Algorithms 3: Game Theory

Loosely based on ECON 159 Open Yale Courses

Classes of interest

- CS4700: Artificial Intelligence
- ECON4020: Game Theory
- ORIE 4350: Game Theory

ECE3400 CornellEngineering Electrical and Computer Engineering

ECE 3400: Intelligent Physical Systems



Prisoner's Dilemma

- If you and your accomplice plead not guilty, you get a 2 year sentence
- If you and your accomplice plead guilty, you get a 3 year sentence
- If you plead guilty and your accomplice pleads not guilty, you get a 1 year sentence and your accomplice gets a 5 year sentence.
- If your accomplice pleads guilty and you plead not guilty, you get a 5 year sentence and your accomplice get a 1 year sentence.
- What would you do?



"Well, if you ever want to talk, you know where to find me. My door is never open."

End Game

5 weeks left till competition day

Coverage

The full mazes will be 9 x 9 squares. The robot that maps the most of the maze correctly (wrt to walls and gaps) in a given round will receive 15 points. All other robots will receive scaled values thereof.

Treasures

ECE3400

- For every treasure which is located correctly: 1 point
- For every treasure that is located and color-identified correctly: 1 point
- For every treasure that is located and shape-identified correctly: 1 poin
- For every discovery of a treasure that is not there: -1 point

Engineering

• The minimum score per round is 0 points; the maximum is 20 points.

How can you cheat the system?

• If no one moves!

BUT...

• If one robot moves, it gets 15+5 points and everyone else 0!

Prisoner's Diletanta Dilemma

- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points



What do you do?

- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points

What do you do?

- If the opponent goes, and you go you get 5
- If the opponent goes, and you stay you get 0
- If the opponent stays, and you go you get 20
- If the opponent stays, and you stay you get 15
- Going always yields the bigger payoff!

ECE3400



- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points

What do you do?

• Lesson:

ECE3400

 The go-strategy <u>strictly dominates</u> the staystrategy, if the pay off from going is <u>strictly greater</u> than from staying, regardless of what the opponent does.

ectrical and Computer Engineering

- 1. Never play a strictly dominated strategy
 - (Play the strictly dominating strategy)



- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points

What do you do?

• Is this really true?

ECE3400

- ...if we all go, we all get lower grades
- Your reasoning does not affect your opponent
 - (If you could affect the opponents choice, it would make more sense to have them stay so that you could go.)





- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points

What do you do?

• Lessons:

ECE3400

- 1. Never play a strictly dominated strategy
- 2. Dominant strategies can lead to inefficient outcomes





- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points
- What if we all just agree to stay?
 - Without reinforcement, how can you trust that everyone will actually stay?

Arduino Schwarzenegger (Rage Against the Machines)





Superimposed "outcome matrix"

- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points

What do you do?

- What if we all just agree to stay?
 - Without reinforcement, how can you trust that everyone will actually stay?
- What if the pay-offs look

Gary the robot (The Good Noodles)



Superimposed "outcome matrix"

- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points

What do you do?

- If I choose to go, and everyone else stays I feel guilty (20 - 25 = -5)
- If I choose to stay, and everyone else goes, I feel indignant (0 – 15 = -15)
- Which strategy is dominating?
 - Neither
- Lesson:
 - Payoffs matter



Superimposed "outcome matrix"

- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points

What do you do?

• What if you are on Rage Against the Machines and playing the Good Noodles?

Engineering

ECE3400



- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points

What do you do?

- What if you are on Rage Against the Machines and playing the Good Noodles?
 - Go always gives a higher payoff
 - Go strictly dominates staying



- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points

What do you do?

- What if you are on Rage Against the Machines and playing the Good Noodles?
 - Go always gives a higher payoff
 - Go strictly dominates staying
- What if you are a Good Noodle and playing Rage Against the Machines?



- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points

What do you do?

- What if you are on Rage Against the Machines and playing the Good Noodles?
 - Go always gives a higher payoff
 - Go strictly dominates staying

ECE3400

 What if you are a Good Noodle and playing Rage Against the Machines?

Engineering

• You know your opponent will go, so your best option is to go!



- If you both stay, both get 15 points
- If you both go, both get >0 points (5)
- If you go and your opponents stay, you get 20 points and they get 0
- If you stay and your opponents go, you get 0 and your opponents get 20 points

What do you do?

stay

Lessons:

ECE3400

- Never play a strictly dominated strategy 1.
- Dominant strategies can lead to inefficient 2. outcomes
- Decide based on what you think the other robot 3. will do
- Never play a weakly dominated strategy 4.

Rage Against the Machines stay go The Good Noodles 000 5,5 -5,0 utilities

15,15

Superimposed "outcome matrix"

-15,20

Similar Situations in the Competition?

- A robot encountering another robot
- Fill in the utilities of the outcome matrix, and decide which is the better choice







We should both stay!

Prisoner's Dilemma

- If you and your accomplice plead not guilty, you get a 2 year sentence
- If you and your accomplice plead guilty, you get a 3 year sentence
- If you plead guilty and your accomplice pleads not guilty, you get a 1 year sentence and your accomplice gets a 5 year sentence.
- If your accomplice pleads guilty and you plead not guilty, you get a 5 year sentence and your accomplice get a 1 year sentence.

• Real World Answers

- 70% choose to plead *guilty*
- 30% choose to plead not guilty (dominated strategy)
- Why?
 - Friendship
 - Ignorant
 - Considering long term gain



Game Theory

- Pick a whole number between 1 and 100.
- The winner is the person who picks the value which is closest to two thirds of the class average.



