

Algorithmic Game Theory

Winter Term 2019 / 2020

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Exercise Sheet 7

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Please hand in your solutions until Tuesday, December 10, 10:15h, in H9 or in the letterbox between rooms 114 and 115, R.M.S. 11-15.

Exercise 7.1. (3 Points)

Give an example for an equal-sharing game for which the best Nash equilibrium does not minimize the potential function. Argue why your example has the desired properties.

Exercise 7.2. (3 + 4 Points)

- a) Construct a congestion game with linear delay functions and price of stability of at least 1.5. Argue why your example has the desired properties.
- b) Prove that the price of stability in congestion games with linear delay functions is at most 2.

Exercise 7.3. (3 + 3 (+3) Points)

- a) Design an ordinal potential function for weighted temporal congestion games with the shortest-first-policy on parallel links. I.e., you can assume that the network only consists of 2 vertices s and t and parallel edges (s, t) with possibly different speeds. Argue that your function is an ordinal potential function.
- b) We generalize the game in the following sense. Every player i has a release date r_i and she cannot be scheduled on any edge before r_i . We still use the shortest-first policy without preemption, i.e. if at some time τ an edge e is available, it non-preemptively processes the highest ranked player among those that have not been processed by e , have e in their strategy, and $r_i \leq \tau$. Is your function from a) still an ordinal potential function?
- c) Bonus: Do games as defined in b) always have a pure Nash equilibrium?

The exercise sheets and more information about the course can be found at <http://algo.cs.uni-frankfurt.de/lehre/agt/winter1920/agt1920.shtml>

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