal{P}_i =$ all $s_i - t_i$ paths.

$p_i \in \mathcal{P}_i$, $P = (P_1, \dots, P_n) \in \prod_i \mathcal{P}_i = \mathcal{P}$.

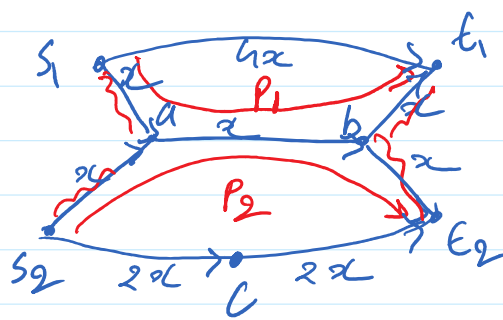
→ $f_e^P =$ # agents taking edge e in $P \Rightarrow$ cost on e is $c_e(f_e^P)$

→ $G_i(P) = \sum_{e \in P_i} c_e(f_e^P)$

$cost(P) = \sum_i G_i(P)$

Example:

$P = (P_1, P_2)$



$\mathcal{P}_1 = \{s_1 - t_1, s_1 - a - b - t_1\}$

$\mathcal{P}_2 = \{s_2 - c - t_2, s_2 - a - b - t_2\}$

$f_{(s_1, t_1)}^P = f_{(s_2, a)}^P = f_{(s_1, a)}^P = f_{(a, t_1)}^P = 1$, $f_{(s_2, c)}^P = f_{(c, t_2)}^P = 0$
 $= f_{(b, t_1)}^P$

$f_{(a, b)}^P = 2$

$G_1(P_1, P_2) = c_{(s_1, a)}^{(1)} + c_{(a, b)}^{(2)} + c_{(b, t_1)}^{(1)}$

$$= 1 + 2 + 1 = 4$$

NE: $P = (P_1, \dots, P_n)$ is at a NE iff
 $\forall i: G_i(P) \leq G_i(q_i, P_{-i}), \forall q_i \in P_i$

Potential Games.

* Potential Func.

$$\phi(P) = \sum_{e \in E} \sum_{k=1}^P c_e(k)$$

Prop: ϕ is a potential Func.

$$\forall i, \forall P \in \mathcal{P}, \quad G_i(q_i, P_{-i}) - G_i(P_i, P_{-i}) = \phi(q_i, P_{-i}) - \phi(P_i, P_{-i}) \\ \forall q_i \in P_i.$$

* Consequences (Potential Game)

① Pure NE

argmax $\phi(P)$ is a NE.
 $P \in \mathcal{P}$

② Simple^{local} algo to find a NE.

① start with some $P \in \mathcal{P}$

② While P is not a NE

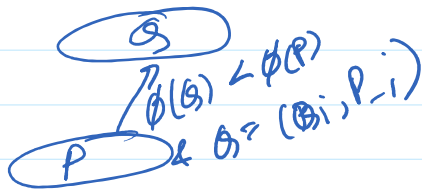
$$\left\{ \begin{array}{l} \exists i, Q_i \text{ s.t. } \phi(Q_i, P_{-i}) < \phi(P) \\ \rightarrow P = (Q_i, P_{-i}) \end{array} \right.$$

③ Finding Pure NE is in PLS: Given DAG on exponentially many vertices through circuit ref. Find a sink.

$\forall \text{ DAG} = \mathcal{P}$

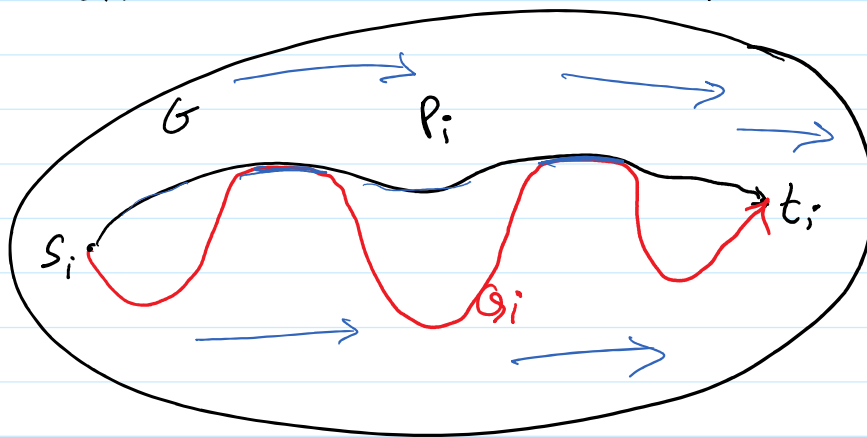
\mathcal{R}

$P, Q_i \in \mathcal{P}$



Proof of the Prop: Fix, $i, P \in \mathcal{P}, Q_i \in \mathcal{P}_i$

$$\underbrace{C_i(Q_i, P_{-i})}_{\text{LHS}} - \underbrace{C_i(P_i, P_{-i})}_{\text{RHS}} = \underbrace{\phi(Q_i, P_{-i}) - \phi(P_i, P_{-i})}_{\text{RHS}}$$



