

# Q2: Reciprocity Analysis Under Noise

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## 1. Noise Implementation

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### 1.1 Noise Mechanism and Experimental Setup

#### Implementation Principle:

After each action is executed, it has probability  $\epsilon$  of being flipped ( $C \leftrightarrow D$ ), using a fixed random seed (seed=42) to ensure reproducibility.

#### Experimental Command:

```
./program --payoffs 5 3 1 0 --rounds 50 --repeats 5 --seed 42
--noise_sweep --epsilon_values 0.0 0.05 0.1 0.15 0.20
--strategies TitForTat GrimTrigger PAVLOV ContriteTitForTat
```

### 1.2 Noise Code Implementation

```
Move applyNoise(Move move) const {
    if (noise == 0)
    {
        return move;
    }
    if (dist(gen) < noise) {
        return move == Move::Cooperate ? Move::Defect : Move::Cooperate;
    }
    return move;
};
```

Noise is applied at the action execution layer: using uniform distribution random numbers to determine whether to flip actions.

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## 2. Results Presentation

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### 2.1 Experimental Data

Noise Sweep Analysis Results (50-round matches):

--- Noise Sweep Analysis Results ---					
Epsilon (epsilon)	CTFT	GRIM	PAVLOV	TFT	
0.00	150.00	150.00	150.00	150.00	
0.05	130.50	93.40	111.55	123.75	
0.10	112.55	85.35	111.00	112.80	
0.15	112.35	95.10	111.20	112.80	
0.20	110.00	100.50	109.55	108.20	

## 2.2 Experimental Results Analysis

### 1. GRIM's Catastrophic Collapse

- $\epsilon=0.00$ : 150.00 (perfect, tied with other strategies)
- $\epsilon=0.05$ : 93.40 (plummeted **-37.7%**, worst among four strategies)
- $\epsilon=0.10$ : 85.35 (continued decline **-43.1%**, lowest point)
- $\epsilon=0.15$ : 95.10 (slight recovery **-36.6%**)
- $\epsilon=0.20$ : 100.50 (recovery **-33.0%**)

#### Reason:

The 50-round format amplified GRIM's fragility. In long-term interactions, the cumulative probability of noise triggering permanent retaliation approaches 100%:

- 50 rounds = 100 actions (50 per player)
- Probability of at least one noise event:
  - $\epsilon=0.05$ :  $P = 1 - (0.95)^{100} \approx \mathbf{99.4\%}$
  - $\epsilon=0.10$ :  $P = 1 - (0.90)^{100} \approx \mathbf{99.997\%}$

### 2. CTFT's Stable Advantage

#### Leading or tied at all noise levels:

- $\epsilon=0.05$ : CTFT (130.50) vs TFT (123.75) = **+5.5%**
- $\epsilon=0.10$ : CTFT (112.55) vs TFT (112.80)  $\approx$  tied
- $\epsilon=0.20$ : CTFT (110.00) vs TFT (108.20) = **+1.7%**

#### Key Mechanism:

The contrition mechanism's value becomes prominent in long-term interactions. Each time CTFT detects its own noise, it enters the contrite state, proactively apologizes for 1-2 rounds, and quickly restores cooperation. In 50 rounds, this may be triggered 5-10 times, saving 2-3 rounds of D-D costs each time, resulting in significant cumulative advantage.

### 3. TFT's Robustness

#### Data Pattern:

- $\epsilon=0.00$ : 150.00
- $\epsilon=0.05$ : 123.75 (-17.5%)
- $\epsilon=0.10$ : 112.80 (-24.8%)
- $\epsilon=0.15$ : 112.80 (-24.8%)
- $\epsilon=0.20$ : 108.20 (-27.9%)

#### Comparison with CTFT:

- **Low noise ( $\epsilon=0.05$ ):** TFT lags CTFT by 6.75 points (5.5%)
- **Medium-high noise ( $\epsilon=0.10-0.20$ ):** TFT ties with or slightly trails CTFT

TFT demonstrates stable sub-optimal performance, maintaining first or second place at all noise levels, proving the robustness of simple, short-memory, forgiving strategies.

### 4. PAVLOV's Moderate Performance

- **Consistent performance:** From  $\epsilon=0.05$  to  $\epsilon=0.20$ , score fluctuation is only 2 points (111.55→109.55)

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## 3. Analysis and Discussion

### 3.1 Collapsing Strategy: GRIM

GRIM exhibited the worst performance among the four strategies under noise:

- $\epsilon=0.05$ : 93.40 (-37.7%), **37.1 points** behind CTFT
- $\epsilon=0.10$ : 85.35 (-43.1%), **lowest score under all conditions**
- Gap with other strategies: At  $\epsilon=0.10$ , GRIM scored **25.65 points** lower than the second-worst PAVLOV

### Reasons for Collapse

#### 1. No Recovery Mechanism:

- Once permanent retaliation is triggered, both parties are permanently locked in the low-payoff D-D equilibrium
- Even if both parties want to restore cooperation, GRIM's logic does not allow it
- All subsequent cooperation payoffs are forfeited

#### Key Insight:

GRIM's "optimality" under zero noise is highly fragile. Any uncertainty (noise, misunderstanding, communication errors) causes it to plummet from optimal to worst. This is the fundamental flaw of "zero-forgiveness strategies."

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## 3.2 Robust Strategy: CTFT

### Evidence of Stable Leadership

CTFT maintained optimal or near-optimal performance at all noise levels:

- $\epsilon=0.05$ : **130.50** (1st place, leading TFT by 5.5%)
- $\epsilon=0.10$ : 112.55 (essentially tied with TFT)
- $\epsilon=0.20$ : **110.00** (1st place, leading TFT by 1.7%)

### How the Contrition Mechanism Works

#### CTFT's Decision Logic:

1. **Normal state**: Mimics opponent's previous action (similar to TFT)
2. **Detects own noise**: If intended C but executed D  $\rightarrow$  enters contrite state
3. **Contrite state**: Continues C even if opponent retaliates with D (apologizing)
4. **Exits contrite**: Returns to normal state after opponent resumes C