



The City College
of New York

CSC 59866-E: Senior Project I

AI Agents for Decision Making in the Real World

By Saptarashmi Bandyopadhyay

Email: sbandyopadhyay@ccny.cuny.edu, sbandyopadhyay@gc.cuny.edu

Assistant Professor of Computer Science

City College of New York and Graduate Center at the City University of New York

February 4, 2026 CSC 59866

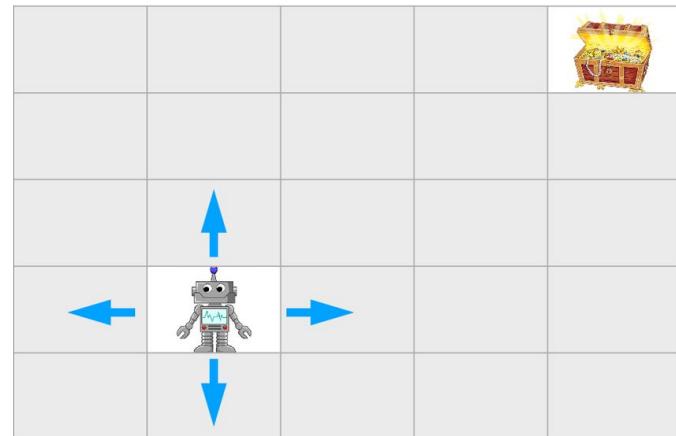
Single-Agent AI, Multi-Agent AI, and Complexity

Single-Agent AI

GridWorld Example

How would you model this environment for an AI Agent trying to find the treasure? You need:

- The possible *states* of the world
- *Actions* the agent can take
- How the state *changes* when an action is taken
- What the *reward* is for reaching / getting closer to the treasure
- How much value is in getting the treasure now versus far in the future

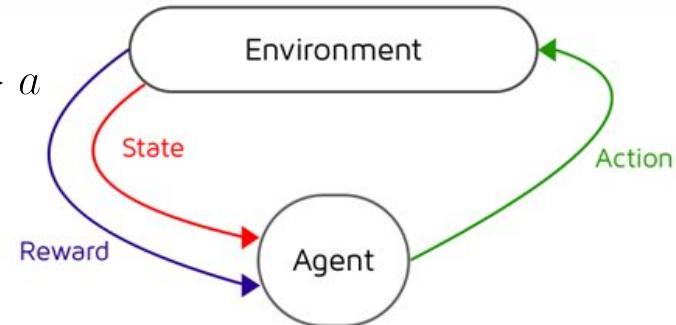


Single AI Agents

Definition: A Markov Decision Process (MDP) is a tuple (S, A, T, R, γ)

- **State (S):** The agent's location on the Grid (x, y) .
- **Action (A):** Up, Down, Left, Right governed by $\pi(s) \rightarrow a$
- **Transition (T):** (e.g., If I move "Right", 90% chance I move right, 10% chance I slip) $P(s'|s, a)$
- **Reward (R):** (e.g., +100 for Treasure).
- **Discount Factor (γ):** A number between 0 and 1 that makes short-term rewards matter more than long-term rewards.

The Goal: Find a policy that maximizes expected return $R(s, a)$



Learning what Actions to Take

In simple environments like our GridWorld example, we can memorize the optimal actions to take at each state, assigning each state-action pair a number which we call the **Q-value**.

Complexity Check:

- Size of Table = $|S| \times |A|$
- *GridWorld Example:* 10×10 grid = 100 states. 4 actions. Table size = 400 entries.

A 100×100 GridWorld example could trivially be solved.

