Game Engineering

Robert Aumann

Center for the Study of Rationality The Hebrew University of Jerusalem

Science (Theory): Understanding Natural or Social Processes

Engineering: Using Theory to design practical devices

Game Theory: Understanding Strategic Interaction

Game Engineering: Using Game Theory to design practical interactive systems

Game Engineering in one word:

Incentives



024

Valentin de BOULOGNE, dit LE VALENTIN Coulommiers (Seine-et-Marne), 1591 -Rome, 1632

Le Jugement de Salomon. Vers 1625

Devant reconnaître la mère d'un enfant que deux femmes se disputaient, le roi Salomon ordonna de le couper en deux et d'en donner la moitié à chacune. Salomon vit ainsi en celle qui y renonça la vraie mère.

Collection de Louis XIV (acquis des héritiers du cardinal Mazarin en 1661)

INV. 8246

Other Examples of Game Engineering

- Final offer arbitration
- Auctions
 - Strategy
 - Design
- Matching
- Traffic
 - Strategy
 - Design
- Elections
- Asset Division

Traffic - Design



Traffic - Design



Matching

20 men20 womenEach man has a preference order on the women.Each woman has a preference order on the men.

A matching is an assignment of men to women. A matching is **unstable** if there is a couple who are **not** matched, and **prefer each other** to their partners.

Otherwise, it is stable.

Matching

FACT (Gale & Shapley, 1962) **There is always a stable matching.**

(The number 20 is not important; it is true for any number.)

Applications:

Hospital Interns, Kidney Donations, High Schools

Matching: Two sexes needed

<u>Adam</u>	<u>Bryce</u>	<u>Charles</u>	<u>Donald</u>
Bryce	Charles	Adam	Adam
Charles	Adam	Bryce	Bryce
Donald	Donald	Donald	Charles



Cake Cutting (Asset Division -- Steven Brams)

(1) One child: S/he gets it all.

(2) Two Children:One cuts, the other chooses

(3) Three Children (Ann, Bob, Cal):

- i. Ann cuts a piece of the cake.
- ii. Bob can leave it, or make it smaller.
- iii. Cal can leave the remaining piece, or make it smaller.

Whoever cuts the cake last, gets the remaining piece. The rest is divided between the other two children as in (2).

Cake Cutting



Asset Division



Asset Division



Cake Cutting (Asset Division)

(n) n children:

The children take turns. The first cuts a piece of the cake. The second can leave it, or make it smaller. Each successive child can leave the remaining piece, or make it smaller.

Whoever cuts the cake last, gets the remaining piece. The rest is divided between the remaining children as in (n-1).

Thank You!