

**CS344M**  
**Autonomous Multiagent Systems**  
**Spring 2008**

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The University of Texas at Austin

# Good Afternoon, Colleagues

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- Bargaining - why take arbitrarily little money?



# Auctions vs. voting

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- Auctions: maximize profit
  - result affects buyer and seller
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What about Clarke tax algorithm?

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Is computational complexity of strategizing important?

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**Pareto optimality.** If everyone prefers  $X$  to  $Y$ , then the outcome should rank  $X$  above  $Y$ .

**Criterion of independence of irrelevant alternatives.** If one set of preference ballots would lead to an overall ranking of alternative  $X$  above alternative  $Y$  and if some preference ballots are changed without changing the relative rank of  $X$  and  $Y$ , then the method should still rank  $X$  above  $Y$ .



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**Non-dictatorship.** There should not be one specific voter whose preference ballot is always adopted.

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Not all possible!

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- A pairwise method
- Smith set: smallest set of candidates such that each candidate in the set preferred over each candidate not in the set
- Every candidate in the Smith set is relevant



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- Does that solve everything? What about cycles?

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- Another version
  - One person makes an offer
  - Other accepts, rejects, or counters
  - If counters, \$.05 lost
  - Game ends with an accept or reject

# Nash Bargaining Solution

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Unique solution that satisfies:

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**Independence of irrelevant alternatives:** removing outcomes doesn't change things

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$$\text{Maximize } u_1(o) * u_2(o)$$

# General Equilibrium

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**Producers:** production possibility sets

**Variables:** prices on goods



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  - Braess' paradox

# Other DRDM

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- Contract nets: task allocation among agents

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- Contract nets: task allocation among agents
  - Contingencies
  - Leveled commitment (price)
- Coalitions
  - Formation
  - Optimization within
  - Payoff division

# Contract Nets

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  - Contingency (future events)
  - Leveled commitment (price)
  - What are some of the tradeoffs?



# Contingency vs. leveled commitment

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## Leveled commitment problems:

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2. May decommit insincerely (wait for other) - inefficient contracts executed.

# Coalitions

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- Formation
- Optimization within
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# DRDM Summary

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**For many agents:** voting, general equilibrium, auctions

**For fewer agents:** auctions, contract nets, bargaining

**Possible in all:** coalitions

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**All self-interested, rational agents**