# Evolutionary game theory and cognition

Artem Kaznatcheev

University of Waterloo

November 9, 2010

Artem Kaznatcheev (University of Waterloo) Evolutionary game theory and cognition



 A game between two players (Alice and Bob) is represented by a matrix G of pairs.

Example

$$\begin{pmatrix} (3,1) & (2,3) \\ (-1,2) & (3,-1) \end{pmatrix}$$

### Two player games

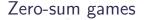
 A game between two players (Alice and Bob) is represented by a matrix G of pairs.

Example

$$\begin{pmatrix} (3,1) & (2,3) \\ (-1,2) & (3,-1) \end{pmatrix}$$

If Alice plays strategy i and Bob plays strategy j then (a, b) := G<sub>ij</sub> is the outcome, where a corresponds to the change in Alice's utility and b to Bob's.





#### Definition

A game G is a zero-sum game if for each  $(a, b) := G_{ij}$  we have a + b = 0.

### Zero-sum games

#### Definition

A game G is a zero-sum game if for each  $(a, b) := G_{ij}$  we have a + b = 0.

Example

$$\begin{pmatrix} (1,-1) & (-1,1) \ (-1,1) & (1,-1) \end{pmatrix}$$

### Zero-sum games

#### Definition

A game G is a zero-sum game if for each  $(a, b) := G_{ij}$  we have a + b = 0.

Example

$$egin{pmatrix} (1,-1) & (-1,1) \ (-1,1) & (1,-1) \end{pmatrix}$$

 Zero-sum games are the epitome of competition. Any gain for Alice is a loss for Bob, and vice-versa.

### Coordination games

#### Definition

A two-strategy game G is a coordination game if we have

$$G = \begin{pmatrix} (a_1, b_1) & (c_2, d_1) \\ (c_1, d_2) & (a_2, b_2) \end{pmatrix}$$

And  $a_1 > c_1$ ,  $a_2 > c_2$ ,  $b_1 > d_1$ ,  $b_2 > d_2$ .

### Coordination games

#### Definition

A two-strategy game G is a coordination game if we have

$$G = \begin{pmatrix} (a_1, b_1) & (c_2, d_1) \\ (c_1, d_2) & (a_2, b_2) \end{pmatrix}$$

And  $a_1 > c_1$ ,  $a_2 > c_2$ ,  $b_1 > d_1$ ,  $b_2 > d_2$ .

Examples

$$\begin{pmatrix} (1,1) & (-1,-1) \\ (-1,-1) & (1,1) \end{pmatrix}, \begin{pmatrix} (2,1) & (0,0) \\ (0,0) & (1,2) \end{pmatrix}, \begin{pmatrix} (4,4) & (0,2) \\ (2,0) & (3,3) \end{pmatrix}$$

### Coordination games

#### Definition

A two-strategy game G is a coordination game if we have

$$G = \begin{pmatrix} (a_1, b_1) & (c_2, d_1) \\ (c_1, d_2) & (a_2, b_2) \end{pmatrix}$$

And  $a_1 > c_1$ ,  $a_2 > c_2$ ,  $b_1 > d_1$ ,  $b_2 > d_2$ .

Examples

$$\begin{pmatrix} (1,1) & (-1,-1) \\ (-1,-1) & (1,1) \end{pmatrix}, \begin{pmatrix} (2,1) & (0,0) \\ (0,0) & (1,2) \end{pmatrix}, \begin{pmatrix} (4,4) & (0,2) \\ (2,0) & (3,3) \end{pmatrix}$$

- The diagonals are always better for both players, they just have to figure out how to pick the same strategy.
- Captures the idea of win-win, lose-lose situations.

Zero-sum and coordination games are mutually exclusive: there is no game that is both zero-sum and a coordination game.

- Zero-sum and coordination games are mutually exclusive: there is no game that is both zero-sum and a coordination game.
- Upside: zero-sum and coordination provide a good duality between impossibility of cooperation and obvious cooperation.

- Zero-sum and coordination games are mutually exclusive: there is no game that is both zero-sum and a coordination game.
- Upside: zero-sum and coordination provide a good duality between impossibility of cooperation and obvious cooperation.
- Downside: both types of games are really boring. The most interesting games (from a mathematical and modeling point of view) are neither zero-sum nor coordination.

