

# Game Theory with Costly Computation

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First Draft: April 2007  
This Draft: August 2008

## Abstract

We develop a general game-theoretic framework for reasoning about strategic agents performing possibly costly computation. In this framework, many traditional game-theoretic results (such as the existence of a Nash equilibrium) no longer hold. Nevertheless, we can use the framework to provide psychologically appealing explanations to observed behavior in well-studied games (such as finitely repeated prisoner’s dilemma and rock-paper-scissors). Furthermore, we provide natural conditions on games sufficient to guarantee that equilibria exist. As an application of this framework, we consider a notion of game-theoretic implementation of mediators in computational games. We show that a special case of this notion is equivalent to a variant of the traditional cryptographic definition of protocol security; this result shows that, when taking computation into account, the two approaches used for dealing with “deviating” players in two different communities—*Nash equilibrium* in game theory and *zero-knowledge simulation* in cryptography—are intimately related.

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# 1 Introduction

## 1.1 Game Theory with Costly Computation

Consider the following game. You are given a random odd  $n$ -bit number  $x$  and you are supposed to decide whether  $x$  is prime or composite. If you guess correctly you receive \$2, if you guess incorrectly you instead have to pay a penalty of \$1000. Additionally you have the choice of “playing safe” by giving up, in which case you receive \$1. In traditional game theory, computation is considered “costless”; in other words, players are allowed to perform an unbounded amount of computation without it affecting their utility. Traditional game theory suggests that you should compute whether  $x$  is prime or composite and output the correct answer; this is the only Nash equilibrium of the one-person game, no matter what  $n$  (the size of the prime) is. Although for small  $n$  this seems reasonable, when  $n$  grows larger most people would probably decide to “play safe”—as eventually the cost of computing the answer (e.g., by buying powerful enough computers) outweighs the possible gain of \$1.

The importance of considering such computational issues in game theory has been recognized since at least the work of Simon [1955]. There have been a number of attempts to capture various aspects of computation. Two major lines of research can be identified. The first line, initiated by Neyman [1985], tries to model the fact that players can do only bounded computation, typically by modeling players as finite automata. (See [Papadimitriou and Yannakakis 1994] and the references therein for more recent work on modeling players as finite automata; a more recent approach, first considered by Urbano and Villa [2004] and formalized by Dodis, Halevi and Rabin [2000], instead models players as polynomially bounded Turing machine.) The second line, initiated by Rubinstein [1986], tries to capture the fact that doing costly computation affects an agent’s utility. Rubinstein assumed that players choose a finite automaton to play the game rather than choosing a strategy directly; a player’s utility depends both on the move made by the automaton and the complexity of the automaton (identified with the number of states of the automaton). Intuitively, automata that use more states are seen as representing more complicated procedures. (See [Kalai 1990] for an overview of the work in this area in the 1980s, and [Ben-Sasson, Kalai, and Kalai 2007] for more recent work.)

Our focus is on providing a general game-theoretic framework for reasoning about agents performing costly computation. As in Rubinstein’s work, we view players as choosing a machine, but for us the machine is a Turing machine, rather than a finite automaton. We associate a complexity, not just with a machine, but with the machine and its input. The complexity could represent the running time of or space used by the machine on that input. The complexity can also be used to capture the complexity of the machine itself (e.g., the number of states, as in Rubinstein’s case) or to model the cost of searching for a new strategy to replace one that the player already has. For example, if a mechanism designer recommends that player  $i$  use a particular strategy (machine)  $M$ , then there is a cost for searching for a better strategy; switching to another strategy may also entail a psychological cost. By allowing the complexity to depend on the machine *and* the input, we can deal with the fact that machines run much longer on some inputs than on others. A player’s utility depends both on the actions chosen by all the players’ machines and the complexity of these machines. Note that, in general, unlike earlier papers, player  $i$ ’s utility may depend not just on the complexity of  $i$ ’s machine, but also on the complexity of the machines of other players. For example, it may be important to player 1 to compute an answer to a problem before player 2.

In this setting, we can define Nash equilibrium in the obvious way. However, as we show by a simple example (a rock-paper-scissors game where randomization is costly), a Nash equilibrium may not always exist. Other standard results in the game theory, such as the *revelation principle* (which, roughly speaking, says that there is always an equilibrium where players truthfully report their

types, i.e., their private information [Myerson 1979; Forges 1986]) also do not hold. We view this as a feature. We believe that taking computation into account should force us to rethink a number of basic notions. To this end, we introduce refinements of Nash equilibrium that take into account the computational aspects of games. We also show that the non-existence of Nash equilibrium is not such a significant problem. A Nash equilibrium does exist for many computational games of interest, and can help explain experimentally-observed phenomena in games such as repeated prisoner’s dilemma in a psychologically appealing way. Moreover, there are natural conditions (such as the assumption that randomizing is free) that guarantee the existence of Nash equilibrium in computational games.

