

THE POWER OF MEMORY

In interactions both social and biological is memory size advantageous?

- Both players are better off choosing Cooperation (3)
- there is always a temptation for a player to Defect (5).

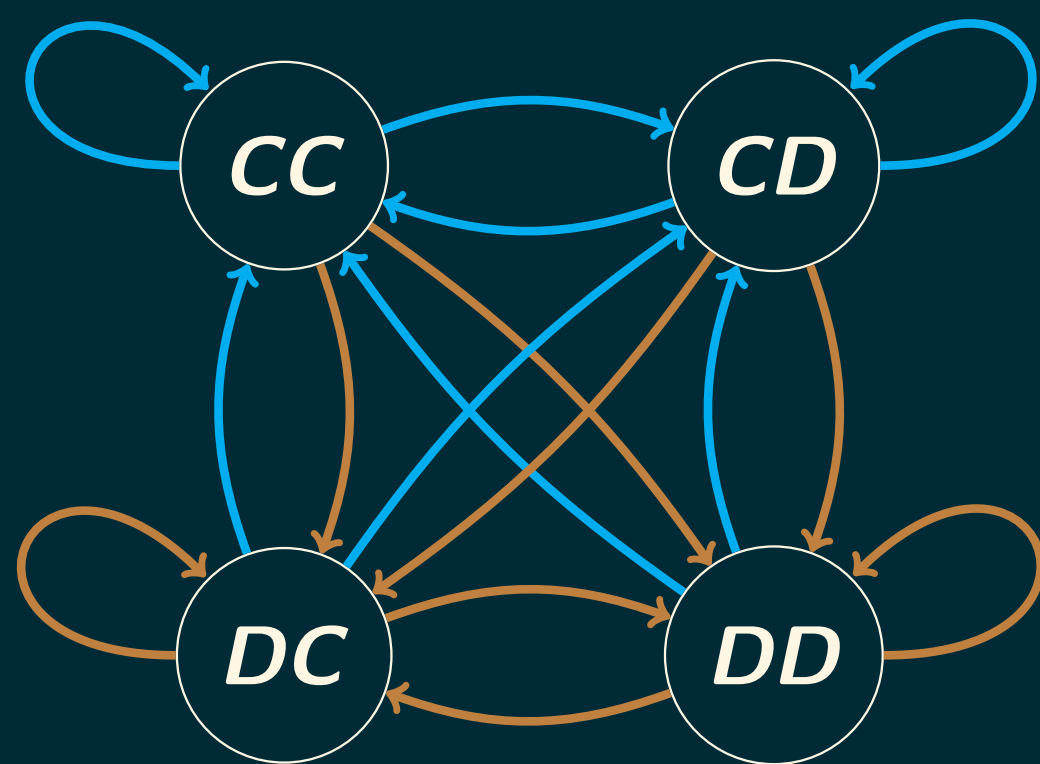
| | C | D |
|---|--------|--------|
| C | (3, 3) | (5, 0) |
| D | (0, 5) | (1, 1) |

| | 1 | 2 | 3 | ... | $\overbrace{n-1}^{\text{memory-1}}$ | n |
|------------|---|---|---|-----|-------------------------------------|-----|
| player p | C | C | C | ... | D | ... |
| player q | C | C | D | ... | D | ... |

memory size- $n-1$

1. OPTIMAL MEMORY ONE STRATEGY IN A MATCH

Depending on the simultaneous moves of the two players, there are four possible 'states':



A memory one strategy is denoted by the probabilities of cooperating after each of these states $p = (p_1, p_2, p_3, p_4) \in \mathbb{R}_{[0,1]}^4$. A match between two memory one players p and q can be modelled as a stochastic process; a Markov process.

$$M = \begin{bmatrix} p_1 q_1 & p_1 (-q_1 + 1) & q_1 (-p_1 + 1) & (-p_1 + 1) (-q_1 + 1) \\ p_2 q_3 & p_2 (-q_3 + 1) & q_3 (-p_2 + 1) & (-p_2 + 1) (-q_3 + 1) \\ p_3 q_2 & p_3 (-q_2 + 1) & q_2 (-p_3 + 1) & (-p_3 + 1) (-q_2 + 1) \\ p_4 q_4 & p_4 (-q_4 + 1) & q_4 (-p_4 + 1) & (-p_4 + 1) (-q_4 + 1) \end{bmatrix}$$

Against a single opponent:

$$\max_q : u_q(p) = \frac{\frac{1}{2} p Q p^T + c^T p + a}{\frac{1}{2} p \bar{Q} p^T + \bar{c}^T p + \bar{a}}$$

$$st : p \in \mathbb{R}_{[0,1]}^4$$

where Q, \bar{Q} are matrices of 4×4 , and c, \bar{c} are 4×1 vectors defined with the transition probabilities of the opponent's transition probabilities q_1, q_2, q_3, q_4 .

3. OPTIMAL MEMORY ONE IN A TOURNAMENT

In order to find the optimal memory one player against a set of opponents we need to explore the numeration of the differentiation of:

This will be explored using Resultant Theory. The resultant will equal zero if and only if the polynomials of a multivariate system have at least one common root.

- Dixon's resultant;
- Maycalay resultant.

2. WHAT IS THE OPTIMAL PURE RANDOM STRATEGY?

A set of memory one strategies where the transition probabilities of each state are the same, are called **purely random strategies**.