Bellman Equation

$$Q(s, a) \leftarrow Q(s, a) + \alpha(r + \gamma \max_{a'} Q(s', a') - Q(s, a))$$

Annotations for the Bellman Equation:

- New Q Value (points to $Q(s, a)$)
- Old Q Value (points to $Q(s, a)$)
- Reward (points to r)
- Discount Rate ($0 \sim 1$) (points to γ)
- Learning Rate ($0 \sim 1$) (points to α)
- Maximum Q value of transition destination state (underlines the term $\max_{a'} Q(s', a')$ and points to it)
- TD error (underlines the entire right side of the equation: $r + \gamma \max_{a'} Q(s', a') - Q(s, a)$)

The Bellman Equation describes how the agent updates the Q-values it learns for each state-action pair

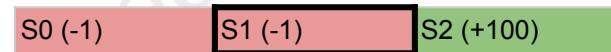
- Learning rate α describes the size of the change
- Discount factor γ is a number between 0 and 1, and is used to make immediate rewards matter more than future rewards.

Example:

Three States (S_0, S_1, S_2), Two Actions (Move Left, Move Right)

Our Learning Parameters

- Learning Rate (α) = 0.1: How much we trust the new information.
- Discount Factor (γ) = 0.9: How much we value future rewards.



State	Action: Left	Action: Right
S_0	0	0
S_1	0	0
S_2	0	0

Suppose the Agent starts at S_1 and has to make a decision on whether it goes to S_0 or S_2 from S_1 !

The table indicates initial Q values before Bellman equation is applied

How do our Q-values change if we move right?

Example:

$$Q(s, a) \leftarrow Q(s, a) + \alpha[r + \gamma \max_{a'} Q(s', a') - Q(s, a)]$$

$$\text{New } Q(S_1, \text{Right}) \leftarrow 0 + 0.1 * [100 + 0.9 * 0 - 0] = 10$$

Our Learning Parameters

- Learning Rate (α) = 0.1: How much we trust the new information.
- Discount Factor (γ) = 0.9: How much we value future rewards.

Reset to S1. What if we move left this time?

S0 (-1)	S1 (-1)	S2 (+100)
---------	---------	-----------

State	Action: Left	Action: Right
S0	0	0
S1	0	0
S2	0	0



State	Action: Left	Action: Right
S0	0	0
S1	0	10
S2	0	0

Example:

$$Q(s, a) \leftarrow Q(s, a) + \alpha[r + \gamma \max_{a'} Q(s', a') - Q(s, a)]$$

$$\text{New } Q(S_1, \text{Left}) \leftarrow 0 + 0.1 * [-1 + 0.9 * 0 - 0] = -0.1$$

Our Learning Parameters

- Learning Rate (α) = 0.1: How much we trust the new information.
- Discount Factor (γ) = 0.9: How much we value future rewards.
- Q value in going right is higher, favoring that decision

S0 (-1)	S1 (-1)	S2 (+100)
---------	---------	-----------

State	Action: Left	Action: Right
S0	0	0
S1	0	10
S2	0	0



State	Action: Left	Action: Right
S0	0	0
S1	-0.1	10
S2	0	0

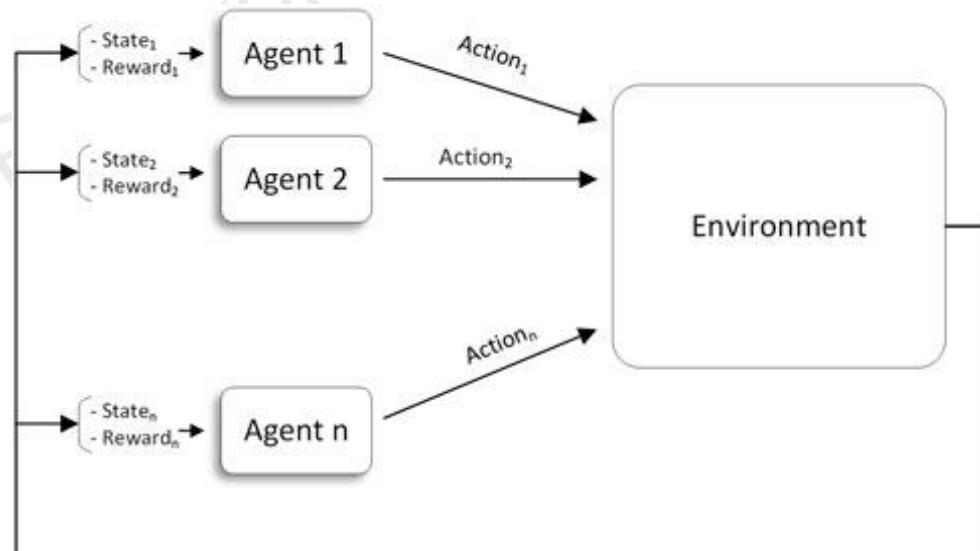
Note: In the real world, we would probably have a much more complex environment, and use a neural network instead of a table to calculate Q-values! (Deep Q-Learning)