## 1.2 Implementing Mediators in Computational Games

It is often simpler to design, and analyze, mechanisms when assuming that players have access to a trusted mediator through which they can communicate. Equally often, however, such a trusted mediator is hard to find. A central question in both cryptography and game theory is investigating under what circumstances mediators can be replaced—or *implemented*—by simple “unmediated” communication between the players. There are some significant differences between the approaches used by the two communities to formalize this question.

The cryptographic notion of a *secure computation* [Goldreich, Micali, and Wigderson 1986] considers two types of players: *honest* players and *malicious* players. Roughly speaking, a protocol  $\Pi$  is said to securely implement the mediator  $\mathcal{F}$  if (1) the malicious players cannot influence the output of the communication phase any more than they could have by communicating directly with the mediator; this is called *correctness*, and (2) the malicious players cannot “learn” more than what can be efficiently computed from only the output of mediator; this is called *privacy*. These properties are formalized through the *zero-knowledge simulation paradigm* [Goldwasser, Micali, and Rackoff 1989]: roughly, we require that any “harm” done by an adversary in the protocol execution could be simulated by a polynomially-bounded Turing machine, called the *simulator*, that communicates only with the mediator. Three levels of security are usually considered: *perfect*, *statistical*, and *computational*. Roughly speaking, perfect security guarantees that correctness and privacy hold with probability 1; statistical security allows for a “negligible” error probability; and computational security considers only adversaries that can be implemented by polynomially-bounded Turing machines.

The traditional game-theoretic notion of implementation (see [Forges 1986; Forges 1990]) does not explicitly consider properties such as privacy and correctness, but instead requires that the implementation preserve a given Nash equilibrium of the mediated game. Roughly speaking, a protocol  $\Pi$  game-theoretically implements a mediator  $\mathcal{F}$  if, given *any* game  $G$  for which it is an equilibrium for the players to provide their types to  $\mathcal{F}$  and output what  $\mathcal{F}$  recommends, running  $\Pi$  on the same inputs is also an equilibrium. In other words, whenever a set of parties have incentives to truthfully provide their types to the mediator, they also have incentives to honestly run the protocol  $\Pi$  using the same inputs.<sup>1</sup>

Roughly speaking, the key differences between the notions are that the game-theoretic notion does not consider computational issues and the cryptographic notion does not consider incentives. The game-theoretic notion thus talks about preserving Nash equilibria (which cannot be done in the cryptographic notion, since there are no incentives), while the cryptographic notion talks about security against malicious adversaries.

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<sup>1</sup>While the definitions of implementation in the game-theory literature (e.g., [Forges 1986; Forges 1990]) do not stress the uniformity of the implementation—that is, the fact that it works for all games—the implementations provided are in fact uniform in this sense.

Although the cryptographic notion does not consider incentives, it is nonetheless stronger than the game-theoretic notion. More precisely, it is easily seen that perfectly-secure implementation implies the game-theoretic notion of implementation; that is, all perfectly-secure implementations are also game-theoretic implementations. A corresponding implication holds for statistically- and computationally-secure implementations if we consider appropriate variants of game-theoretic implementation that require only that running  $\Pi$  is an  $\epsilon$ -Nash equilibrium, resp., a “computational”  $\epsilon$ -Nash equilibrium, where players are restricted to using polynomially-bounded Turing machines; see [Dodis, Halevi, and Rabin 2000; Dodis and Rabin 2007; Lepinski, Micali, Peikert, and Shelat 2004].<sup>2</sup>

The converse implication does not hold. Since the traditional game-theoretic notion of implementation does not consider computational cost, it cannot take into account issues like computational efficiency, or the computational advantages possibly gained by using  $\Pi$ , issues which are critical in the cryptographic notion. Our notion of computational games lets us take these issues into account. We define a notion of implementation, called *universal implementation*, that extends the traditional game-theoretic notion of implementation by also considering games where computation is costly. In essence, a protocol  $\Pi$  *universally implements*  $\mathcal{F}$  if, given any game  $G$  (including games where computation is costly) for which it is an equilibrium for the players to provide their inputs to  $\mathcal{F}$  and output what  $\mathcal{F}$  recommends, running  $\Pi$  on the same inputs is also an equilibrium.

Note that, like the traditional game-theoretic notion of implementation, our notion of universal implementation requires only that a Nash equilibrium in the mediated game be preserved when moving to the unmediated game. Thus, our definition does not capture many of the stronger desiderata (such as preserving other types of equilibria besides Nash equilibria, and ensuring that the communication game does not introduce new equilibria not present in the mediated game) considered in the recent notion of *perfect implementation* of Izmalkov, Lepinski and Micali [2008]; see Section 3 for further discussion of this issue.

