## CSC304 Lecture 18

Fair Division 1: Cake-Cutting

[Image and Illustration (you'll see!) Credits: Ariel Procaccia]

# Cake-Cutting

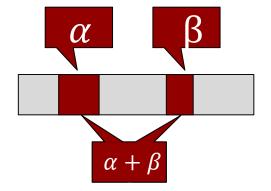
- A heterogeneous, divisible good
  - Heterogeneous: it may be valued differently by different individuals
  - Divisible: we can share/divide it between individuals
- Represented as [0,1]
  - > Almost without loss of generality
- Set of players  $N = \{1, ..., n\}$
- Piece of cake  $X \subseteq [0,1]$ 
  - > A finite union of disjoint intervals

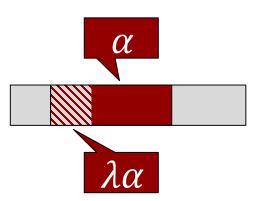


# Agent Valuations

• Each player i has a valuation  $V_i$  that is very much like a probability distribution over [0,1]

- Additive: For  $X \cap Y = \emptyset$ ,  $V_i(X) + V_i(Y) = V_i(X \cup Y)$
- Normalized:  $V_i([0,1]) = 1$
- Divisible:  $\forall \lambda \in [0,1]$  and X,  $\exists Y \subseteq X \text{ s.t. } V_i(Y) = \lambda V_i(X)$





## Fairness Goals

- An allocation is a disjoint partition  $A=(A_1,\ldots,A_n)$  of the cake
- We desire the following fairness properties from our allocation A:
- Proportionality (Prop):

$$\forall i \in N \colon V_i(A_i) \ge \frac{1}{n}$$

Envy-Freeness (EF):

$$\forall i, j \in N: V_i(A_i) \ge V_i(A_j)$$

## Fairness Goals

- Prop:  $\forall i \in N: V_i(A_i) \geq 1/n$
- EF:  $\forall i, j \in N: V_i(A_i) \geq V_i(A_j)$
- Question: What is the relation between proportionality and EF?
  - 1. Prop  $\Rightarrow$  EF
  - (2.) EF  $\Rightarrow$  Prop
  - 3. Equivalent
  - 4. Incomparable

## **CUT-AND-CHOOSE**

• Algorithm for n=2 players

- Player 1 divides the cake into two pieces X, Y s.t.  $V_1(X) = V_1(Y) = 1/2$
- Player 2 chooses the piece she prefers.

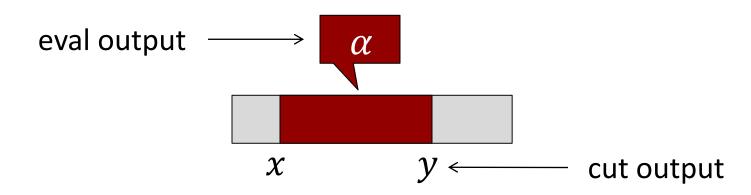
- This is EF and therefore proportional.
  - > Why?

# Input Model

- How do we measure the "time complexity" of a cake-cutting algorithm for n players?
- Typically, time complexity is a function of the length of input encoded as binary.
- Our input consists of functions  $V_i$ , which requires infinite bits to encode.
- We want running time just as a function of n.

## Robertson-Webb Model

- We restrict access to valuations  $V_i$ 's through two types of queries:
  - $\succ \text{Eval}_i(x, y) \text{ returns } V_i([x, y])$
  - $ightharpoonup \operatorname{Cut}_i(x,\alpha)$  returns y such that  $V_i([x,y])=\alpha$

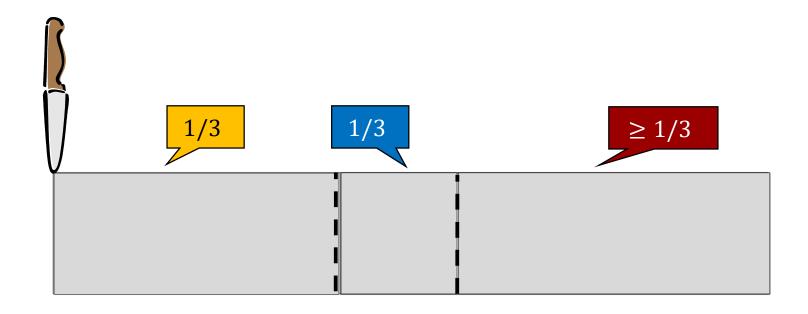


## Robertson-Webb Model

- Two types of queries:
  - $\triangleright \text{Eval}_i(x, y) = V_i([x, y])$
  - $ightharpoonup \operatorname{Cut}_i(x,\alpha) = y \text{ s.t. } V_i([x,y]) = \alpha$
- Question: How many queries are needed to find an EF allocation when n=2?
- Answer: 2
  - > Why?

ullet Protocol for finding a proportional allocation for n players

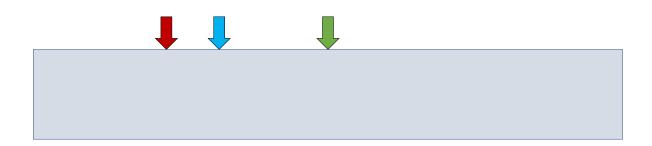
- Referee starts at 0, and continuously moves knife to the right.
- Repeat: when piece to the left of knife is worth 1
  /n to a player, the player shouts "stop", gets the
  piece, and exits.
- The last player gets the remaining piece.