Against a single opponent:

$$\max_q : u_q(p) = \frac{n_2 p^2 + n_1 p + n_0}{d_1 p + d_0}$$

$$st : p_1 = p_2 = p_3 = p_4 = p$$

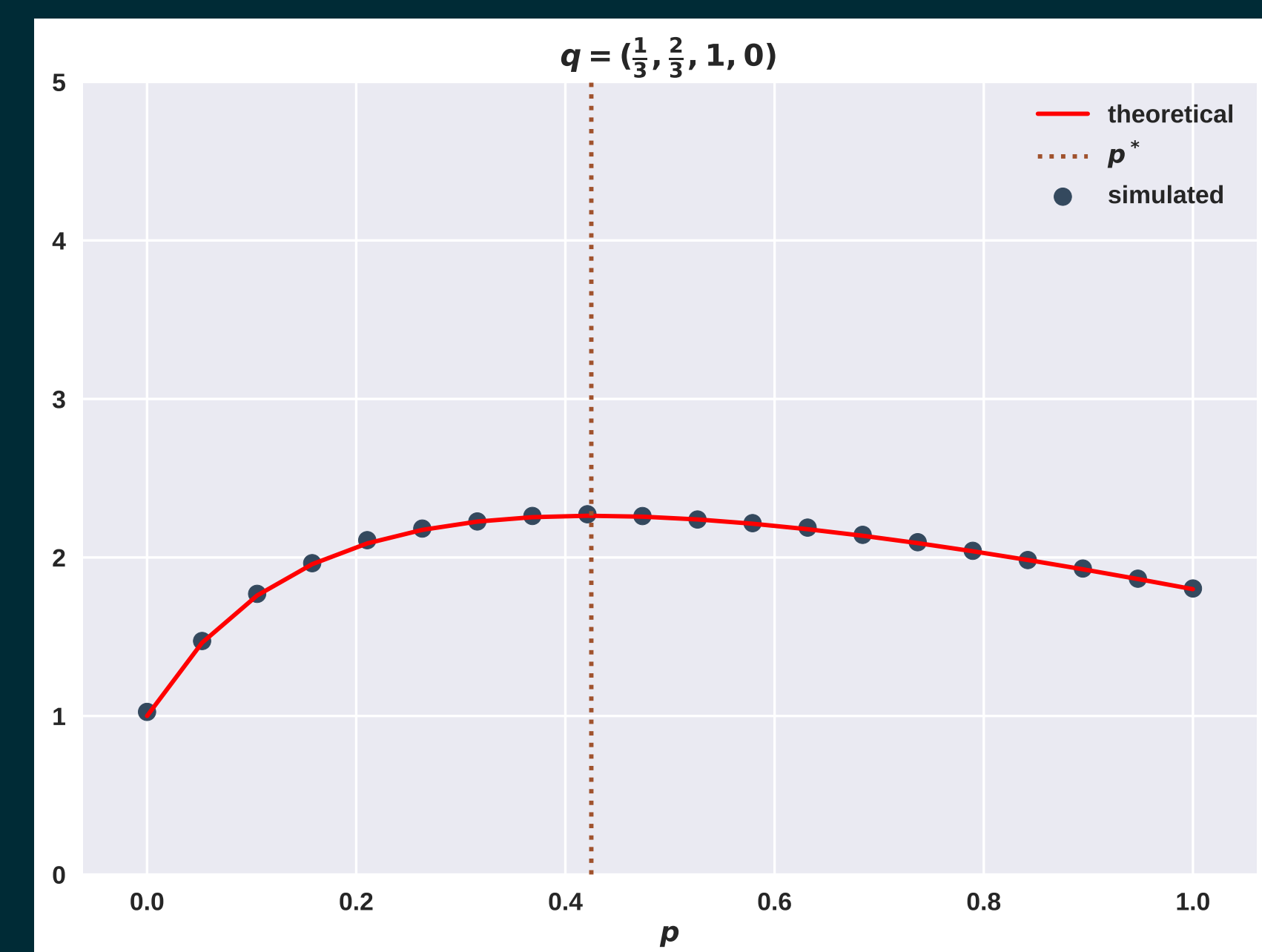
$$p \in \mathbb{R}_{[0,1]}$$

The optimal behaviour of a **purely random** player (p, p, p, p) against a memory one opponent q is given by:

$$p^* = \operatorname{argmax}(u_q(p)), p \in S_q,$$

where the set S_q is defined as

$$S_q = \left\{ 0, p_{\pm}, 1 \mid \begin{array}{l} 0 < p_{\pm} < 1, \\ p_{\pm} \neq \frac{-d_0}{d_1} \end{array} \right\}$$



Against multiple opponents:

$$\max_q : \frac{\sum_{i=1}^N u_q^{(i)}(p)}{N}$$

$$st : p_1 = p_2 = p_3 = p_4 = p$$

$$p \in \mathbb{R}_{[0,1]}$$

The optimal behaviour of a **purely random** player (p, p, p, p) in an N -memory one player tournament, $\{q_{(1)}, q_{(2)}, \dots, q_{(N)}\}$ is given by:

$$p^* = \operatorname{argmax}\left(\sum_{i=1}^N u_q^{(i)}(p)\right), p \in S_{q(i)},$$

where the set $S_{q(i)}$ is defined as:

$$S_{q(i)} = \bigcup_{\substack{i=1 \\ \lambda_i \neq \frac{d_0}{d_1}}}^{2N} \lambda_i \cup \{0, 1\}$$

Note the size of candidate solutions is $1 \leq |S_{q(i)}| \leq 2N + 2$.