Also note that although our notion of universal implementation does not explicitly consider the privacy of players’ inputs, it nevertheless captures privacy requirements. For suppose that, when using  $\Pi$ , some information about  $i$ ’s input is revealed to  $j$ . We consider a game  $G$  where a player  $j$  gains some significant utility by having this information. In this game,  $i$  will not want to use  $\Pi$ . However, universal implementation requires that, even with the utilities in  $G$ ,  $i$  should want to use  $\Pi$  if  $i$  is willing to use the mediator  $\mathcal{F}$ . (This argument depends on the fact that we consider games where computation is costly; the fact that  $j$  gains information about  $i$ ’s input may mean that  $j$  can do some computation faster with this information than without it.) As a consequence, our definition gives a relatively simple (and strong) way of formalizing the security of protocols, relying only on basic notions from game theory.

Our main result shows that, under some minimal assumptions on the utility of players, our notion of universal implementation is equivalent to a variant of the cryptographic notion of *precise secure computation*, recently introduced by Micali and Pass [2006]. Roughly speaking, the notion of precise secure computation requires that any harm done by an adversary in a protocol execution could have been done also by a simulator, using the same complexity distribution as the adversary. In contrast, the traditional definition of secure computation requires only that the simulator’s complexity preserves the *worst-case* complexity of the adversary. By imposing more restrictions on the utilities of players, we can also obtain a game-theoretic characterization of the traditional (i.e., “non-precise”) notion of secure computation.

This result shows that the two approaches used for dealing with “deviating” players in two different communities—*Nash equilibrium* in game theory, and *zero-knowledge “simulation”* in cryptography—

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<sup>2</sup>[Dodis, Halevi, and Rabin 2000; Lepinski, Micali, Peikert, and Shelat 2004] consider only implementations of correlated equilibrium, but the same proof extends to arbitrary mediators as well.

are intimately connected; indeed, they are essentially equivalent in the context of implementing mediators. It follows immediately from our result that known protocols ([Micali and Pass 2006; Micali and Pass 2007; Goldreich, Micali, and Wigderson 1987; Ben-Or, Goldwasser, and Wigderson 1988; Izmalkov, Lepinski, and Micali 2008; Canetti 2000]) can be used to obtain universal implementations. Moreover, lower bounds for the traditional notion of secure computation immediately yield lower bounds for universal implementation.

At first sight, our equivalence result might seem like a negative result: it demonstrates that considering only rational players (as opposed to arbitrary malicious players, as in cryptographic notions of implementation) does not facilitate protocol design. We emphasize, however, that for the equivalence to hold, we must consider implementations universal with respect to essentially *all* computational games. In many settings it might be reasonable to consider implementations universal with respect to only certain subclasses of games; in such scenarios, universal implementations may be significantly simpler or more efficient, and may also circumvent traditional lower bounds. For instance, in some settings it might be reasonable to assume that players strictly prefer to compute less, that players do not want to be caught “cheating”, or that players might not be concerned about the privacy of part of their inputs; these different assumptions can be captured by specifying appropriate subclasses of games (see Section 4.2 for more details). We believe that this extra generality is an important advantage of a fully game-theoretic definition, which does not rely on the traditional cryptographic simulation paradigm.

### 1.3 Outline

The rest of this paper is organized as follows. In Section 2 we describe our framework. In Section 3, we apply the framework to obtain a computational notion of implementations of mediators, and in Section 4 we demonstrate how this notion is related to the cryptographic notion of secure computation. We conclude in Section 5 with potential new directions of research made possible by our framework.

## 2 A Computational Game-Theoretic Framework

### 2.1 Bayesian Games

We model costly computation using *Bayesian machine games*. To explain our approach, we first review the standard notion of a *Bayesian game*. A Bayesian game is a game of incomplete information, where each player makes a single move. The “incomplete information” is captured by assuming that nature makes an initial move, and chooses for each player  $i$  a *type* in some set  $T_i$ . Player  $i$ ’s type can be viewed as describing  $i$ ’s private information. For ease of exposition, we assume in this paper that the set  $N$  of players is always  $[m] = \{1, \dots, m\}$ , for some  $m$ . If  $N = [m]$ , the set  $T = T_1 \times \dots \times T_m$  is the *type space*. As is standard, we assume that there is a commonly-known probability distribution  $\Pr$  on the type space  $T$ . Each player  $i$  must choose an action from a space  $A_i$  of actions. Let  $A = A_1 \times \dots \times A_n$  be the set of action profiles. A Bayesian game is characterized by the tuple  $([m], T, A, \Pr, \vec{u})$ , where  $[m]$  is the set of players,  $T$  is the type space,  $A$  is the set of joint actions, and  $\vec{u}$  is the utility function, where  $u_i(\vec{t}, \vec{a})$  is player  $i$ ’s utility (or payoff) if the type profile is  $\vec{t}$  and action profile  $\vec{a}$  is played.