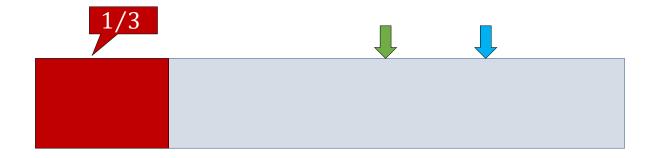


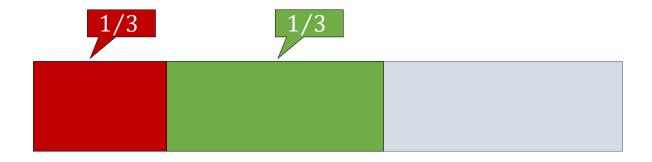
Moving knife is not really needed.

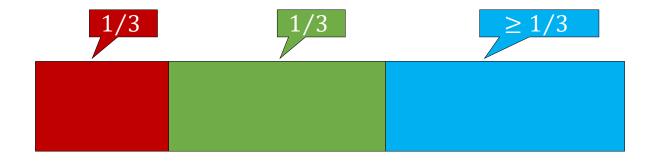
• At each stage, we can ask each remaining player a cut query to mark his 1/n point in the remaining cake.

Move the knife to the leftmost mark.









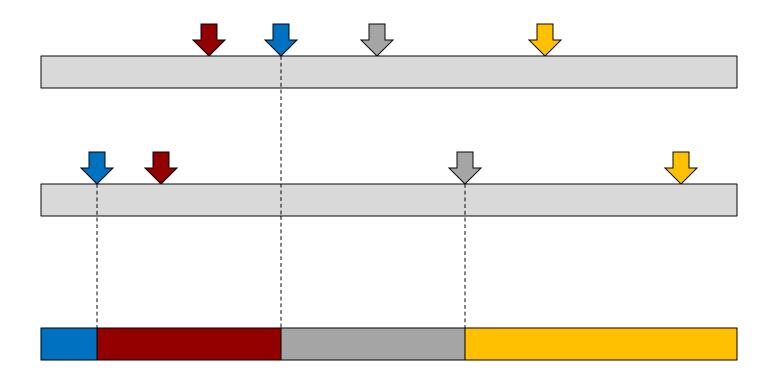
• Question: What is the complexity of the Dubins-Spanier protocol in the Robertson-Webb model?

- 1.  $\Theta(n)$
- 2.  $\Theta(n \log n)$
- $\Theta(n^2)$
- 4.  $\Theta(n^2 \log n)$

- Input: Interval [x, y], number of players n
  - $\triangleright$  Assume  $n=2^k$  for some k
- If n = 1, give [x, y] to the single player.
- Otherwise, let each player i mark  $z_i$  s.t.

$$V_i([x, z_i]) = \frac{1}{2} V_i([x, y])$$

- Let  $z^*$  be the n/2 mark from the left.
- Recurse on  $[x, z^*]$  with the left n/2 players, and on  $[z^*, y]$  with the right n/2 players.

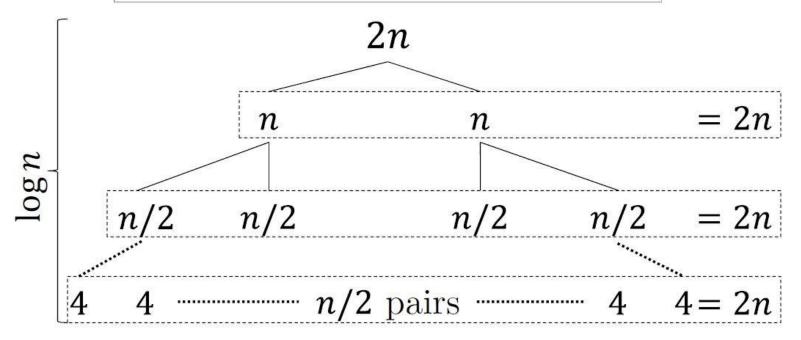


Theorem: EVEN-PAZ returns a Prop allocation.

#### Proof:

- > Inductive proof. We want to prove that if player i is allocated piece  $A_i$  when [x, y] is divided between n players,  $V_i(A_i) \ge (1/n)V_i([x, y])$ 
  - o Then Prop follows because initially  $V_i([x,y]) = V_i([0,1]) = 1$
- $\triangleright$  Base case: n=1 is trivial.
- > Suppose it holds for  $n = 2^{k-1}$ . We prove for  $n = 2^k$ .
- > Take the  $2^{k-1}$  left players.
  - $\circ$  Every left player i has  $V_i([x,z^*]) \ge (1/2) V_i([x,y])$
  - o If it gets  $A_i$ , by induction,  $V_i(A_i) \ge \frac{1}{2^{k-1}} V_i([x,z^*]) \ge \frac{1}{2^k} V_i([x,y])$

$$T(1) = 0, T(n) = 2n + 2T(\frac{n}{2})$$



Overall:  $2n \log n$ 

# Complexity of Proportionality

• Theorem [Edmonds and Pruhs, 2006]: Any proportional protocol needs  $\Omega(n \log n)$  operations in the Robertson-Webb model.

 Thus, the EVEN-PAZ protocol is (asymptotically) provably optimal!

# **Envy-Freeness?**

- "I suppose you are also going to give such cute algorithms for finding envy-free allocations?"
- Bad luck. For *n*-player EF cake-cutting:
  - > [Brams and Taylor, 1995] give an unbounded EF protocol.
  - $\triangleright$  [Procaccia 2009] shows  $\Omega(n^2)$  lower bound for EF.
  - > Last year, the long-standing major open question of "bounded EF protocol" was resolved!

#### Next Lecture

- Strategyproofness
- Pareto optimality
- Restricted case of multiple homogeneous goods
- Generalization to the case of indivisible goods