$f: \mathcal{P}$

$P_i \rightarrow Q_i$

$E(P_i \cup Q_i) \quad f_e \rightarrow f_e$

$P_i \cap Q_i \quad f_e \rightarrow f_e$

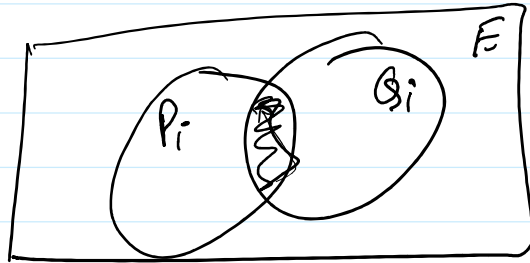
$Q_i \setminus P_i \quad f_e \rightarrow f_e + 1$

$P_i \setminus Q_i \quad f_e \rightarrow f_e - 1$

$$\text{LHS} = \sum_{e \in Q_i \setminus P_i} c_e(f_e + 1) + \sum_{e \in Q_i \cap P_i} c_e(f_e) - \sum_{e \in P_i \setminus Q_i} c_e(f_e)$$

$$\text{LHS} = \sum_{e \in Q_i \setminus P_i} c_e(f_{e+1}) - \sum_{e \in Q_i \cap P_i} c_e(f_e) - \sum_{e \in P_i} c_e(f_e)$$

$$= \sum_{e \in Q_i \setminus P_i} c_e(f_{e+1}) - \sum_{e \in P_i \setminus Q_i} c_e(f_e)$$



$$\begin{aligned} \text{RHS} &= \phi(Q_i, P_i) - \phi(P_i, P_i) \\ &= \sum_{\substack{e \in E \setminus (P_i \cup Q_i) \\ \cup (Q_i \cap P_i)}} \sum_{k=1}^{f_e} c_e(k) + \sum_{e \in Q_i \setminus P_i} \sum_{k=1}^{f_e} c_e(k) + \sum_{e \in P_i \setminus Q_i} \sum_{k=1}^{f_e-1} c_e(k) \end{aligned}$$

$$\begin{aligned} &= \sum_{e \in Q_i \setminus P_i} \left(\sum_{k=1}^{f_e} c_e(k) \right) - \left(\sum_{k=1}^{f_e} c_e(k) \right) + \sum_{e \in P_i \setminus Q_i} \left(\sum_{k=1}^{f_e-1} c_e(k) \right) - \left(\sum_{k=1}^{f_e} c_e(k) \right) \end{aligned}$$

$$= \sum_{e \in Q_i \setminus P_i} c_e(f_{e+1}) - \sum_{e \in P_i \setminus Q_i} c_e(f_e) = \text{LHS}$$

————— X ————— X ————— X —————

Q: What about PoA?

$$\mathcal{L} = \{ax + b \mid a, b \geq 0\} \text{ affine/linear.}$$

$$c_e \in \mathcal{L} \quad c_e(x) = a_e x + b_e$$

$c_e(0), c_e(1), c_e(2) \dots$

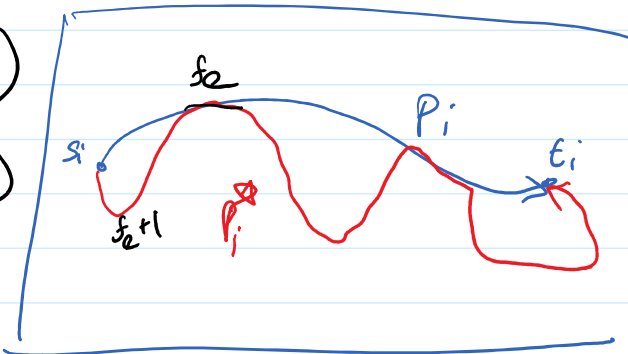
Thm: $\text{PoA}(\text{Affine}) \leq \frac{5}{2}$ $\left(\text{PoA} = \frac{\text{cost}(\text{worst NE})}{\text{cost}(\text{OPT})} \right)$

