



problem:  $m$  goods,  $n$  agents; want to "fairly"



Envy-free:  $\forall i, v_i(X_i) \geq v_i(X_j)$

↳ 1: Phone, 2 people  $v_i = v_j = \$1000$

EFI:  $\forall i, v_i(X_i) \geq v_i(X_j \setminus \{q_j\})$  for some  $q_j \in X_j$

Agent 1



4 5

Agent 2



2

EFI: 1 does not envy 2

2 does not envy 1  
after removing good  
valued at \$2

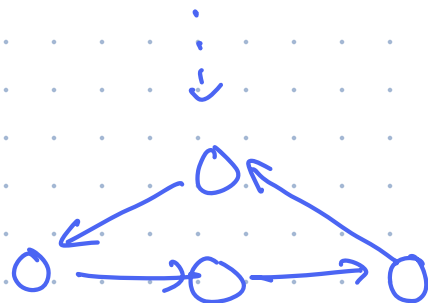
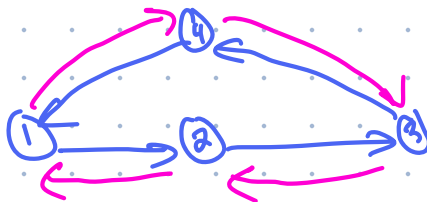
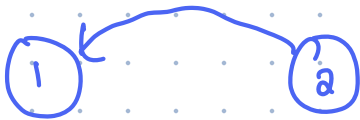
$$v(X_j) = \sum_{x \in X_j} v(x)$$

$$v(q_1) = \$10 \quad v(q_2) = \$5 \quad v(q_3) = \$1$$

$$v(\{q_1, q_3\}) = 10 + 1 = 11$$

# Envy Graph

add a vertex for each agent  
 $i \rightarrow j$  if  $i$  envies  $j$



By rotating bundles, all edges disappear

After a rotation, amount of envy only decreases

Since  $\geq 1$  edge involved in cycle deleted, after enough rotations graph is a DAG

Obs: sinks envy none  
 source not envied by anybody

Claim: giving good to src cause at most EFI envys  
 from other agents

Proof: can remove added good and envy goes away  $\rightarrow$  EFI dep

while  $\exists$  unalloc goods  
 give good to src  
 eliminate cycles

10<sup>10</sup>  
5

5

Envy free up to any item:  $\forall i, v_i(X_i) \geq v_i(X_j \setminus \{g\}) \quad \forall g \in X_j$   
 ↑  
 EFX agent  $i$  must no longer envy  $j$  after removing their least fav. good from  $j$ 's bundle

identically ordered valuations

$$v_{i1} \leq v_{i2} \leq \dots \leq v_{im} \quad \forall i$$

	$v_1$	$v_2$
$g_1$	$\epsilon$	1
$g_2$	4	2
$g_3$	4	$7-\epsilon$

$g_{1,2} v=3$  (with arrow pointing to  $g_2$ )

$g_1, g_2, g_3$

$g_3$

$$v_1(X_1) = \epsilon + 3 + 1$$

$$v_2(X_1) = \epsilon + 3 + 4$$

$$v_2(X_2) = 7 - \epsilon$$

$$v_2(X_1, g) = 7 > 7 - \epsilon$$

for goods  $n, \dots, 1$   
 assign  $g_i$  to src  
 rotate bundles

Consider agents  $i$  and  $j$   
 $i$  src.

$$v_j(X_j) \geq v_i(X_i)$$

$$\Rightarrow v_j(X_j) \geq v_i(X_i \setminus \{g\}) \quad \text{EFX!}$$

existence: identical valuations

$\lceil \frac{m}{n} \rceil$  rounds  $m = kn$

- ① topologically sort  $G_E$
- ② allow each agent to pick fav. good
- ③ eliminate cycles

$d_i$ : max difference between valuations of consecutive items for a given agent  $i$

$\sigma_i$ : min

$$d = \max(d) \quad \rho = \frac{1}{d}$$
$$\sigma = \min(\sigma)$$

after round,  $v_j(x_i) - v_j(x_j) \leq dn$

$$\left(1 - \frac{4n^2}{\rho m^2}\right) - \text{EFX} \quad 0.618$$