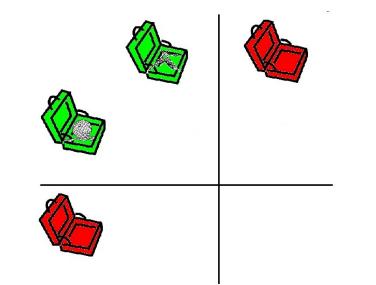
- Zero-sum and coordination games are mutually exclusive: there is no game that is both zero-sum and a coordination game.
- Upside: zero-sum and coordination provide a good duality between impossibility of cooperation and obvious cooperation.
- Downside: both types of games are really boring. The most interesting games (from a mathematical and modeling point of view) are neither zero-sum nor coordination.
- Being non-zero-sum does not ensure cooperation.

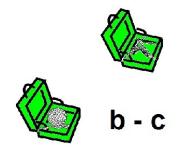
Artem Kaznatcheev (University of Waterloo) Evolutionary game theory and cognitior





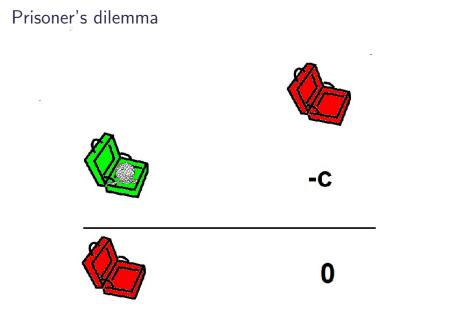
Artem Kaznatcheev (University of Waterloo) Evolutionary game theory and cognition

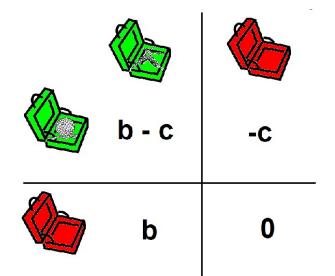


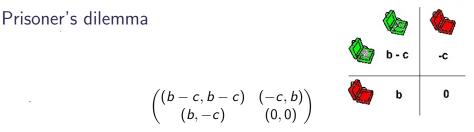




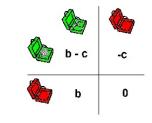
Artem Kaznatcheev (University of Waterloo) Evolutionary game theory and cognition



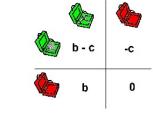




- b is the benefit of receiving and c is the cost of giving.
- Strategy 1 is called cooperate or C and strategy 2 is called defect or D.



- $\begin{pmatrix} (b-c,b-c) & (-c,b) \\ (b,-c) & (0,0) \end{pmatrix}$
- b is the benefit of receiving and c is the cost of giving.
- Strategy 1 is called cooperate or C and strategy 2 is called defect or D.
- ► The rational strategy (or Nash equilibrium) is mutual defection.



$$\begin{pmatrix} (b-c,b-c) & (-c,b) \\ (b,-c) & (0,0) \end{pmatrix}$$

- b is the benefit of receiving and c is the cost of giving.
- Strategy 1 is called cooperate or C and strategy 2 is called defect or D.
- The rational strategy (or Nash equilibrium) is mutual defection.
- The best for the players taken together (or Pareto optimum) is mutual cooperation.

# Symmetric games

#### Definition

G is a symmetric game if for all strategies p and q we have:

fst(G(p,q)) = snd(G(q,p))

### Symmetric games

Definition

G is a symmetric game if for all strategies p and q we have:

fst(G(p,q)) = snd(G(q,p))

Neither player is preferred or treated differently: every player is identical with respect to the game rules.

