Announcements

- **Homeworks**: HW9 due next Thursday. Start early!
- **Class roadmap:**
  - Today: Games I
  - Tuesday: Games II
  - Next: Reinforcement Learning
Outline

• Introduction to game theory
  – Properties of games, mathematical formulation

• Simultaneous Games
  – Normal form, strategies, dominance, Nash equilibrium

• Sequential Games (time permitted)
  – Game trees, minimax, search approaches
Sequential Decision Making

Suppose we have an **agent interacting** with the **world**

- Agent receives a reward based on state of the world
  - **Goal**: maximize reward/utility (or minimize cost/penalty)
  - **Note**: now **data** consists of actions & observations
Games: Multiple Agents

Games setup: **multiple** agents

- Now: interactions between agents
- Still want to maximize utility
- **Strategic** decision making
Modeling Games: Properties

Let’s work through properties of games

- **Number** of agents/players
- State & action spaces: **discrete** or **continuous**
- **Finite** or **infinite**
- **Deterministic** or **random**
- **Sum**: zero or positive or negative
- **Sequential** or **simultaneous**
Property 1: **Number** of players

- Games: ≥ 2 players
- Typically a finite number of players
Property 2: **Discrete or Continuous**

Let’s work through **properties** of games

- Recall the **world**. It is in a particular state, from a set of states
- Similarly, the actions the player takes are from an action space
- How big are these spaces? Finite, countable, uncountable?
Property 3: **Finite or Infinite**

Let’s work through **properties** of games

- Most real-world games **finite**
- Lots of single-turn games; end immediately
  - Ex: rock/paper/scissors
- Other games’ rules (state & action spaces) enforce termination
  - Ex: chess under FIDE rules ends in at most 8848 moves
- **Infinite example**: pick integers. First player to play a 5 loses
Property 4: **Deterministic or Random**

Let’s work through properties of games

- Is there chance in the game?
- Note: randomness enters in different ways
- Not referring to randomness in players’ strategies
  - E.g. RPS is deterministic
Property 5: **Sums**

Let’s work through **properties** of games

- **Sum**: zero or positive or negative
- Zero sum: for one player to win, the other has to lose (by same amount)
  - No “value” created

<table>
<thead>
<tr>
<th>Blue</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Red</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>30</td>
<td>−30</td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>−10</td>
<td>10</td>
<td>−20</td>
</tr>
</tbody>
</table>

- Can have other types of games: positive sum, negative sum.
  - Example: prisoner’s dilemma
Property 6: **Sequential or Simultaneous**

Let’s work through properties of games

- **Sequential or simultaneous**
- Simultaneous: all players take action at the same time
- Sequential: take turns

- Simultaneous: players do not have information of others’ moves. Ex: RPS
- Sequential: may or may not have perfect information
Examples

Let’s apply this to examples:

1. Chess: 2-player, discrete, finite, deterministic, zero-sum, sequential (perfect information)
2. RPS: 2-player, discrete, finite, deterministic, zero-sum, simultaneous
3. Mario Kart: 4-player, continuous, infinite(?), random, zero-sum, simultaneous
Another Example: Prisoner’s Dilemma

**Famous** example from the ‘50s.

Two prisoners A & B. Can choose to betray the other or not.

- A and B both betray, each of them serves two years in prison
- One betrays, the other doesn’t: betrayer free, other three years
- Both do not betray: one year each

Properties: **2-player, discrete, finite, deterministic, negative-sum, simultaneous**

<table>
<thead>
<tr>
<th>Player B</th>
<th>Stay silent</th>
<th>Betray</th>
</tr>
</thead>
<tbody>
<tr>
<td>Player A</td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Stay silent</em></td>
<td>−1, −1</td>
<td>−3, 0</td>
</tr>
<tr>
<td><em>Betray</em></td>
<td>0, −3</td>
<td>−2, −2</td>
</tr>
</tbody>
</table>
Why Do These Properties Matter?

