

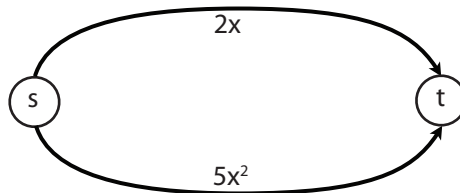
## Homework 4

Algorithmic Game Theory

Summer semester 2010

To get full marks, please make sure to justify your answers.

**Exercise 1** (40 points). Consider the following selfish routing problem, where 1 unit of traffic is to be routed from  $s$  to  $t$ .



- (a) Consider a flow with  $p$  on the top path and  $1 - p$  on the bottom path. State the cost of both paths in this flow.
- (b) Compute an equilibrium flow. What is its cost?
- (c) Compute an optimal flow. What is its cost?
- (d) Using parts (b) and (c), compute the price of anarchy of this game.

Note: for parts (b) and (c), you will likely need to solve some quadratic and/or cubic equations. You can do this with a calculator or an online tool.

**Exercise 2** (30 points). Consider the following voter profile:

- 33:  $a \succ b \succ c \succ d \succ e$
- 16:  $b \succ d \succ c \succ e \succ a$
- 3:  $c \succ d \succ b \succ a \succ e$
- 8:  $c \succ e \succ b \succ d \succ a$
- 18:  $d \succ e \succ c \succ b \succ a$
- 22:  $e \succ c \succ b \succ d \succ a$

Determine the winner for each of the following voting rules: plurality, plurality with runoff, Borda, veto, STV, Copeland, and pairwise elimination with ordering  $dbcea$ . Also determine whether this profile has a Condorcet winner.

**Exercise 3** (10 points). Show that the Borda voting rule does not satisfy the Condorcet condition by finding a voter profile in which the Condorcet winner is not selected by the Borda rule.

**Exercise 4** (10 points). A social choice function  $f$  satisfies *unanimity* if whenever every agent  $i$  has  $o$  as its most preferred alternative, then  $f$  must select  $o$ . It is called *onto* if for every outcome  $o$ , there exists some preference profile for which  $f$  selects  $o$ . Prove that a social choice function that is onto and satisfies monotonicity also satisfies unanimity.