In general, a player’s choice of action will depend on his type. A *strategy* for player  $i$  is a function from  $T_i$  to  $\Delta(A_i)$  (where, as usual, we denote by  $\Delta(X)$  the set of distributions on the set  $X$ ). If  $\sigma$  is a strategy for player  $i$ ,  $t \in T_i$  and  $a \in A_i$ , then  $\sigma(t)(a)$  denotes the probability of action  $a$  according to the distribution on acts induced by  $\sigma(t)$ . Given a joint strategy  $\vec{\sigma}$ , we can take  $u_i^{\vec{\sigma}}$  to be the random

variable on the type space  $T$  defined by taking  $u_i^{\vec{\sigma}}(\vec{t}) = \sum_{\vec{a} \in A} (\sigma_1(t_1)(a_1) \times \dots \times \sigma_m(t_m)(a_m)) u_i(\vec{t}, \vec{a})$ . Player  $i$ 's expected utility if  $\vec{\sigma}$  is played, denoted  $U_i(\vec{\sigma})$ , is then just  $\mathbf{E}_{\text{Pr}}[u_i^{\vec{\sigma}}] = \sum_{\vec{t} \in T} \text{Pr}(\vec{t}) u_i^{\vec{\sigma}}(\vec{t})$ .

## 2.2 Bayesian Machine Games

In a Bayesian game, it is implicitly assumed that computing a strategy—that is, computing what move to make given a type—is free. We want to take the cost of computation into account here. To this end, we consider what we call *Bayesian machine games*, where we replace strategies by *machines*. For definiteness, we take the machines to be Turing machines, although the exact choice of computing formalism is not significant for our purposes. Given a type, a strategy in a Bayesian game returns a distribution over actions. Similarly, given as input a type, the machine returns a distribution over actions. As is standard, we model the distribution by assuming that the machine actually gets as input not only the type, but a random string of 0s and 1s (which can be thought of as the sequence of heads and tails), and then (deterministically) outputs an action. Just as we talk about the expected utility of a strategy profile in a Bayesian game, we can talk about the expected utility of a machine profile in a Bayesian machine game. However, we can no longer compute the expected utility by just taking the expectation over the action profiles that result from playing the game. A player's utility depends not only on the type profile and action profile played by the machine, but also on the “complexity” of the machine given an input. The complexity of a machine can represent, for example, the running time or space usage of the machine on that input, the size of the program description, or some combination of these factors. For simplicity, we describe the complexity by a single number, although, since a number of factors may be relevant, it may be more appropriate to represent it by a tuple of numbers in some cases. (We can, of course, always encode the tuple as a single number, but in that case, “higher” complexity is not necessarily worse.) Note that when determining player  $i$ 's utility, we consider the complexity of all machines in the profile, not just that of  $i$ 's machine. For example,  $i$  might be happy as long as his machine takes fewer steps than  $j$ 's.

We assume that nature has a type in  $\{0, 1\}^*$ . While there is no need to include a type for nature in standard Bayesian games (we can effectively incorporate nature's type into the type of the players), once we take computation into account, we obtain a more expressive class of games by allowing nature to have a type. (since the complexity of computing the utility may depend on nature's type). We assume that machines take as input strings of 0s and 1s and output strings of 0s and 1s. Thus, we assume that both types and actions can be represented as elements of  $\{0, 1\}^*$ . We allow machines to randomize, so given a type as input, we actually get a distribution over strings. To capture this, we assume that the input to a machine is not only a type, but also a string chosen with uniform probability from  $\{0, 1\}^\infty$  (which we can view as the outcome of an infinite sequence of coin tosses). Implicit in the representation above is the assumption that machines terminate with probability 1, so the output is a finite string.<sup>3</sup> We define a *view* to be a pair  $(t, r)$  of two *finite* bitstrings; we think of  $t$  as that part of the type that is read, and  $r$  is the string of random bits used. (Our definition is slightly different from the traditional way of defining a view, in that we include only the parts of the type and the random sequence *actually* read. If computation is not taken into account, there is no loss in generality in including the full type and the full random sequence, and this is what has traditionally been done in the literature. However, when computation is costly, this might no longer be the case.) We denote by  $t;r$  a string in  $\{0, 1\}^*; \{0, 1\}^*$  representing the view. Note that here and elsewhere, we use “;” as a special symbol that acts as a separator between

<sup>3</sup>For ease of presentation, our notation ignores the possibility that a machine does not terminate. Technically, we also need to assign a utility to inputs where this happens, but since it happens with probability 0, as long as this utility is finite, these outcomes can be ignored in our calculations.

strings in  $\{0, 1\}^*$ . If  $v = (t; r)$ , we take  $M(v)$  to be the output of  $M$  given input type  $t$  and random string  $r \cdot 0^\infty$ .