Categorize games in different groups

• Can focus on understanding/analyzing/“solving” particular groups

• **Abstract** away details and see common patterns

• Understand how to produce a “good” overall outcome
Break & Quiz

Q 1.1: Which of these are zero-sum games?
(i) Rock, Paper, Scissors
(ii) Prisoner’s Dilemma

- A. Neither
- B. (i) but not (ii)
- C. (ii) but not (i)
- D. Both
Q 1.2: Which of these is false?

- A. Monopoly is not deterministic.
- B. A game can be sequential but not have perfect information.
- C. Battleship has perfect information.
- D. Prisoner’s dilemma is a simultaneous game.
Simultaneous Games

Simpler setting, easier to analyze
• Can express reward with a simple diagram
• Ex: for prisoner’s dilemma

<table>
<thead>
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<th>Betray</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Player 1</strong></td>
<td>Stay silent</td>
<td>−1, −1</td>
</tr>
<tr>
<td><strong>Player 2</strong></td>
<td>Stay silent</td>
<td>0, −3</td>
</tr>
</tbody>
</table>
Normal Form

Mathematical description of simult. games. Has:

- \( n \) players \( \{1,2,\ldots,n\} \)
- Player \( i \) strategy \( a_i \) from \( A_i \).
  - Strategy of all players: \( a = (a_1, a_2, \ldots, a_n) \)
- Player \( i \) gets rewards \( u_i(a) \) for any outcome
  - \textbf{Note}: reward depends on other players!

- Setting: all of these spaces, rewards are \textbf{known}
Example of Normal Form

**Ex: Prisoner’s Dilemma**

- 2 players, 2 actions: yields 2x2 matrix
- Strategies: \{Stay silent, betray\} (i.e., **binary**)
- Rewards: \{0,-1,-2,-3\}

<table>
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<th>Betray</th>
</tr>
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</tr>
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Dominant Strategies

Let’s analyze such games. Some strategies are better

• Dominant strategy: if $a_i$ better than $a_i'$ regardless of what other players do, $a_i$ is **dominant**

• I.e.,

$$u_i(a_i, a_{-i}) \geq u_i(a_i', a_{-i}) \forall a_i' \neq a_i \text{ and } \forall a_{-i}$$

All of the other entries of $a$ excluding $i$

• Doesn’t always exist!
Dominant Strategies Example

Back to Prisoner’s Dilemma

• Examine all the entries: betray dominates

• Check:

<table>
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<tr>
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<tbody>
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<td></td>
<td>Stay silent</td>
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</tr>
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• Note: normal form helps locate dominant/dominated strategies.
Dominant Strategies May Not Exist

Rock-Paper-Scissor

- No dominant strategy

<table>
<thead>
<tr>
<th>Player 1</th>
<th>Player 2</th>
<th>Rock</th>
<th>Paper</th>
<th>Scissor</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rock</strong></td>
<td>0, 0</td>
<td>-1, 1</td>
<td>1, -1</td>
<td></td>
</tr>
<tr>
<td><strong>Paper</strong></td>
<td>1, -1</td>
<td>0, 0</td>
<td>-1, 1</td>
<td></td>
</tr>
<tr>
<td><strong>Scissor</strong></td>
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<td>1, -1</td>
<td>0, 0</td>
<td></td>
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Equilibrium

\( a^* \) is an equilibrium if all the players do not have an incentive to unilaterally deviate

\[
    u_i(a^*_i, a^*_{-i}) \geq u_i(a_i, a^*_{-i}) \quad \forall a_i \in A_i
\]

- All players dominant strategies \( \rightarrow \) equilibrium
- Converse doesn’t hold (don’t need dominant strategies to get an equilibrium)
So far, all our strategies are deterministic: “pure”
• Take a particular action, no randomness

Can also randomize actions: “mixed”
• Assign probabilities $x_i$ to each action

$$x_i(a_i), \text{ where } \sum_{a_i \in A_i} x_i(a_i) = 1, x_i(a_i) \geq 0$$

• Note: have to now consider expected rewards
Nash Equilibrium

Consider the mixed strategy \( x^* = (x_1^*, \ldots, x_n^*) \)

- This is a **Nash equilibrium** if

  \[
  u_i(x_i^*, x_{-i}^*) \geq u_i(x_i, x_{-i}^*) \quad \forall x_i \in \Delta_{A_i}, \forall i \in \{1, \ldots, n\}
  \]

