# APPLIED MECHANISM DESIGN FOR SOCIAL GOOD

#### **JOHN P DICKERSON**

Lecture #12 – 3/4/2021 Lecture #13 – 3/9/2021

CMSC828M Tuesdays & Thursdays 2:00pm – 3:15pm



# **PROJECT PROPOSALS**

I'd like you to submit a 1-2 pager covering an initial plan for your course project by the end of next week (Fri March 12).

#### How to submit:

- Make a channel on Slack (public or private)
- Invite all group members + @John Dickerson
- Upload the PDF of your initial course project plan
- "@ me"

You will get 100% for this if you submit something "okay" – this is just to kickstart (i) movement and (ii) discussion between us



#### **PROJECT PROPOSALS: A SUGGESTION**

#### Consider a 75%/100%/125% set of goalposts:

#### **Project Plan:**

75% goals

- Create and train 3 regressor system for electrical energy consumption dataset.
- Design the adaptive learning algorithm.

#### 100% goals

- Implement the adaptive learning algorithm.
- Apply the algorithm to forecasting electrical energy consumption in the United States problem.
- Compare its performance with baselines which are:
  - Single regressor agent.
  - Multi-agents with equal weights.

#### 125% goals

- Compare this algorithm performance against other techniques used to improve long horizon forecast.
- Test this algorithm performance on other forecasting problems including a forecasting brain ventricular volume as a biomarker for neurodegenerative disease progression.
- Test performance on other decision making problems that are unrelated to forecasting.

#### [Thanks, Aya Ismail! S2018 CMSC828M]

# THIS CLASS: STACKELBERG & SECURITY GAMES

Thanks to: AGT book, Conitzer (VC), Gupta (NG), Procaccia (AP)

# SIMULTANEOUS PLAY

Previously, assumed players would play simultaneously

- Two drivers simultaneously decide to go straight or divert
- Two prisoners simultaneously defect or cooperate
- Players simultaneously choose rock, paper, or scissors
- Etc ...

No knowledge of the other players' chosen actions

What if we allow sequential action selection ...?

# **LEADER-FOLLOWER GAMES**

#### Two players:

- The leader commits to acting in a specific way
- The follower observes the leader's mixed strategy

NE, iterated strict dominance

What is the Nash equilibrium ????????

- Social welfare: 2
- Utility to row player: 1

Row player = leader; what to do ????????

- Social welfare: 3
- Utility to row player: 2



Heinrich von Stackelberg

Commit to "Bottom"

0, 0 2, 1

# ASIDE: FIRST-MOVER ADVANTAGE (FMA)

From the econ side of things ...

- Leader is sometimes called the Market Leader
- Some advantage allows a firm to move first:
  - Technological breakthrough via R&D
  - Buying up all assets at low price before market adjusts
- By committing to a strategy (some amount of production), can effectively force other players' hands.

#### Things we won't model:

• Significant cost of R&D, uncertainty over market demand, initial marketing costs, etc.

#### These can lead to Second-Mover Advantage

• Atari vs Nintendo, MySpace (or earlier) vs Facebook

# **COMMITMENT AS AN EXTENSIVE-FORM GAME**

For the case of committing to a pure strategy:





#### **COMMITMENT TO MIXED STRATEGIES**



What should Column do ????????

Sometimes also called a Stackelberg (mixed) strategy

# COMMITMENT AS AN EXTENSIVE-FORM GAME...

For the case of committing to a mixed strategy:



- Economist: Just an extensive-form game …
- Computer scientist: Infinite-size game! Representation matters



Special case: 2-player zero-sum normal-form games Recall: Row player plays Minimax strategy

- Minimizes the maximum expected utility to the Col
- Minimax utility:  $\min_{\sigma_{-i}} \max_{s_i} u_i(s_i, \sigma_{-i})$

Doesn't matter who commits to what, when

Minimax strategies= Nash Equilibrium= Stackelberg Equilibrium(not the case for general games)

Polynomial time computation via LP – earlier lectures



Strong Stackelberg Equilibrium (SSE): follower breaks ties in favor of the leader

Theorem [Conitzer & Sandholm]: In 2-player, general-sum normal-form games, an SSE can be found in polytime

Idea:

- Iterate over every follower pure strategy aka column c
- Compute a mixed strategy r for leader such that playing pure strategy c is a best response for follower
- Choose r\*, the best (aka highest value for leader) mixed strategy amongst those strategies!