We use a *complexity function*  $\mathcal{C} : \mathbf{M} \times \{0, 1\}^*; \{0, 1\}^* \rightarrow \mathbb{N}$ , where  $\mathbf{M}$  denotes the set of Turing Machines that terminate with probability 1, to describe the complexity of a machine given a view. Given our intuition that the only machines that can have a complexity of 0 are those that “do nothing”, we require that, for all complexity functions  $\mathcal{C}$ ,  $\mathcal{C}(M, v) = 0$  for some view  $v$  iff  $M = \perp$  iff  $\mathcal{C}(M, v) = 0$  for all views  $v$ , where  $\perp$  is a canonical represent of the TM that does nothing: it does not read its input, has no state changes, and writes nothing. If  $t \in \{0, 1\}^*$  and  $r \in \{0, 1\}^\infty$ , we identify  $\mathcal{C}(M, t; r)$  with  $\mathcal{C}(M, t; r')$ , where  $r'$  is the finite prefix of  $r$  actually used by  $M$  when running on input  $t$  with random string  $r$ .

For now, we assume that machines run in isolation, so the output and complexity of a machine does not depend on the machine profile. We remove this restriction in the next section.

**Definition 2.1 (Bayesian machine game)** *A Bayesian machine game  $G$  is described by a tuple  $([m], \mathcal{M}, T, \text{Pr}, \mathcal{C}_1, \dots, \mathcal{C}_m, u_1, \dots, u_m)$ , where*

- $[m] = \{1, \dots, m\}$  is the set of players;
- $\mathcal{M}$  is the set of possible machines;
- $T \subseteq (\{0, 1\}^*)^{m+1}$  is the set of type profiles, where the  $(m + 1)$ st element in the profile corresponds to nature’s type,<sup>4</sup>
- $\text{Pr}$  is a distribution on  $T$ ;
- $\mathcal{C}_i$  is a complexity function;
- $u_i : T \times (\{0, 1\}^*)^m \times \mathbb{N}^m \rightarrow \mathbb{R}$  is player  $i$ ’s utility function. Intuitively,  $u_i(\vec{t}, \vec{a}, \vec{c})$  is the utility of player  $i$  if  $\vec{t}$  is the type profile,  $\vec{a}$  is the action profile (where we identify  $i$ ’s action with  $M_i$ ’s output), and  $\vec{c}$  is the profile of machine complexities.

We can now define the expected utility of a machine profile. Given a Bayesian machine game  $G = ([m], \mathcal{M}, \text{Pr}, T, \vec{\mathcal{C}}, \vec{u})$ ,  $\vec{t} \in T$ , and  $\vec{M} \in \mathcal{M}^m$ , define the random variable  $u_i^{G, \vec{M}}$  on  $T \times (\{0, 1\}^\infty)^m$  (i.e., the space of type profiles and sequences of random strings) by taking

$$u_i^{G, \vec{M}}(\vec{t}, \vec{r}) = u_i(\vec{t}, M_1(t_1; r_1), \dots, M_m(t_m; r_m), \mathcal{C}_1(M_1, t_1; r_1), \dots, \mathcal{C}_m(M_m, t_m)).$$

Note that there are two sources of uncertainty in computing the expected utility: the type  $t$  and realization of the random coin tosses of the players, which is an element of  $(\{0, 1\}^\infty)^k$ . Let  $\text{Pr}_U^k$  denote the uniform distribution on  $(\{0, 1\}^\infty)^k$ . Given an arbitrary distribution  $\text{Pr}_X$  on a space  $X$ , we write  $\text{Pr}_X^{+k}$  to denote the distribution  $\text{Pr}_X \times \text{Pr}_U^k$  on  $X \times (\{0, 1\}^\infty)^k$ . If  $k$  is clear from context or not relevant, we often omit it, writing  $\text{Pr}_U$  and  $\text{Pr}_X^+$ . Thus, given the probability  $\text{Pr}$  on  $T$ , the expected utility of player  $i$  in game  $G$  if  $\vec{M}$  is used is the expectation of the random variable  $u_i^{G, \vec{M}}$  with respect to the distribution  $\text{Pr}^+$  (technically,  $\text{Pr}^{+m}$ ):

$$U_i^G(\vec{M}) = \mathbf{E}_{\text{Pr}^+}[u_i^{G, \vec{M}}].$$

Note that this notion of utility allows an agent to prefer a machine that runs faster to one that runs slower, even if they give the same output, or to prefer a machine that has faster running time

<sup>4</sup>We may want to restrict the type space to be a finite subset of  $\{0, 1\}^*$  (or to restrict  $\text{Pr}$  to having finite support, as is often done in the game-theory literature, so that the type space is effectively finite) or to restrict the output space to being finite, although these assumptions are not essential for any of our results.



to one that gives a better output. Because we allow the utility to depend on the whole profile of complexities, we can capture a situation where  $i$  can be “happy” as long as his machine runs faster than  $j$ ’s machine. Of course, an important special case is where  $i$ ’s utility depends only on his own complexity. All of our technical results continue to hold if we make this restriction.

### 2.3 Nash Equilibrium in Machine Games

Given the definition of utility above, we can now define ( $\epsilon$ -) Nash equilibrium in the standard way.