  Better than doing anything else, "best response"

  Space of probability distributions

- Intuition: nobody can **increase expected reward** by changing only their own strategy. A type of solution!
Properties of Nash Equilibrium

Major result: (Nash ’51)

• Every finite game has at least one Nash equilibrium
  – But not necessarily pure (i.e., deterministic strategy)
• Could be more than one!
• Searching for Nash equilibria: computationally hard!
Q 2.1: Which of the following is false

(i) Rock/paper/scissors has a dominant pure strategy
(ii) There is no pure equilibrium for rock/paper/scissors

• A. Neither
• B. (i) but not (ii)
• C. (ii) but not (i)
• D. Both
Q 2.2: Which of the following is true

(i) Nash equilibria require each player to know other possible players’ strategies
(ii) Nash equilibria require rational play

• A. Neither
• B. (i) but not (ii)
• C. (ii) but not (i)
• D. Both
Sequential Games

More complex games with multiple moves

- Instead of normal form, extensive form
- Represent with a tree
- Perform search over the tree

- Can still look for Nash equilibrium
  - Or, other criteria like maximin / minimax
II-Nim: Example Sequential Game

2 piles of sticks, each with 2 sticks.
• Each player takes one or more sticks from pile
• Take last stick: lose

(ii, ii)

• Two players: Max and Min
• If Max wins, the score is $+1$; otherwise $-1$
• Min’s score is $-Max’s$
• Use Max’s as the score of the game
Game Trajectory

(ii, ii)
Game Trajectory

(ii, ii)

Max takes one stick from one pile

(i, ii)
Game Trajectory
(ii, ii)
Max takes one stick from one pile

(i, ii)
Min takes two sticks from the other pile

(i,-)
Game Trajectory

\((ii, ii)\)

\textbf{Max} takes one stick from one pile

\((i, ii)\)

\textbf{Min} takes two sticks from the other pile

\((i, -)\)

\textbf{Max} takes the last stick

\((-, -)\)

\textbf{Max} gets score \(-1\)
Game tree for II-Nim

Two players: Max and Min

Convention: score is w.r.t. the first player Max. Min’s score = − Max

Max wants the largest score
Min wants the smallest score
Two players: Max and Min

Max wants the largest score
Min wants the smallest score
Two players: Max and Min

Max wants the largest score
Min wants the smallest score
Game tree for Ii-Nim

Two players: Max and Min

Max wants the largest score
Min wants the smallest score
Two players: Max and Min

Max wants the largest score
Min wants the smallest score
Game tree for II-Nim

Two players:
Max and Min

Max wants the largest score
Min wants the smallest score
Two players: **Max** and **Min**

**Max** wants the largest score

**Min** wants the smallest score
Two players: **Max** and **Min**

**Max** wants the largest score

**Min** wants the smallest score

Game tree for II-Nim
Two players: Max and Min

Max wants the largest score
Min wants the smallest score
Two players: Max and Min

Max wants the largest score
Min wants the smallest score
Minimax Value

Also called game-theoretic value.

• Score of terminal node if both players play optimally.
• Computed bottom up; basically search

• Let’s see this for example game
Two players: Max and Min

Max wants the largest score
Min wants the smallest score
Two players: Max and Min

Max wants the largest score
Min wants the smallest score
Two players:
Max and Min

Max wants the largest score
Min wants the smallest score
Two players: Max and Min

Max wants the largest score
Min wants the smallest score
Two players: Max and Min

Max wants the largest score
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Two players: Max and Min

Max wants the largest score
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Two players: Max and Min

Max wants the largest score
Min wants the smallest score

The first player always loses, if the second player plays optimally!
Summary

• Intro to game theory
  – Characterize games by various properties

• Mathematical formulation for simultaneous games
  – Normal form, dominance, equilibria, mixed vs pure

• Sequential games
  – Game trees, game-theoretic/minimax value
Acknowledgements: Developed from materials by Fred Sala and Yingyu Liang (University of Wisconsin), inspired by Haifeng Xu (UVA).