[Conitzer & Sandholm, Computing the optimal strategy to commit to, EC-06]



Separate LP for every column c\*:

 $\begin{array}{l} maximize \ \Sigma_r \ p_r \ u_R(r, \ c^*) \quad \mbox{Row utility} \\ s.t. \\ for all \ c, \ \Sigma_r \ p_r \ u_C(r, \ c^*) \geq \Sigma_r \ p_r \ u_C(r, \ c) \\ \Sigma_r \ p_r = 1 \\ for all \ r, \ p_r \geq 0 \end{array} \begin{array}{l} Column \ optimality \\ Distributional \\ constraints \end{array}$ 

#### **Choose strategy from LP with highest objective**

[Conitzer & Sandholm, Computing the optimal strategy to commit to, EC-06]

# **RUNNING EXAMPLE**

maximize 1x + 0ys.t.  $1x + 0y \ge 0x + 1y$  x + y = 1  $x \ge 0$  $y \ge 0$  maximize 3x + 2ys.t.  $0x + 1y \ge 1x + 0y$ x + y = 1 $x \ge 0$  $y \ge 0$ 

VC

# IS COMMITMENT ALWAYS GOOD FOR THE LEADER?

#### Yes, if we allow commitment to mixed strategies

- Always weakly better to commit [von Stengel & Zamir, 2004] ??????
- If (r\*, c) is Nash, then Row can always commit to r\* → Col will play c\*, can achieve value of that equilibrium

#### What about only pure strategies?

Expected utility to Row by playing mixed Nash: ???????????

#### $E_{R}[<1/3,1/3,1/3>]=0$

```
E_{R}[ <1,0,0> ] = -1 \\ E_{R}[ <0,1,0> ] = -1 \\ E_{R}[ <0,0,1> ] = -1
```





Bayesian games: player *i* draws type  $\theta_i$  from  $\Theta$ Special case: follower has only one type, leader has type  $\theta$ 

Like before, solve a separate LP for every column c\*:

```
\begin{array}{l} \textit{maximize } \Sigma_{\theta} \pi(\theta) \ \Sigma_{r} \ p_{r,\theta} \ u_{R,\theta}(r, \ c^{*}) \\ \textit{s.t.} \\ \textit{for all } c, \ \Sigma_{\theta} \pi(\theta) \ \Sigma_{r} \ p_{r,\theta} \ u_{C}(r, \ c^{*}) \geq \Sigma_{\theta} \pi(\theta) \ \Sigma_{r} \ p_{r,\theta} \ u_{C}(r, \ c) \\ \textit{for all } \theta, \ \Sigma_{r} \ p_{r,\theta} = 1 \\ \textit{for all } r, \theta, \ p_{r,\theta} \geq 0 \end{array}
```

Choose strategy from LP with highest objective



- 2-Player, zero-sum
- 2-Player, general-sum
- 2-Player, general-sum, Bayesian with 1-type follower

In general, NP-hard to compute:

- 2-Player, general-sum, Bayesian with 1-type leader
  - Arguably more interesting ("I know my own type")
- 2-Player, general-sum, Bayesian general
- *N*-Player, for *N* > 2:
  - 1<sup>st</sup> player commits, N-1-Player leader-follower game, 2<sup>nd</sup> player commits, recurse until 2-Player leader-follower



# STACKELBERG SECURITY GAMES

#### Leader-follower → Defender-attacker

- Defender is interested in protecting a set of targets
- Attacker wants to attack the targets

#### The defender is endowed with a set of resources

• Resources protect the targets and prevent attacks

#### **Utilities:**

- Defender receives positive utility for preventing attacks, negative utility for "successful" attacks
- Attacker: positive utility for successful attacks, negative otherwise
- Not necessarily zero-sum