**Definition 2.2 (Nash equilibrium in machine games)** *Given a Bayesian machine game  $G$ , a machine profile  $\vec{M}$ , and  $\epsilon \geq 0$ ,  $M_i$  is an  $\epsilon$ -best response to  $\vec{M}_{-i}$  if, for every  $M'_i \in \mathcal{M}$ ,*

$$U_i^G[(M_i, \vec{M}_{-i})] \geq U_i^G[(M'_i, \vec{M}_{-i})] - \epsilon.$$

*(As usual,  $\vec{M}_{-i}$  denotes the tuple consisting of all machines in  $\vec{M}$  other than  $M_i$ .)  $\vec{M}$  is an  $\epsilon$ -Nash equilibrium of  $G$  if, for all players  $i$ ,  $M_i$  is an  $\epsilon$ -best response to  $\vec{M}_{-i}$ . A Nash equilibrium is a 0-Nash equilibrium.*

There is an important conceptual point that must be stressed with regard to this definition. Because we are implicitly assuming, as is standard in the game theory literature, that the game is common knowledge, we assume that the agents understand the costs associated with each Turing machine. That is, they do not have to do any “exploration” to compute the costs. In addition, we do not charge the players for computing which machine is the best one to use in a given setting; we assume that this too is known. This model is appropriate in settings where the players have enough experience to understand the behavior of all the machines on all relevant inputs, either through experimentation or theoretical analysis. We can easily extend the model to incorporate uncertainty, by allowing the complexity function to depend on the state (type) of nature as well as the machine and the input; see Example 2.4 for further discussion of this point.

One immediate advantage of taking computation into account is that we can formalize the intuition that  $\epsilon$ -Nash equilibria are reasonable, because players will not bother changing strategies for a gain of  $\epsilon$ . Intuitively, the complexity function can “charge”  $\epsilon$  for switching strategies. Specifically, an  $\epsilon$ -Nash equilibrium  $\vec{M}$  can be converted to a Nash equilibrium by modifying player  $i$ ’s complexity function to incorporate the overhead of switching from  $M_i$  to some other strategy, and having player  $i$ ’s utility function decrease by  $\epsilon' > \epsilon$  if the switching cost is nonzero; we omit the formal details here. Thus, the framework lets us incorporate explicitly the reasons that players might be willing to play an  $\epsilon$ -Nash equilibrium.

Although the notion of Nash equilibrium in Bayesian machine games is defined in the same way as Nash equilibrium in standard Bayesian games, the introduction of complexity leads to some significant differences in their properties. We highlight a few of them here. First, note that our definition of a Nash equilibrium considers *behavioral strategies*, which in particular might be randomized. It is somewhat more common in the game-theory literature to consider *mixed strategies*, which are probability distributions over deterministic strategies. As long as agents have perfect recall, mixed strategies and behavioral strategies are essentially equivalent [Kuhn 1953]. However, in our setting, since we might want to charge for the randomness used in a computation, such an equivalence does not necessarily hold.

Mixed strategies are needed to show that Nash equilibrium always exists in standard Bayesian games. As the following example shows, since we can charge for randomization, a Nash equilibrium may not exist in a Bayesian machine game, even if we restrict our attention to games where the type space and the output space are finite.

**Example 2.3** Consider the 2-player Bayesian game of roshambo (rock-paper-scissors). Here the type space has size 1 (the players have no private information). We model playing rock, paper, and scissors as playing 0, 1, and 2, respectively. The payoff to player 1 of the outcome  $(i, j)$  is 1 if  $i = j \oplus 1$  (where  $\oplus$  denotes addition mod 3),  $-1$  if  $j = i \oplus 1$ , and 0 if  $i = j$ . Player 2's payoffs are the negative of those of player 1; the game is a zero-sum game. As is well known, the unique Nash equilibrium of this game has the players randomizing uniformly between 0, 1, and 2.

Now consider a machine game version of roshambo. Suppose that we take the complexity of a deterministic strategy to be 1, and the complexity of strategy that uses randomization to be 2, and take player  $i$ 's utility to be his payoff in the underlying Bayesian game minus the complexity of his strategy. Intuitively, programs involving randomization are more complicated than those that do not randomize. With this utility function, it is easy to see that there is no Nash equilibrium. For suppose that  $(M_1, M_2)$  is an equilibrium. If  $M_1$  uses randomization, then 1 can do better by playing the deterministic strategy  $j \oplus 1$ , where  $j$  is the action that gets the highest probability according to  $M_2$  (or is the deterministic choice of player 2 if  $M_2$  does not use randomization). Similarly,  $M_2$  cannot use randomization. But it is well known (and easy to check) that there is no equilibrium for roshambo with deterministic strategies. (Of course, there is nothing special about the costs of 1 and 2 for deterministic vs. randomized strategies. This argument works as long as all three deterministic strategies have the same cost, and it is less than that of a randomized strategy.)

