

# Network Creation Games

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1 General model

2 Sum Game

# Network creation games

- Creation and maintenance of a network is modeled as a game
- $n$  players, think of them as vertices in an undirected graph
- The players can buy/create edges to other players for a price per edge (usually constant  $\alpha > 0$ )
- As a result of a strategy profile  $s$  a graph  $G(s)$  is created.
- The goal of the player  $u$  is to minimize a cost function on  $G(s)$

$$c_u(s) = \text{creation cost} + \text{usage cost}$$

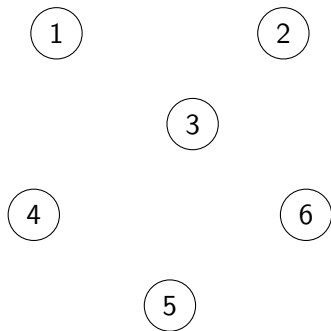
# User cost

- Assume that  $G = G(s)$  and fix a player  $u$
- **Creation cost**  $\alpha$  (number of edges player  $u$  creates)
- **Usage cost:**
  - SumGame (Fabrikant et al. PODC 2003)  
Sum over all distances  $\sum_{v \in V} d_G(u, v)$   
This is an average-case approach to the usage cost
  - MaxGame (Demaine et al. PODC 2007)  
Maximum over all distances  $\max_{v \in V} d_G(u, v)$   
A worst-case approach to the usage cost

# Social cost

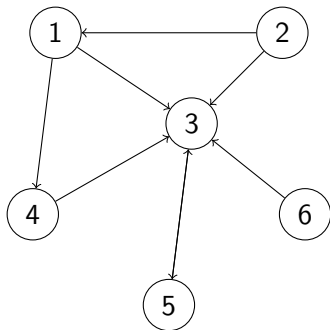
- Assume that  $G = G(s)$
- Creation cost  $\alpha |E(G)|$
- Usage cost:
  - SumGame  
Sum over all distances  $\sum_{u,v \in V} d_G(u, v)$
  - MaxGame (Demaine et al. PODC 2007)  
Maximum over all distances  $\max_{u,v \in V} d_G(u, v)$

# An example



# An example

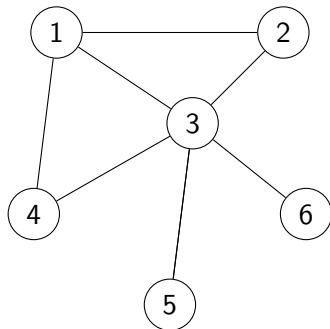
$$s = (\{3, 4\}, \{1, 3\}, \{5\}, \{3\}, \{3\}, \{3\})$$



An arrow indicates who bought the edge

# An example

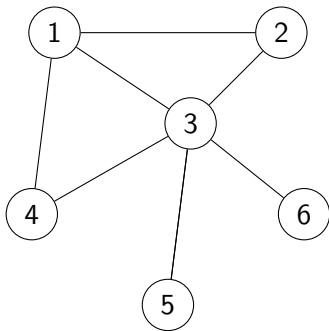
$s = (\{3, 4\}, \{1, 3\}, \{5\}, \{3\}, \{3\}, \{3\})$  and  $G(s)$





## An example: SumGame

$s = (\{3, 4\}, \{1, 3\}, \{5\}, \{3\}, \{3\}, \{3\})$  and  $G(s)$

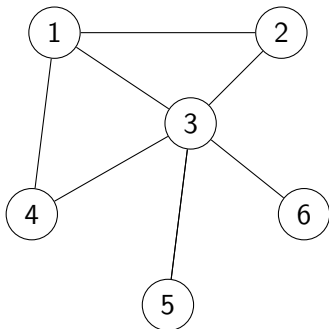


$$c_1(s) = 2\alpha + 1 + 1 + 1 + 2 + 2 = 2\alpha + 7 \dots$$

$$c(s) = 7\alpha + (7 + 8 + 5 + 8 + 9 + 9) = 7\alpha + 56$$

## An example: MaxGame

$s = (\{3, 4\}, \{1, 3\}, \{5\}, \{3\}, \{3\}, \{3\})$  and  $G(s)$



$$c_1(s) = 2\alpha + 2 = 2\alpha + 2 \dots$$

$$c(s) = 7\alpha + 2$$

# What to study?

- Are there PNE?
- What are the social optima?
- What network topologies are formed? What families of equilibrium graphs can one construct for a given  $\alpha$ ?
- How efficient are they? Price of Anarchy/Stability?