# SECURITY GAMES: A FORMAL MODEL

Defined by a 3-tuple (N, U, M):

- N: set of *n* targets
- U: utilities associated with defender and attacker
- M: all subsets of targets that can be simultaneously defended by deployments of resources
  - A schedule S ⊆ 2<sup>N</sup> is the set of target defended by a single resource r
  - Assignment function A : R → 2<sup>s</sup> is the set of all schedules a specific resource can support
- Then we have *m* pure strategies, assigning resources such that the union of their target coverage is in M
- Utility u<sub>c,d</sub>(i) and u<sub>u,d</sub>(i) for the defender when target i is attacked and is covered or defended, respectively



#### Targets Defender u<sub>c,d</sub>(i) u<sub>u,d</sub>(i) u<sub>c,a</sub>(i) u<sub>c,a</sub>(i) u<sub>u,a</sub>(i) u<sub>u,a</sub>(i) Π 1 -1 +1 0 +1 0 0 2 0 -2 0 +5 0 +1

[Blum, Haghtalab, Procaccia, Learning to Play Stackelberg Security Games, 2016]

# **REAL-WORLD SECURITY GAMES**

Lots of deployed applications!

- Checkpoints at airports
- Patrol routes in harbors
- Scheduling Federal Air Marshalls
- Patrol routes for anti-poachers

USC University of Southern California



**Carnegie Mellon** 

Typically solve for strong Stackelberg Equilibria:

- Tie break in favor of the defender; always exists
- Can often "nudge" the adversary in practice

Two big practical problems: computation and uncertainty

# OVERVIEW OF AN IMPACTFUL PAPER IN THIS SPACE [Kiekintveld et al. 2009]

#### Computing Optimal Randomized Resource Allocations for Massive Security Games (linked on course webpage)

- Motivated first by resource assignment for checkpoints at LAX, e.g., multiple canine units assigned to cover multiple terminals ...
- ... and later by much larger games such as Federal Air Marshals Service assignments and port inspection.

#### m resources to cover n targets, m < n

#### Defender (leader) commits to a mixed strategy

#### Attacker (follower) observes the probabilities for each coverage set

• Surveillance, insider threat, etc – maybe not perfectly realistic

#### Attacker chooses a pure strategy

Equilibrium concept not ex post

# OVERVIEW OF AN IMPACTFUL PAPER IN THIS SPACE [Kiekintveld et al. 2009]

Initially assume interchangeable resources (extended in paper, will cover in a few slides by introducing "types")

Assume players are risk neutral

#### One type of follower (attacker)

- Recall: one type of follower → PTIME solvable, one LP solved for each pure strategy of follower …
- ... but the number of pure strategies in some games might be large, e.g., with 100 targets and 10 resources, 1.7 x 10<sup>13</sup>!

# **RUNNING EXAMPLE**

#### 4 targets, 2 resources

#### Qualitatively:

- Defender values all 4 targets equally (and prefers a covered attack to an uncovered attack).
- Attacker gets twice as much utility for successful attack on target 3. All failed attacks get the same (lower) utility.

# MOTIVATION AND INTRODUCTION

3

4

"Utility for leader θ if the target 3 is attacked and it is covered (c) or uncovered (u)"

 $u_{\Theta}^{c}(3) = u_{\Theta}^{u}(3)$ 

Targets {1, 2, 4}			
	Covered Uncovered		
Defender	4	1	
Attacker	0	1	

2

	Targ	et 3		
	Cover	€d	Un¢	overed
Defender	4	ł	¥	1
Attacker	0		1	2
$u_{\Psi}^{c}(3)  u_{\Psi}^{u}(3)$				

"Utility for follower Ψ if attacks target 3 and it is covered (c) / uncovered (u)