# Symmetric games

Definition

G is a symmetric game if for all strategies p and q we have:

fst(G(p,q)) = snd(G(q,p))

- Neither player is preferred or treated differently: every player is identical with respect to the game rules.
- The representation of a game does not require writing those confusing pairs
- For example, all 2 player 2 strategy symmetric games can be written in the form:

$$\begin{pmatrix} (R,R) & (S,T) \\ (T,S) & (P,P) \end{pmatrix} \rightarrow \begin{pmatrix} R & S \\ T & P \end{pmatrix}$$

### Cooperate-Defect games

#### Definition

A symmetric two-strategy game is a cooperate-defect game if the two pure strategies p and q have G(p, p) > G(q, q). In this case, we call p cooperation and q defection.

### Cooperate-Defect games

#### Definition

A symmetric two-strategy game is a cooperate-defect game if the two pure strategies p and q have G(p, p) > G(q, q). In this case, we call p cooperation and q defection.

This captures the interesting two player games.

### Cooperate-Defect games

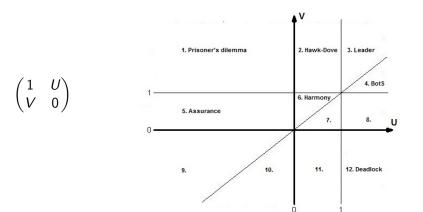
#### Definition

A symmetric two-strategy game is a cooperate-defect game if the two pure strategies p and q have G(p, p) > G(q, q). In this case, we call p cooperation and q defection.

- This captures the interesting two player games.
- Allows us to reduce the general game to two parameters by removing constant offset and picking our units:

$$\begin{pmatrix} R & S \\ T & P \end{pmatrix} \rightarrow \begin{pmatrix} 1 & U \\ V & 0 \end{pmatrix}$$

# U-V plane



November 9, 2010 8 / 17

# Nash equilibrium

#### Definition

A strategy pair (p, q) is a Nash equilibrium of a game G if for all other strategies r we have:

$$fst(G(p,q)) \ge fst(G(r,q))$$

and

$$snd(G(p,q)) \ge snd(G(p,r))$$

# Nash equilibrium

#### Definition

A strategy pair (p, q) is a Nash equilibrium of a game G if for all other strategies r we have:

$$fst(G(p,q)) \ge fst(G(r,q))$$

and

$$snd(G(p,q)) \ge snd(G(p,r))$$

 Informally: neither Alice nor Bob can improve their payoff by unilateral change of strategy.

# Nash equilibrium

#### Definition

A strategy pair (p, q) is a Nash equilibrium of a game G if for all other strategies r we have:

$$fst(G(p,q)) \ge fst(G(r,q))$$

and

$$snd(G(p,q)) \ge snd(G(p,r))$$

- Informally: neither Alice nor Bob can improve their payoff by unilateral change of strategy.
- If we only allow pure strategies then replace G(i, j) by  $G_{ij}$
- If we allow mixed strategies, then every game has at least one Nash equilibrium

### Pareto optimum

#### Definition

A strategy pair (p, q) is a Pareto optimum of a game G is there is no other strategy pair (p', q') such that G(p', q') > G(p, q)

## Pareto optimum

#### Definition

A strategy pair (p, q) is a Pareto optimum of a game G is there is no other strategy pair (p', q') such that G(p', q') > G(p, q)

- Informally: there is no other strategy such that both Alice and Bob get a better payoff.
- Every game has at least one Pareto optimum

### Pareto optimum

#### Definition

A strategy pair (p, q) is a Pareto optimum of a game G is there is no other strategy pair (p', q') such that G(p', q') > G(p, q)

- Informally: there is no other strategy such that both Alice and Bob get a better payoff.
- Every game has at least one Pareto optimum

Example

$$\begin{pmatrix} (2,1) & (0,0) \\ (0,0) & (1,2) \end{pmatrix}, \begin{pmatrix} (2,-3) & (-1,1) \\ (0,0) & (-2,2) \end{pmatrix}$$

Alice needs to be aware of her own utility function

- Alice needs to be aware of her own utility function
- To check if she is currently in Nash equilibrium (at least from her perspective) Alice needs to be able to simulate the game in her mind (thus she must understand the interaction)

- Alice needs to be aware of her own utility function
- To check if she is currently in Nash equilibrium (at least from her perspective) Alice needs to be able to simulate the game in her mind (thus she must understand the interaction)
- ► To find a Nash equilibrium Alice needs to be able to simulate the game and she must be able to place herself in Bob's shoes.