We will cover some results on SumGames under some cost variants

1 General model

**2 Sum Game**

# Optimal/Equilibrium topologies

$$c_u(s) = \alpha |s_u| + \sum_{v \in V} d_G(u, v)$$

$$c(s) = \alpha |E| + \sum_{u, v \in V} d_G(u, v)$$

- Can an edge be created by more than two players? **NO**
- We have to study them as a function of  $\alpha$
- When is it better to add/remove an edge?
- Can the graph be disconnected? **NO**

# Add an edge?

$$c_u(s) = \alpha |s_u| + \sum_{v \in V} d_G(u, v)$$

- When is it better to add an edge?
- Set  $d = d_G(u, v) > 1$  and let  $s'_u = s_u \cup \{v\}$

$$\begin{aligned} c_u(s_{-u}, s'_u) - c_u(s) &= \alpha + 1 - d + \sum_{w \in V, w \neq u} (d_{G'}(u, w)) - d_G(u, w) \\ &\leq \alpha + 1 - d \leq 0 \end{aligned}$$

- $d > \alpha$  which implies Nash topologies have **diameter**  $\leq \alpha$ .

# Computing a Best Response

- Given a game  $(1^n, \alpha)$ , a strategy profile  $s$  and a player  $i$ , compute  $s_i \in BR_i(s_{-i})$
- We relate the BR with a graph parameter.
- Given a graph  $G$ , with  $V(G) = \{v_1, \dots, v_n\}$ , consider the following instance for the BR problem:
  - The game has  $n + 1$  players, choose  $\alpha$  so that  $1 < \alpha < 2$ , the player will be player  $v_0$ . The strategy is defined as follows:
    - Compute an orientation of  $G$  and define  $s_{-0}$  accordingly. Set  $s_0 = V(G)$ .
- As  $1 < \alpha < 2$ ,  $v_0$  will like to buy edges to link to any vertex at distance  $> 2$ .
- So, in the BR graphs the radius of  $v_0$  must be  $\leq 2$ .
- On such graphs,  $c_0(s_{-0}, s'_0) = (\alpha + 1)|s'_0| + 2(n - |s'_0|)$

# Computing a Best Response

- So, in the BR graphs the radius of  $v_0$  must be  $\leq 2$ .
- On such graphs,  $c_0(s_{-0}, s'_0) = (\alpha + 1)|s'_0| + 2(n - |s'_0|)$
- $c_0$  is minimized when  $|s'_0|$  has minimum cardinality, provided radius of  $v_0$  is  $\leq 2$ .
- To get radius  $\leq 2$ ,  $|s'_0|$  must be a dominating set.
- The BR strategies are the dominating sets of  $G$  having minimum size.
- Computing a minimum size dominating set is NP-hard, so
- **Computing a BR in the sum game** is NP-hard



# Optimal topologies

$$c(s) = \alpha|E| + \sum_{u,v \in V} d_G(u, v)$$

- When two vertices  $u, v$  are not connected  $d_G(u, v) \geq 2$ .
- When two vertices  $u, v$  are connected  $d_G(u, v) = 1$ .
- Therefore

$$\begin{aligned} c(s) &= \alpha|E| + \sum_{u,v \in V} d_G(u, v) \geq \alpha|E| - 2|E| + \sum_{u,v \in V} 2 \\ &\geq \alpha|E| - 2|E| + 2n(n-1) = 2n(n-1) - (\alpha-2)|E| \end{aligned}$$

- Holds with equality on graphs with diameter  $\leq 2$ .

# Optimal topologies

- If  $G(s)$  has diameter  $\leq 2$ ,

$$c(s) = 2n(n-1) - (\alpha - 2)|E|$$

- This function has different minima depending on whether  $(\alpha - 2)$  is positive or negative.
- When  $\alpha = 2$ , the optimal cost is independent of the number of edges in the graph. So,
- Any graph with diameter  $\leq 2$  has optimal cost.

# Optimal topologies

- If  $G(s)$  has diameter  $\leq 2$ ,

$$c(s) = 2n(n-1) - (\alpha - 2)|E|$$

- When  $\alpha > 2$ , to make the cost minimum we have to take the minimum number of edges in  $G$ . Of course the graph must be connected. So,
- Only trees with diameter 2 have optimal cost.
- $S_n$  is the unique optimal topology.

# Optimal topologies

- If  $G(s)$  has diameter  $\leq 2$ ,

$$c(s) = 2n(n-1) - (\alpha - 2)|E|$$

- When  $\alpha < 2$ , to make the cost minimum we have to take the maximum number of edges in  $G$ . So,
- $K_n$  is the unique optimal topology.

# Nash topologies

$$c_u(s) = \alpha |s_u| + \sum_{v \in V} d_G(u, v)$$

- The star  $S_n$  is a Nash equilibrium?
- Vertices  $v_1, \dots, v_n$ . Let  $v_1$  be the center of the star.
- Consider  $s$ :  $s_1 = \emptyset$  and  $s_i = \{s_1\}$ , for  $i > 1$ . ( $G(s) = S_n$ )
- For  $v_1$ ,
  - $c_1(s) = n - 1$ .
  - $v_1$  is getting the smallest possible cost.

