Beyond Tit-for-Tat Proposal - Melt

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Abstract

Beyond Tit-for-tat: Set up a repeated prisoner's dilemma computer tournament, in which strategies compete against each other. Write a report on your findings.

1. Introduction

The phrase horses for courses alludes to the fact that a racehorse performs best on a racecourse to which it is specifically suited. More generally this idiom is used to express that certain tools and strategies are better suited over others depending on the task or situations at hand. In the context of the repeated prisoners' dilemma, the strategy of tit-for-tat, where one mimics their opponent's previous move, reigns supreme and is best suited over others for the situation at hand[1].

The question this paper aims to answer is as to which situations is tit-for-tat not the dominant strategy. To do this we have to venture down two potential avenues. The first is the adjustment of pay-off values within games, and the second is adjusting pay-off values from games. Consider a standard prisoners' dilemma pay-off table:

Player 1 / Player 2	**C (Cooperate)**	**D (Defect)**
C (Cooperate)	(R, R)	(S, T)
D (Defect)	(T, S)	(P, P)

Table 1.1: Prisoner's Dilemma Payoff Matrix with R, P, S, and T Outcomes

Adjusting the values of R (Reward for mutual cooperation), P (Punishment for mutual defection), S (Sucker's pay-off for cooperating while the other defects), and T (Temptation to defect when the other cooperates) is an example of within game pay-off adjustments. These adjustments might produce a new dominant strategy and our analysis aims to find if it does.

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[1] The tic-for-tat strategy is the dominant strategy in Axelrod ([1980code])

From-game adjustments are a bit different and it considers the utility a player gets from the payoffs of its opponent.

Player 1 / Player 2	C (Cooperate)	D (Defect)
C (Cooperate)	$(R(1-p)+Rp, R(1-p)+Rp)$	$(S(1-p)+Tp, T(1-p)+Sp)$
D (Defect)	$(T(1-p)+Sp, S(1-p)+Tp)$	$(P(1-p)+Pp, P(1-p)+P)$

Table 1.2: Prisoner's Dilemma Payoff Matrix

The level p here is adapted from Charness & Rabin (2002) who created a utility function that captures various social preferences. In essence, p is how much you care about your opponent's pay-offs as well as your own. In standard prisoners' dilemma games, this is 0 and thus people are purely self-interested. If we let our pay-offs be R = 3, T = 5, S = 0, and P = 3, then this situation in strategic form would look like:

Player 1 / Player 2	C (Cooperate)	D (Defect)
C (Cooperate)	$(3,3)$	$(0,5)$
D (Defect)	$(5,0)$	$(1,1)$

Table 1.3: Prisoner's Dilemma Payoff Matrix for $p = 0$ (Self-interested person)

However we can adjust the value of p for people who are partially considerate of other people's outcomes, or we can make people egalitarian who care just as much for others as they do for themselves.

Player 1 / Player 2	C (Cooperate)	D (Defect)
C (Cooperate)	$(3,3)$	$(1,4)$
D (Defect)	$(4,1)$	$(1,1)$

Table 1.4: Prisoner's Dilemma Payoff Matrix for $p = 0.2$ (Partially considers others' outcomes)

Player 1 / Player 2	C (Cooperate)	D (Defect)
C (Cooperate)	$(3,3)$	$(2.5,2.5)$
D (Defect)	$(2.5,2.5)$	$(1,1)$

Table 1.5: Prisoner's Dilemma Payoff Matrix for $p = 0.5$ (Egalitarian person)

p could also take a negative value, which indicates a person is status-seeking and actively wants to bring down their opponent.

Player 1 / Player 2	C (Cooperate)	D (Defect)
C (Cooperate)	$(3.6, 3.6)$	$(-1, 6)$
D (Defect)	$(6, -1)$	$(0.8, 0.8)$

Table 1.6: Prisoner's Dilemma Payoff Matrix for $p = -0.2$ (Negative influence by others' outcomes)

It would be interesting to see under which values of p the dominant strategy changes.

2. Literature Review

We aim to do a short literature review and provide insight from the following sources: Lange & Baylor ([2007code]), Farrell & Ware ([1989code]), Kreps, Milgrom, Roberts & Wilson ([1982code]), Romero & Rosokha ([2018code]), Bó & Fréchette ([2019code]), Breitmoser ([2015code]), Gaudesi, Piccolo, Squillero & Tonda ([2016code]), García & Veelen ([2018code]), Embrey, Fréchette & Yuksel ([2018code]).

Most importantly we aim to structure our output in tables similar to Axelrod ([1980code]).

3. Game Construction

Game tournaments will take place in a round-robin format where all strategies play each other for N number of games. Total utility is calculated over the whole tournament and the strategy with the greatest value will be the dominant strategy. The tournaments will not be evaluated on games won but this metric will be tracked.

We have not limited ourselves to the number of strategies just yet, but we aim to include most of the following and potentially we create more along the way.

Basic Strategies:

- Always Cooperate: This strategy always cooperates, regardless of the opponent's previous moves.
- Always Defect: This strategy always defects, regardless of the opponent's previous moves.
- Tit-for-Tat (TFT): Cooperates on the first move, then mimics the opponent's last move in subsequent rounds.
- Grim Trigger: Cooperates until the opponent defects once, then defects forever.

- Random: Randomly chooses to cooperate or defect with some probability.
- Tit-for-Two-Tats: Similar to Tit-for-Tat but defects only after two consecutive defections by the available player.
- Pavlov (Win-Stay, Lose-Shift): Cooperates if the last round was a success (mutual cooperation or mutual defection), otherwise defects.

More Complex Strategies:

- Generous Tit-for-Tat: Similar to Tit-for-Tat, but occasionally forgives a defection.
- Tit-for-Tat with Randomisation: A variant of Tit-for-Tat where the player may defect or cooperate with a certain probability after the opponent defects.
- Tit-for-Tat with Forgiveness: Like TFT but occasionally forgives a defection, returning to cooperation.

4. Feedback

Any feedback would be greatly appreciated.

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