PF: $P: \text{NE} \rightarrow f_e = \# \text{ agents taking edge } e \text{ at } P$
 $P^*: \text{OPT} \rightarrow f_e^* = \# \text{ agents taking edge } e \text{ at } P^*$

$$\text{NE} \Rightarrow \forall i: G_i(P) \leq G_i(P_i^*, P_{-i})$$

$$= \sum_{e \in P_i^* \setminus P_i} c_e(f_{e+1}) + \sum_{e \in P_i \setminus P_i^*} c_e(f_e)$$

$$\leq \sum_{e \in P_i^*} c_e(f_{e+1}) \quad (\because c \text{ is non-decreasing})$$



$$\boxed{\text{cost}(P) = \sum_i G_i(P) \leq \sum_i G_i(P_i^*, P_{-i})}$$

$$\leq \sum_i \sum_{e \in P_i^*} c_e(f_{e+1})$$

$$= \sum_{e \in E} c_e(f_{e+1}) \sum_{i: e \in P_i^*} 1 = \# \text{ players taking } e \text{ in } P^* = f_e^*$$

$$e \in E \quad (i: e \in P_i^*) = f_e^* \text{ in } T$$

$$(c_e(x) = a_e x + b_e) = \sum_{e \in E} (a_e (f_e + 1) + b_e) \cdot f_e^*$$

$$= \sum_e a_e f_e^* (f_e + 1) + \sum_e b_e f_e^*$$

$\downarrow \quad \downarrow$
 $x \quad y$

$$\text{Magic} \left(\begin{array}{l} x, y \in \{0, 1, \dots\} \\ x \cdot (y+1) \leq \frac{5}{3} x^2 + \frac{1}{3} y^2 \end{array} \right)$$

$$\leq \sum_e a_e \left(\frac{5}{3} f_e^{*2} + \frac{1}{3} f_e^2 \right) + \frac{5}{3} \sum_e b_e f_e^*$$

$$+ \frac{1}{3} \sum_e b_e f_e$$

$$= \frac{5}{3} \sum_e a_e f_e^{*2} + b_e f_e^* + \frac{1}{3} \sum_e a_e f_e^2 + b_e f_e$$

$$= \frac{5}{3} \sum_e f_e^* (a_e f_e^* + b_e) + \frac{1}{3} \sum_e f_e (a_e f_e + b_e)$$

$$= \frac{5}{3} \sum_e f_e^* c_e(f_e^*) + \frac{1}{3} \sum_e f_e c_e(f_e)$$

$$= \frac{5}{3} \text{cost}(P^*) + \frac{1}{3} \text{cost}(P)$$

$$\text{NE} \downarrow \left[\text{cost}(P^*) \leq \frac{5}{3} \text{cost}(P^*) + \frac{1}{3} \text{cost}(P) \right]$$

$$\text{cost}(P) \leq \sum_i G_i(P_i^*, P_i) \leq \frac{5}{3} \text{cost}(P^*) + \frac{1}{3} \text{cost}(P)$$

$$\Rightarrow \left(1 - \frac{1}{3}\right) \text{cost}(P) \leq \frac{5}{3} \text{cost}(P^*)$$

$$\Rightarrow \text{PoA} = \frac{\text{cost}(P)}{\text{cost}(P^*)} \leq \frac{5}{2}$$

★ Proof Steps:

① P : NE, P^* : OPT

② NE $\Rightarrow \text{cost}(P) = \sum_i G_i(P) \leq \sum_i G_i(P_i^*, P_i)$

③ $\sum_i G_i(P_i^*, P_i) \leq \frac{5}{3} \text{cost}(P^*) + \frac{1}{3} \text{cost}(P)$

②③ $\Rightarrow \left(1 - \frac{1}{3}\right) \text{cost}(P) \leq \frac{5}{3} \text{cost}(P^*)$

$$\Rightarrow \text{PoA} = \frac{\text{cost}(P)}{\text{cost}(P^*)} = \frac{5/3}{(1 - 1/3)} = \frac{\lambda}{1 - \mu}$$

★ (λ, μ) - Smooth Games:

$$\forall P, P^* \in \mathcal{P}$$

$$\sum_i G_i(P_i^*, P_i) \leq \lambda \text{cost}(P^*) + \mu \text{cost}(P)$$

$$\sum_i G_i(P_i^*, P_i) \leq \lambda \text{cost}(P^*) + \mu \text{cost}(P)$$



$$POA^{CCE} \leq \frac{\lambda}{1-\mu}$$

$$POA^{PNE} \leq POA^{NE} \leq POA^{CE} \leq POA^{CCE} \leq \frac{\lambda}{1-\mu}$$