- Alice needs to be aware of her own utility function
- To check if she is currently in Nash equilibrium (at least from her perspective) Alice needs to be able to simulate the game in her mind (thus she must understand the interaction)
- ► To find a Nash equilibrium Alice needs to be able to simulate the game and she must be able to place herself in Bob's shoes.
- Do we even expect humans to be able to do all of this?

- Alice needs to be aware of her own utility function
- To check if she is currently in Nash equilibrium (at least from her perspective) Alice needs to be able to simulate the game in her mind (thus she must understand the interaction)
- To find a Nash equilibrium Alice needs to be able to simulate the game and she must be able to place herself in Bob's shoes.
- Do we even expect humans to be able to do all of this?
- Let's bound rationality and see what happens!

- Strategy is a genetic trait and immutable by the agent.
- All cognition is stripped away

- Strategy is a genetic trait and immutable by the agent.
- All cognition is stripped away
- Game payoffs change the fitness of the agent.
- Agents reproductive rate increases with higher fitness.

- Strategy is a genetic trait and immutable by the agent.
- All cognition is stripped away
- Game payoffs change the fitness of the agent.
- Agents reproductive rate increases with higher fitness.
- Simplest model of biological evolution.
- Also applicable outside of biology.

- Strategy is a genetic trait and immutable by the agent.
- All cognition is stripped away
- Game payoffs change the fitness of the agent.
- Agents reproductive rate increases with higher fitness.
- Simplest model of biological evolution.
- Also applicable outside of biology.
- What happens to rationality?

#### Definition

#### Definition

A strategy s is an evolutionary stable strategy for a game G if for all other strategies r we have (a) fst(G(s,s)) > fst(G(r,s)), or (b) fst(G(s,s)) = fst(G(r,s)) and fst(G(s,r)) > fst(G(r,r)).

Consider a population all with strategy s, a mutant with strategy r cannot invade the population only if one of the following conditions holds:

#### Definition

- Consider a population all with strategy s, a mutant with strategy r cannot invade the population only if one of the following conditions holds:
  - r has a higher fitness than s in a population of all s.

#### Definition

- Consider a population all with strategy s, a mutant with strategy r cannot invade the population only if one of the following conditions holds:
  - r has a higher fitness than s in a population of all s.
  - ► r has the same fitness when interacting with s and the same or greater fitness when interacting with other r.

#### Definition

- Consider a population all with strategy s, a mutant with strategy r cannot invade the population only if one of the following conditions holds:
  - r has a higher fitness than s in a population of all s.
  - ► r has the same fitness when interacting with s and the same or greater fitness when interacting with other r.
- Compare this to the Nash equilibrium conditions.

#### Definition

- Consider a population all with strategy s, a mutant with strategy r cannot invade the population only if one of the following conditions holds:
  - r has a higher fitness than s in a population of all s.
  - ► r has the same fitness when interacting with s and the same or greater fitness when interacting with other r.
- Compare this to the Nash equilibrium conditions.
- The conditions are almost identical: we can think of the evolutionary process as a rational process (entity?)!.

The ESS predicts mutual defection in the Prisoner's dilemma, but we observe cooperation through out nature.

- The ESS predicts mutual defection in the Prisoner's dilemma, but we observe cooperation through out nature.
- ▶ The assumptions of the ESS:

- The ESS predicts mutual defection in the Prisoner's dilemma, but we observe cooperation through out nature.
- ► The assumptions of the ESS:
  - Random interactions (inviscid population)

- The ESS predicts mutual defection in the Prisoner's dilemma, but we observe cooperation through out nature.
- ► The assumptions of the ESS:
  - Random interactions (inviscid population)
  - No repeated interactions

- The ESS predicts mutual defection in the Prisoner's dilemma, but we observe cooperation through out nature.
- The assumptions of the ESS:
  - Random interactions (inviscid population)
  - No repeated interactions
  - Zero cognition in individual agents

- The ESS predicts mutual defection in the Prisoner's dilemma, but we observe cooperation through out nature.
- The assumptions of the ESS:
  - Random interactions (inviscid population)
  - No repeated interactions
  - Zero cognition in individual agents
- Various augmentations of the model create fascinating results, among them: cooperation.