Multi-Agent AI

Saptarashmi Bandyopadhyay

From Single-Agent to Multi-Agent

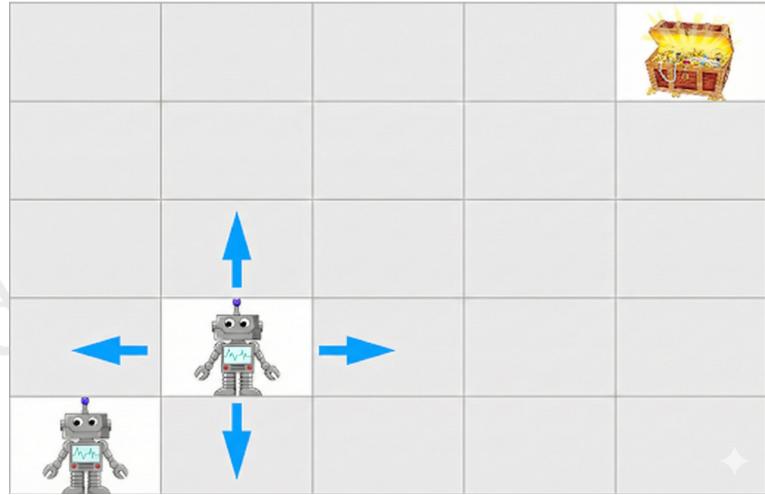
- In Single Agent AI, the world only changes based on *my* action (and random noise).
- In Multi-Agent AI: The world changes based on *my* action AND *your* action.
- **The Non-Stationarity Problem:**
 - If Agent B changes its policy, the environment dynamics change for Agent A.



Multi-Agent AI

The Conflict:

- Robot A wants to go to $(5, 5)$
- Robot B wants to go to $(5, 5)$
- They cannot occupy the same square!



New Definition: A Markov Game (or Stochastic Game) is $(N, S, A_1 \dots A_n, T, R_1 \dots R_n)$

- N : Number of agents
- **State (S)**: The Joint State. Now describes (x_A, y_A) AND (x_B, y_B) .
- **Action (A)**: The Joint Action $\mathbf{u} = (a_1, \dots a_n)$.

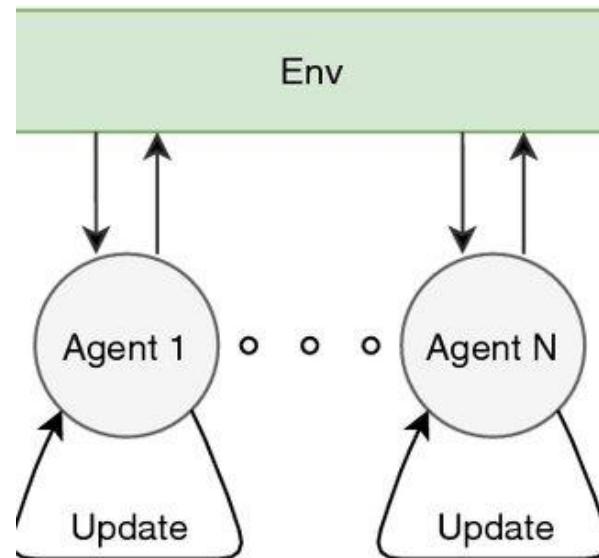
In this system, we need *new* algorithms to help agents coordinate and interact with each other!