#### COMPACT REPRESENTATIONS OF SECURITY GAMES—EXTENSIVE FORM IS TOO BIG!

Defender commits to a mixed strategy (one of uncountably many, i.e., EFG tree will be infinite size)

$$\Delta = (\delta_{12}, \delta_{13}, \delta_{14}, \delta_{23}, \delta_{24}, \delta_{34})$$
  
$$\forall i, j \ 0 \le \delta_{ij} \le 1$$
  
$$\sum_{i,j} \delta_{ij} = m$$
 In general, size  $\binom{n}{m}$ 

Attacker strategy is an efficient algorithm, which given any mixed strategy,  $\Delta$ , computes target  $\arg \max_{t \in \Gamma(\Delta)} U_{\Theta}(\Delta, t)$ 

Where optimization is taken over the attack set  $\Gamma(\Delta)$ , the set of targets yielding max expected payoff for attacker given  $\Delta$ 

 $\Gamma(\Delta) = \{t : t \in \arg \max U_{\Psi}(\Delta, t)\}\$ 

# **COMPACT REPRESENTATIONS OF SECURITY GAMES**

Key insight: the only information needed to represent the defender strategy is the probabilities a target is covered

$$\begin{split} \delta_{\Theta}^{1,2} + \delta_{\Theta}^{1,3} + \delta_{\Theta}^{1,4} &= c_1 \checkmark \\ \delta_{\Theta}^{1,2} + \delta_{\Theta}^{2,3} + \delta_{\Theta}^{2,4} &= c_2 \\ \delta_{\Theta}^{1,3} + \delta_{\Theta}^{2,3} + \delta_{\Theta}^{3,4} &= c_3 \\ \delta_{\Theta}^{1,4} + \delta_{\Theta}^{2,4} + \delta_{\Theta}^{3,4} &= c_4 \end{split}$$

In our 2 resources, 4 targets example: probability  $c_1$  that target 1 is covered is sum of all pure strategies that cover 1

#### This gives us a coverage vector C

• Running example:  $C = [c_1, c_2, c_3, c_4]$ 

ERASER (Efficient Randomized Allocation of SEcurity Resources) takes security game & computes C that is SSE for defender

# ERASER FORMULATION



# ERASER FORMULATION

 $egin{array}{ccccc} \max & d \ a_t \in & \{0,1\} & orall t \in T \ \sum_{t \in T} a_t = & 1 \ c_t \in & [0,1] & orall t \in T \ \sum_{t \in T} c_t \leq & m \end{array}$ 

 $d - U_{\Theta}(t, C) \leq (1 - a_t) \cdot Z \quad \forall t \in T$   $0 \leq k - U_{\Phi}(t, C) \leq (1 - a_t) \cdot Z \quad \forall t \in T$ 

Expected utility to leader given attack on t and coverage vector with coverage  $c_t$ 

$$U_{\Theta}(t,C) = c_t U_{\Theta}^c(t) + (1-c_t) U_{\Theta}^u(t)$$

Determine the defender's expected payoff d, given the target attacked (a<sub>t</sub>)

- For unattacked targets (a<sub>t</sub>=0), RHS is huge (i.e., Z)
- For attacked target (a<sub>t</sub>=1), RHS is 0 → d = utility of defender given t attacked, and coverage vector C

**Objective: maximize d** 

# ERASER FORMULATION

 $\begin{array}{cccc} \max & d \\ a_t \in & \{0,1\} & \forall t \in T \\ \sum_{t \in T} a_t = & 1 \\ c_t \in & [0,1] & \forall t \in T \\ \sum_{t \in T} c_t \leq & m \end{array}$ 

 $d - U_{\Theta}(t, C) \leq (1 - a_t) \cdot Z \quad \forall t \in T$  $0 \leq k - U_{\Psi}(t, C) \leq (1 - a_t) \cdot Z \quad \forall t \in T$  Two bottom sets of constraints imply that defender's coverage vector C is best response to attack vector A, & vice versa

→ Strong Stackelberg Equilibrium

"Big M" (or in this case "Big Z") style of constraints are a common way to encode if statements

#### **ERASER: RUNNING EXAMPLE** (2 RESOURCES, 4 TARGETS)

 $\max d$ 

s.t.