Kin selection:

 Kin selection: the ability to recognize your children, siblings and parents

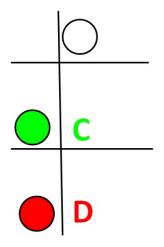
- Kin selection: the ability to recognize your children, siblings and parents
- Direct reciprocity (reciprocal altruism):

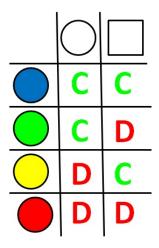
- Kin selection: the ability to recognize your children, siblings and parents
- Direct reciprocity (reciprocal altruism): the ability to remember previous interactions

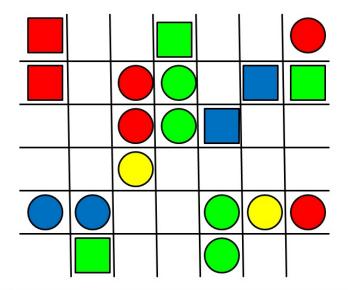
- Kin selection: the ability to recognize your children, siblings and parents
- Direct reciprocity (reciprocal altruism): the ability to remember previous interactions
- Indirect reciprocity:

- Kin selection: the ability to recognize your children, siblings and parents
- Direct reciprocity (reciprocal altruism): the ability to remember previous interactions
- Indirect reciprocity: the ability to track social constructs like reputation

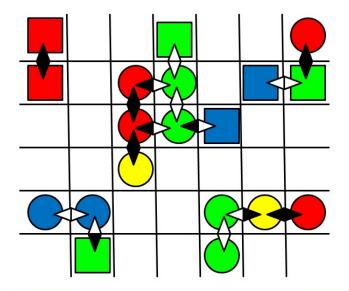
- Kin selection: the ability to recognize your children, siblings and parents
- Direct reciprocity (reciprocal altruism): the ability to remember previous interactions
- Indirect reciprocity: the ability to track social constructs like reputation
- Tag-based conditional strategies

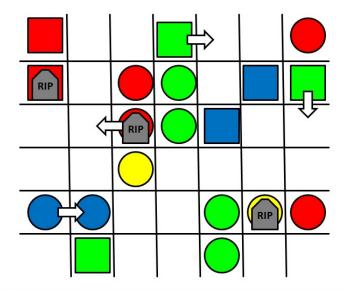


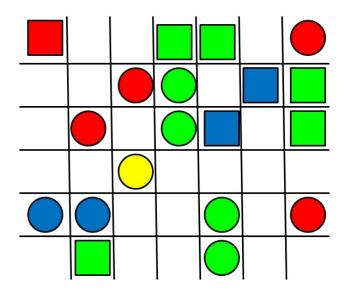


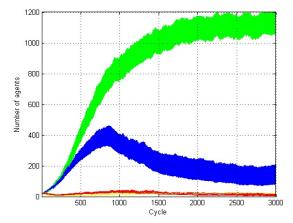


Artem Kaznatcheev (University of Waterloo) Evolutionary game theory and cognition









### Thank you!

For more info feel free to contact me at: artem.kaznatcheev@mail.mcgill.ca

### Thank you!

For more info feel free to contact me at: artem.kaznatcheev@mail.mcgill.ca Some fun resources:

- 1. Robert Wright: "The evolution of compassion" http://www.ted.com/talks/lang/eng/robert\_wright\_the\_ evolution\_of\_compassion.html
- 2. Howard Rheingold: "On collaboration" http://www.ted.com/talks/lang/eng/howard\_rheingold\_on\_ collaboration.html
- 3. Jonathan Haidt: "On the moral roots of liberals and conservatives" http://www.ted.com/talks/jonathan\_haidt\_on\_the\_moral\_ mind.html
- 4. Artem Kaznatcheev: "Evolving Cooperation" http://www.youtube.com/watch?v=bRuE3oP-JT8
- 5. Stanford Encyclopedia of Philosophy: "Evolutionary Game Theory" http://plato.stanford.edu/entries/game-evolutionary/