Independent Q-Learning (IQL)

In **Independent Q-Learning**, each agent makes decisions as if it were the sole decision-maker.

This method is very easy to implement, but it lacks when it comes to true coordination.

Each agent uses normal Q-learning *independently*, considering the other agents simply just as part of the state.



Value Decomposition Networks (VDN)

A simple way to encourage coordination among agents is for each state, take the actions for each agent, and sum up their Q-values!

Architectures that employ this are known as **Value Decomposition Networks**.

$$Q_{\text{tot}}(s, a) = \sum_i Q_i(s, a_i)$$

This is a big step up for coordination compared to IQL, but it is only possible to create rewards that are *linear* with the agents.

QMIX

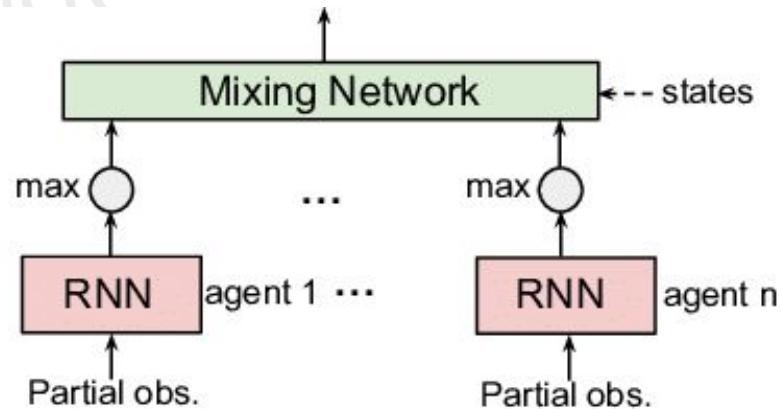
In QMIX, we create more possibilities for cooperation by using a *mixing network*, which learns the best way to combine each agent's Q-values.

This allows different agent types to cooperate with each other more flexibly!

$$Q_{\text{tot}}(s, \mathbf{a}) = f_s(Q_1(s^1, a^1), \dots, Q_n(s^n, a^n))$$

Joint Action Vector

Total Q-value Monotonic Mixing Network



Complexity Analysis

State-Action Complexity

If we try to build a Q-Table for Multi-Agent GridWorld, how big is it?

Single Agent (10 x 10 grid):

- States: 100.
- Table Size: $100 \times 4 = 400$.

Multi-Agent (2 Agents, 10 x 10 grid):

- State is now (x_1, y_1, x_2, y_2) .
- States: $100 \times 100 = 10,000$.
- Actions: Agent 1 has 4, Agent 2 has 4. Joint Actions = $4 \times 4 = 16$.
- Table Size: $10,000 \times 16 = 160,000$.

Space Complexity $\approx O(|S|^N \times |A|^N)$.

It is **Exponential** with respect to the number of agents N .

The Curse of Dimensionality in Real-World Agents

Connected Autonomous Vehicles

- Imagine a 4-way intersection.
- $N = 20$ cars.
- $S = (\text{Position}, \text{Velocity})$ for each car.
- $A = (\text{Accelerate}, \text{Brake}, \text{Turn})$ for each car.



The Math: $|A|^N = 3^{20} \approx 3.4 \text{ Billion}$ joint actions *per time step*.

The Research Gap: We cannot solve this with tables. We cannot even solve this with basic independent neural networks (due to non-stationarity).

We can, however, solve it with clever training methods, such as MAPPO!

Time Complexity: Single vs. Multi-Agent

Single Agent: Q-learning converges to the optimal policy (proven).

Multi-Agent:

- Agents are chasing a moving target.
- Often fails to converge (oscillates) or converges to a suboptimal Nash Equilibrium (a state where no individual agent can improve if other agents remain the same).

When evaluating your projects, Convergence Speed (e.g. Sample Efficiency) is a critical metric (as seen in PPO and MAPPO).

Questions?

Saptarashmi Bandyopadhyay