CS 4730 Algorithmic Game Theory

Homework #1

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Answers to homework problems:

1.

- (a) A wins under Plurality Voting because it has the most first place votes.
- (b) No candidate has more than 50% of the votes, so B is eliminated since it has the least first place votes. The next round looks like:

	4 voters	3 voters	2 voters
1 st Preference	Α	С	С
2 nd Preference	С	Α	Α

- So, C wins under Instant Runoff since it has more than 50% of the votes in the second round.
- (c) B beats A 5 times. A beats B 4 times. C beats A 5 times. A beats C 4 times. B beats C 6 times. C beats B 3 time. So, <u>B wins</u> under Copeland's Method since A has 8 wins, B has 1 wins and C has 8 wins.
- (d) The benefits of Instant Runoff over Plurality are: It's less likely that a candidate can syphon votes from another and help other candidates by doing so. It lessens strategic voting because of the former. It makes voters non-1st preference rankings relevant.
- (e) <u>B beats A (5 to 4) & B beats C (6 to 3).</u>
- (f) A good tie-breaking method would be to not allow head-to-head matchups that won by a greater margin to be overruled by matchups that won by a lesser margin. In the example, H beats S (7 to 5 with a margin of 2), E beats H (9 to 3 with a margin of 6), and S beats E (8 to 4 with a margin of 4). So, H beats S by a margin of 2 would be ignored and rather than tallying up the total wins, the social choice ranking would be determined by the remaining head-to-head matchups (E beats H and S beats E). This tie-breaking method would return a social choice ranking of:

1st Preference S 2nd Preference E 3rd Preference H

(g) Kemeny-Young Method:

	over S	over E	over H
Prefer S	-	8	5
Prefer E	4	-	9
Prefer H	7	3	-

S > E > H has a Kemeny Score of 22

	over E	over S	over H
Prefer E	-	4	9
Prefer S	8	-	5
Prefer H	3	7	-

E > S > H has a Kemeny Score of 18

The other 7 matrixes could be listed, but since it's obvious from the given preferences that H is last, they were omitted. This method gives a social choice ranking of:

1st PreferenceS2nd PreferenceE3rd PreferenceH

2. The social choice function:

- Satisfies Axiom 1 because we gave it sets of ranked preferences (domain) and it gave us one set of ranked preferences (range).
- Is indeterminate for Axiom 2 because we don't have enough information to determine positive association with only one input and one output.
- <u>Does not satisfy Axiom 3</u> because all voters prefer x to y, but the social choice ranks y over x.
- Is indeterminate for Axiom 4 because we don't have enough information to determine IIA with only one input and one output.
- Satisfies Axiom 5 because none of the input sets match the output set and therefore there isn't a dictator.
- 3. If Arrow's theorem holds, the social choice, preference profile and satisfied Axioms given doesn't make sense. Since Axiom's 1-4 are satisfied, according to Arrow's theorem Axiom 5 is not satisfied and there should be a dictator. Since none of the individual preferences match the social choice however, there is not a dictator. One way to fix this problem would be to change the social choice to individual 2's preferences. This would match Arrow's theorem and make the answer:

1st Preference t 2nd Preference v

3rd Preference x

Another way to fix this problem would be to change which Axioms are satisfied. Axiom 1 probably isn't a good choice to change since even if other inputs don't give a legal output preference

ranking, it might be confusing and maybe impossible to answer. I believe Axiom 2 & Axiom 4 are necessary to predict most outputs, so they're probably not good choices. However, since neither preference profile has unanimity, Axiom 3 could easily be taken out. Then since the only change was individual 2 swapping t and y under Axiom 4 the answer would be:

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1<sup>st</sup> Preference t
2<sup>nd</sup> Preference y
3<sup>rd</sup> Preference x
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- 4. The decisive sets for the first preference profile are <u>individuals 2 & 3 for (y, x)</u> and <u>individual 1 for (t, y)</u> and individual 2 for (t, x). The minimal decisive set is all 3 <u>individuals.</u>
 5.
 - (a) No. x beats z. z beats t. t beats x. y beats z. t beats y. x beats y.
 - (b) No, since Axiom's 1-4 are satisfied, there is a dictator, but since two individuals prefer y over z the dictator and the social decision cannot be determined.
 - (c) Yes, individual 1 is the dictator.

1st Preference x 2nd Preference y 3rd Preference z 4th Preference t