$$a_{1} + a_{2} + a_{3} + a_{4} = 1$$

$$c_{1} + c_{2} + c_{3} + c_{4} \leq m$$

$$d - 4c_{1} + (c_{1} - 1) \leq (1 - a_{1})Z$$

$$d - 4c_{2} + (c_{2} - 1) \leq (1 - a_{2})Z$$

$$d - 4c_{3} + (c_{3} - 1) \leq (1 - a_{3})Z$$

$$d - 4c_{4} + (c_{4} - 1) \leq (1 - a_{4})Z$$

$$0 \leq k + c_{1} - 1 \leq (1 - a_{1})Z$$

$$0 \leq k + c_{2} - 1 \leq (1 - a_{2})Z$$

$$0 \leq k + c_{3} - 2 \leq (1 - a_{3})Z$$

$$0 \leq k + c_{4} - 1 \leq (1 - a_{4})Z$$

$$c_{t} \in [0, 1]$$

$$a_{t} \in \{0, 1\}$$

#### **ERASER: RUNNING EXAMPLE** (2 RESOURCES, 4 TARGETS)

Elapsed time = 0.01 sec. (0.26 ticks, tree = 0.01 MB, solutions = 3)
Root node processing (before b&c): Real time = 0.01 sec. (0.26 ticks) Parallel b&c. 4 threads:
Real time = 0.00 sec. (0.00 ticks) Sync time (average) = 0.00 sec. Wait time (average) = 0.00 sec.
Total (root+branch&cut) =   0.01 sec. (0.26 ticks)
Solution status = 101 : MIP_optimal Solution value = 3.14285714286 Row 0: Slack = 0.000000 Row 1: Slack = 0.000000 Row 2: Slack = 99.142857 Row 3: Slack = 99.142857 Row 4: Slack = 0.000000 Row 5: Slack = 0.000000 Row 7: Slack = 0.000000 Row 7: Slack = 0.000000 Row 9: Slack = 0.000000 Row 10: Slack = 100.000000 Row 11: Slack = 100.000000 Row 12: Slack = 0.000000 Row 12: Slack = 0.000000 Column 0: Value = 3.142857 Column 1: Value = -0.000000 Column 2: Value = 1.000000 Column 3: Value = 1.000000 Column 4: Value = 0.428571 Column 7: Value = 0.714286 Column 7: Value = 0.714286 Column 7: Value = 0.428571
Column 9: Value = 0.571429
Coverage vector: [0.4285/14285/1, 0.4285/14285/1, 0.714285/14285/14285/14285/14285/1 Adversary attack vector: [-0.0, -0.0, 1.0, 0.0]
mb_pro_umd:mech ngupta\$ 📕 🛛 🥤 🥤

 $c_1 = c_2 = c_4 = 3/7$  $c_3 = 5/7$ 

# ERASER – RUNNING EXAMPLE

Problem: we need mixture over pure strategies (i.e., placements of resources on targets), not just coverage vector

$$\delta_{12} + \delta_{13} + \delta_{14} = 3/7$$
  

$$\delta_{12} + \delta_{23} + \delta_{24} = 3/7$$
  

$$\delta_{13} + \delta_{23} + \delta_{34} = 5/7$$
  

$$\delta_{14} + \delta_{24} + \delta_{34} = 3/7$$
  

$$0 \le \delta_{12} \le 1$$
  

$$0 \le \delta_{13} \le 1$$
  

$$0 \le \delta_{14} \le 1$$
  

$$0 \le \delta_{23} \le 1$$
  

$$0 \le \delta_{24} \le 1$$
  

$$0 \le \delta_{34} \le 1$$

$$\delta_{12} = \delta_{14} = \delta_{24} = 2/22$$
$$\delta_{13} = \delta_{23} = \delta_{34} = 5/22$$

# ERASER-C(ONSTRAINED)

 $0 \leq$ 

Can generalize to a setting where resources have a type drawn from some type space  $\Omega$ 

Type  $\omega$  in  $\Omega$  determines feasible coverage schedules, i.e., subsets of targets coverable by that resource