Now consider the variant where we do not charge for the first, say, 10,000 steps of computation, and after that there is a positive cost of computation. It is not hard to show that, in finite time, using coin tossing with equal likelihood of heads and tails, we cannot exactly compute a uniform distribution over the three choices, although we can approximate it closely.<sup>5</sup> (For example, if we toss a coin twice, playing rock if we get heads twice, paper with heads and tails, scissors with tails and heads, and try again with two tails, we do get a uniform distribution, except for the small probability of nontermination.) From this observation it easily follows, as above, that there is no Nash equilibrium in this game either. As a corollary, it follows that that there are computational games without a Nash equilibrium where all constant-time strategies are taken to be free. It is well known that people have difficulty simulating randomization; we can think of the cost for randomizing as capturing this difficulty. Interestingly, there are roshambo tournaments (indeed, even a Rock Paper Scissors World Championship), and books written on roshambo strategies [Walker and Walker 2004]. Championship players are clearly not randomizing uniformly (they could not hope to get a higher payoff than an opponent by randomizing). Our framework provides a psychologically plausible account of this lack of randomization.

The key point here is that, in standard Bayesian games, to guarantee equilibrium requires using randomization. Here, we allow randomization, but we charge for it. This charge may prevent there from being an equilibrium. ■

Example 2.3 shows that sometimes there is no Nash equilibrium. It is also trivial to show that given any standard Bayesian game  $G$  (without computational costs) and a *computable* strategy profile  $\vec{\sigma}$  in  $G$  (where  $\vec{\sigma}$  is computable if, for each player  $i$  and type  $t$  of player  $i$ , there exists a Turing machine  $M$  that outputs  $a$  with probability  $\sigma_i(t)(a)$ ), we can choose computational costs and modify the utility function in  $G$  in such a way as to make  $\vec{\sigma}$  an equilibrium of the modified game: we simply make the cost to player  $i$  of implementing a strategy other than  $\sigma_i$  sufficiently high.

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<sup>5</sup>Consider a probabilistic Turing machine  $M$  with running time bounded by  $T$  that outputs 0 (resp 1, 2) with probability  $1/3$ . Since  $M$ 's running time is bounded by  $T$ ,  $M$  can use at most  $T$  of its random bits; there thus exists some natural number  $p_0$  such that  $M$  outputs 0 for  $p_0$  out of the  $2^T$  possible random strings it receives as input. But, since  $2^T$  is not divisible by 3, this is a contradiction.

One might be tempted to conclude from these examples that Bayesian machine games are uninteresting. They are not useful prescriptively, since they do not always provide a prescription as to the right thing to do. Nor are they useful descriptively, since we can always “explain” the use of a particular strategy in our framework as the result of a high cost of switching to another strategy. With regard to the first point, as shown by our definition of security, our framework can provide useful prescriptive insights by making minimal assumptions regarding the form of the complexity function. Moreover, although there may not always be a Nash equilibrium, it is easy to see that there is always an  $\epsilon$ -Nash equilibrium for some  $\epsilon$ ; this  $\epsilon$ -Nash can give useful guidance into how the game should be played. For example, in the second variant of the roshambo example above, we can get an  $\epsilon$ -equilibrium for a small  $\epsilon$  by attempting to simulate the uniform distribution by tossing the coin 10,000 times, and then just playing rock if 10,000 tails are tossed. Whether it is worth continuing the simulation after 10,000 tails depends on the cost of the additional computation. Finally, as we show below, there are natural classes of games where a Nash equilibrium is guaranteed to exist (see Section 2.4). With regard to the second point, we would argue that, in fact, it is the case that people continue to play certain strategies that they know are not optimal because of the overhead of switching to a different strategy; that is, our model captures a real-world phenomenon.

A third property of (standard) Bayesian games that does not hold for Bayesian machine games is the following. Given a Nash equilibrium  $\vec{\sigma}$  in a Bayesian game, not only is  $\sigma_i$  a best response to  $\vec{\sigma}_{-i}$ , but it continues to be a best response conditional on  $i$ 's type. That is, if  $\Pr$  is the probability distribution on types, and  $\Pr(t_i) > 0$ , then  $U_i(\sigma_i, \vec{\sigma}_{-i} \mid t_i) \geq U_i(\sigma'_i, \vec{\sigma}_{-i} \mid t_i)$  for all strategies  $\sigma'_i$  for player  $i$ , where  $U_i(\sigma_i, \vec{\sigma}_{-i} \mid t_i)$  is the expected utility of  $\vec{\sigma}$  conditional on player  $i$  having type  $t_i$ . Intuitively, if player  $i$  could do better than playing  $\sigma_i$  if his type were  $t_i$  by playing  $\sigma'_i$ , then  $\sigma_i$  would not be a best response to  $\vec{\sigma}_{-i}$ ; we could just modify  $\sigma_i$  to agree with  $\sigma'_i$  when  $i$ 's type is  $t_i$  to get a strategy that does better against  $\vec{\sigma}_{-i}$  than  $\sigma_i$ . This is no longer true with Bayesian machine games, as the following simple example shows.