# Nash topologies

- The star  $S_n$  is a Nash equilibrium?
- Consider  $s$ :  $s_1 = \emptyset$  and  $s_i = \{s_1\}$ , for  $i > 1$ . ( $G(s) = S_n$ )
- For  $v_i$ ,  $i \geq 1$ 
  - $c_i(s) = \alpha + 1 + 2(n - 2)$ .
  - If  $v_i$  changes  $s_i = \{v_1\}$  for  $s'_i = A \cup \{v_1\}$ ,  $v_1 \notin A$ ,

$$c_i(s_{-i}, s'_i) = \alpha + 1 + (\alpha + 1)|A| + 2(n - 2 - |A|)$$

$$c_i(s) - c_i(s_{-i}, s'_i) = (1 - \alpha)|A|$$

The cost do not decrease for  $\alpha \geq 1$

# Nash topologies

- The star  $S_n$  is a Nash equilibrium?
- Consider  $s$ :  $s_1 = \emptyset$  and  $s_i = \{s_1\}$ , for  $i > 1$ . ( $G(s) = S_n$ )
- For  $v_i$ ,  $i \geq 1$ 
  - $c_i(s) = \alpha + 1 + 2(n - 2)$ .
  - If  $v_i$  changes  $s_i = \{v_1\}$  for  $s'_i = A$ ,  $v_1 \notin A$ ,

$$c_i(s_{-i}, s'_i) = (\alpha + 1)|A| + 2 + 3(n - 2 - |A|)$$

$$c_i(s) - c_i(s_{-i}, s'_i) = (\alpha + 1)(1 - |A|) - n - 3|A|$$

Which never increases.

# Nash topologies

- $K_n$  is the unique Nash topology for  $\alpha < 1$
- $S_n$  is a Nash topology for  $\alpha \geq 1$   
although they might be other PNE



## PoA: $\alpha < 1$

- $K_n$  is the unique Nash topology
- $K_n$  is also an optimal topology
- $PoA = PoS = 1$

PoA:  $1 \leq \alpha < 2$ 

- $K_n$  is an optimal topology
- Any Nash equilibrium must have diameter  $\leq 2$ , so  $S_n$  is a Nash topology with the worst social cost.

$$\begin{aligned} PoA &= \frac{c(S_n)}{c(K_n)} = \frac{(n-1)(\alpha-2+2n)}{n(n-1)\frac{\alpha-2}{2}+2} \\ &= \frac{4}{2+\alpha} - \frac{4-2\alpha}{n(2+\alpha)} < \frac{4}{2+\alpha} \leq \frac{4}{3} \end{aligned}$$

PoA:  $\alpha > n^2$ 

$$c_u(s) = \alpha |s_u| + \sum_{v \in V} d_G(u, v)$$

- When  $\alpha > n^2$ , unless the distance is infinity, no player has incentive to buy an edge.
- The NE topologies are **spanning trees**
- The optimal topology is  $S_n$

$$PoA = \frac{c(T_n)}{c(S_n)} = \frac{\alpha(n-1) + \dots}{\alpha(n-1) + 1 + 2n(n-1)} = O(1)$$

PoA:  $\alpha < n^2$ 

- for a worst NE topology  $G$

$$PoA = \left( \frac{\alpha|E| + \sum_{u,v \in V} d_G(u,v)}{\alpha n + n^2} \right)$$

- $d_G(u,v) < 2\sqrt{\alpha}$ , otherwise  $u$  will be willing to connect to the node in the center of the shortest path from  $u$  to  $v$  to be closer by  $-\sqrt{\alpha}$  to  $\sqrt{\alpha}$  nodes.
- Furthermore,  $|E| = O(\frac{n^2}{\sqrt{\alpha}})$  (see [Fabrikant et al. 2003])
- Thus  $PoA = O(\sqrt{\alpha})$

# PoA: Conjectures

PoA on trees  $\leq 5$  [Fabrikant et al. 2003]

Constant PoA conjecture: For all  $\alpha$ ,  $PoA = O(1)$ .

Tree conjecture: for all  $\alpha > n$ , all NE are trees.

# $O(1)$ PoA conjecture: large $\alpha$

$PoA = O(1)$	
$\alpha > n^{\frac{3}{2}}$	[Lin 2003]
$\alpha > 12n \log n$	[Albers et al. 2014]
$\alpha > 273n$	[Mihalak, Schlegel, 2013]
$\alpha > 65n$	[Mamageishivii et al. 2015]
$\alpha > 17n$	[Alvarez, Messegue 2017]
$\alpha > 4n - 13$	[Bilo, Lezner 2018]
$\alpha > (1 + \epsilon)n$	[Alvarez, Messegue 2019]

[Alvarez, Messegue 2019 [arxiv.org/abs/1909.09799](https://arxiv.org/abs/1909.09799)]

# $O(1)$ PoA conjecture: small $\alpha$

$$PoA = O(1)$$

$$\alpha = O(1)$$

$$\alpha = O(\sqrt{n})$$

$$\alpha = O(n^{1-\delta}), \delta \geq 1/\log n$$

[Fabrikant et al. 2003]

[Lin 2003]

[Demaine et al. 2007]