Yields a very similar compact IP, similar solution of probability mass placed on each resource and schedule

max	d	
$a_t\in$	$\{0,1\}$	$\forall t \in T$
$c_t \in$	[0,1]	$\forall t \in T$
$q_s\in$	[0,1]	$\forall s \in S$
$h_{s,\omega}\in$	[0,1]	$\forall s,\omega \in S \times \Omega$
$\sum_{t\in T}a_t =$	1	
$\sum_{\omega\in\Omega}h_{s,\omega}=$	$q_s$	$\forall s \in S$
$\sum_{s\in S} q_s M(s,t) =$	$c_t$	$\forall t \in T$
$\sum_{s\in S}h_{s,\omega}Ca(s,\omega)\leq 0$	$\mathcal{R}(\omega)$	$\forall \omega \in \Omega$
$h_{s,\omega} \leq$	$Ca(s,\omega)$	$\forall s,\omega \in S \times \Omega$
$d - U_{\Theta}(t,C) \leq$	$(1-a_t)\cdot Z$	$\forall t \in T$
$0 \le k - U_{\Psi}(t, C) \le 0$	$(1-a_t) \cdot Z$	$\forall t \in T$

#### HOW TO COMPUTE THE ACTUAL MIXED STRATEGY TO FOLLOW?

Kiekintveld paper proved feasible solutions (i.e., coverage vectors) to their MIPs corresponded to mixed strategies

Did not show how to compute them quickly ( $\binom{n}{m}$  variables  $\delta_{\omega,t}$ )

#### First idea: for each target t\*:

- Solve separate compact LP under the constraint that the attacker is incentivized to attack t\*
- Pick LP with best defender utility
- Just like last lecture!

Problem: this still gives marginal probabilities over targets

We need probability mixture over pure strategies!

 $\begin{array}{l} \text{maximize } U_d(t^*, \mathbf{c}) \\ \text{subject to} \\ \forall \omega \in \Omega, \forall t \in A(\omega) : 0 \leq c_{\omega, t} \leq 1 \\ \forall t \in T : c_t = \sum_{\omega \in \Omega: t \in A(\omega)} c_{\omega, t} \leq 1 \\ \forall \omega \in \Omega : \sum_{t \in A(\omega)} c_{\omega, t} \leq 1 \\ \forall t \in T : U_a(t, \mathbf{c}) \leq U_a(t^*, \mathbf{c}) \end{array}$ 

#### A TOOL: BIRKHOFF-VON NEUMANN THEOREM

Every doubly stochastic n x n matrix can be represented as a convex combination of n x n permutation matrices

.1	.4	.5
.3	.5	.2
.6	.1	.3



Decomposition can be found in polynomial time  $O(n^{4.5})$ , and the size is  $O(n^2)$  [Dulmage and Halperin, 1955]

Can be extended to rectangular doubly substochastic matrices

### SCHEDULES OF SIZE 1 USING BVN

"Schedule of size 1"  $\rightarrow$ resource is assigned to exactly one target



0

0

.1

0

1

1

0

0

0

	t <sub>1</sub>	t <sub>2</sub>	t <sub>3</sub>
ω <sub>1</sub>	.7	.2	.1
00 <sub>2</sub>	0	.3	.7



1	0	0
0	1	0

.2







2 resources  $\omega_1 \& \omega_2$ , schedules of size 2

LP suggests: we can cover every target with probability 1 ?????

... but in fact we can cover at most 3 targets at a time  $\rightarrow$  for general schedule sizes, it is not always possible to find feasible mixture

#### ALGORITHMS & COMPLEXITY [Korzh Comp

[Korzhyk, Conitzer, Parr, "Complexity of Computing Optimal Stackelberg Strategies in Security Resource Allocation Games]

		Homogeneous Resources	Heterogeneous resources
	Size 1	P	P (BvN theorem)
Schedules	Size ≤2, bipartite	P (BvN theorem)	NP-hard (SAT)
	Size ≤2	P (constraint generation)	NP-hard
	Size ≥3	NP-hard (3-COVER)	NP-hard