## Multiagent Systems

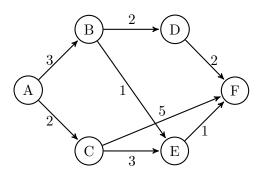
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## Exercise Sheet 10 Due: Friday, July 25, 2pm

**Important:** Each exercise sheet is to be solved in groups of **two students**. Thus, please note your names on each solution sheet and, if applicable, in the source code (as a comment on top of each source file). The solutions are to be handed in as pdf or plain text files (UTF-8 encoded) using the SVN. We strongly suggest the use of IATEX for typesetting your solutions. As always so far, you might solve the exercises in English or German.

## **Exercise 10.1** (VCG mechanism, 1+2+2 points)

Consider the problem of buying the shortest path in a transportation network (see Shoham and Leyton-Brown, p. 281). The transportation network is given by the following directed graph:



The numbers on the edges of this graph denote the agents' costs c for traversing the edge from one node to the other in the given direction. Thus, an agent's utility is -c if a route involving the edge with cost c is selected, and zero otherwise. In other words, the agent "sitting" on the edge would be paid the amount c for traversing its edge.

The cheapest route to get from A to F is clearly ABEF with a total cost of 3 + 1 + 1 = 5. But how much would we have to pay each agent according to the VCG mechanism?

An example: The agent AC (owning the edge between the nodes A and C) is not pivotal to the shortest/cheapest path ABEF. Taking his declaration c(AC) = 2 into account leads to a cost of -5 for the other agents, because the path does not involve him anyways. Likewise the shortest/cheapest path without AC's declaration has cost -5. Thus, agent AC has not to pay (or gains) nothing, as (-5) - (-5) = 0.

- (a) Which of the agents are pivotal and how is each of them to be paid? Explain your calculations step by step for each agent.
- (b) The edges BE and EF both incur a cost of 1. However, the corresponding two agents do not receive the same amount of reward according to the VCG mechanism. Explain what that means.
- (c) How would the situation change, if the edge EF had a cost of 4 instead of 1? Calculate all payments of all agents again and discuss your result.

**Exercise 10.2** (Bargaining, 1+4 points)

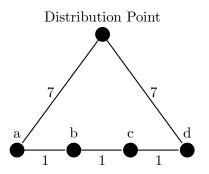
Consider the following Task Oriented Domain:

Description: Agents have to deliver sets of containers to warehouses, which are arranged on a weighted graph G = G(V, E). There is no limit to the number of containers that can fit in a warehouse. The agents all start from a central distribution point. Agents can exchange containers at no cost while they are at the distribution point, prior to delivery.

Task Set: The set of all addresses in the graph, namely V. If address x is in an agent's task set, it means that it has least one container to deliver to x. Cost Function: The cost of a subset of addresses  $X \subseteq V$ , i.e., c(X), is the length of the minimal path that starts at the distribution point and visits all members of X.

We now consider a concrete example:

The reachability between warehouses a, b, c, d together with their reachability costs are given by the following undirected graph:



Two agents  $A_1$  and  $A_2$  start at the delivery point and both have to deliver boxes to warehouses a, b, c and d.

- (a) Which value would  $A_1$ 's utility have, if  $A_2$  agreed to also take  $A_1$ 's boxes to the warehouses? Explain.
- (b) Apply the Zeuthen strategy for both agents as the negotiation strategy and explain the outcome as compared to the maximum overall utility.