**Example 2.4** Suppose that the probability on the type space assigns uniform probability to all  $2^{100}$  odd numbers between  $2^{100}$  and  $2^{101}$  (represented as bit strings of length 100). Suppose that a player  $i$  wants to compute if its input (i.e., its type) is prime. Specifically,  $i$  gets a utility of 2 minus the costs of its running time (explained below) if  $t$  is prime and it outputs 1 or if  $t$  is composite and it outputs 0; on the other hand, if it outputs either 0 or 1 and gets the wrong answer, then it gets a utility of  $-1000$ . But  $i$  also has the option of “playing safe”; if  $i$  outputs 2, then  $i$  gets a utility of 1 no matter what the input is. The running-time cost is taken to be 0 if  $i$ 's machine takes less than 2 units of time and otherwise is  $-2$ . We assume that outputting a constant function takes 1 unit of time. Note that although testing for primality is in polynomial time, it will take more than 2 units of time on all inputs that have positive probability. Since  $i$ 's utility is independent of what other players do,  $i$ 's best response is to always output 2. However, if  $t$  is actually a prime,  $i$ 's best response conditional on  $t$  is to output 1; similarly, if  $t$  is not a prime,  $i$ 's best response conditional on  $t$  is to output 0. The key point is that the machine that outputs  $i$ 's best response conditional on a type does not do any computation; it just outputs the appropriate value.

Note that here we are strongly using the assumption that  $i$  understands the utility of outputting 0 or 1 conditional on type  $t$ . This amounts to saying that if he is playing the game conditional on  $t$ , then he has enough experience with the game to know whether  $t$  is prime. If we wanted to capture a more general setting where the player did not understand the game, even after learning  $t$ , then we could do this by considering two types (states) of nature,  $s_0$  and  $s_1$ , where, intuitively,  $t$  is composite if the state (nature's type) is  $s_0$  and prime if it is  $s_1$ . Of course,  $t$  is either prime or it is not. We can avoid this problem by simply having the utility of outputting 1 in  $s_0$  or 0 in  $s_1$  being  $-2$  (because, intuitively, in state  $s_0$ ,  $t$  is composite and in  $s_1$  it is prime) and the utility of outputting 0 in  $s_0$  or 1 in  $s_1$  being 2. The relative probability of  $s_0$  and  $s_1$  would reflect the player

$i$ 's prior probability that  $t$  is prime.

In this case, there was no uncertainty about the complexity; there was simply uncertainty about whether the type satisfied a certain property. As we have seen, we can already model the latter type of uncertainty in our framework. To model uncertainty about complexity, we simply allow the complexity function to depend on nature's type, as well as the machine and the input. We leave the straightforward details to the reader. ■

A common criticism (see e.g., [Aumann 1985]) of Nash equilibria that use randomized strategies is that such equilibria cannot be *strict* (i.e., it cannot be the case that each player's equilibrium strategy gives a strictly better payoff than any other strategy, given the other players' strategies). This follows since any pure strategy in the support of the randomized strategy must give the same payoff as the randomized strategy. As the example below shows, this is no longer the case when considering games with computational costs.

**Example 2.5** Consider the same game as in Example 2.4, except that all machines with running time less than or equal to  $T$  have a cost of 0, and machines that take time greater than  $T$  have a cost of  $-2$ . It might very well be the case that, for some values of  $T$ , there might be a probabilistic primality testing algorithms that runs in time  $T$  and determines with high probability determine whether a given input  $x$  is prime or composite, whereas all deterministic algorithms take too much time. (Indeed, although deterministic polynomial-time algorithms for primality testing are known [Agrawal, Keyal, and Saxena 2004], in practice, randomized algorithms are used because they run significantly faster.)

## 2.4 Sufficient Conditions for the Existence of Nash Equilibrium

Example 2.3 shows, Nash equilibrium does not always exist in machine games. The complexity function in this example charged for randomization. Our goal in this section is to show that this is essentially the reason that Nash equilibrium did not exist; if randomization were free (as it is, for example, in the model of [Ben-Sasson, Kalai, and Kalai 2007]), then Nash equilibrium would always exist.

This result turns out to be surprisingly subtle. To prove it, we first consider machine games where *all* computation is free, that is, the utility of a player depends only on the type and action profiles (and not the complexity profiles). Formally, a machine game  $G = ([m], \mathcal{M}, \text{Pr}, T, \vec{\mathcal{C}}, \vec{u})$  is *computationally cheap* if  $\vec{u}$  depends only on the type and action profiles, i.e., if there exists  $\vec{u}'$  such that  $\vec{u}(\vec{t}, \vec{a}, \vec{c}) = \vec{u}'(\vec{t}, \vec{a})$  for all  $\vec{t}, \vec{a}, \vec{c}$ .

We would like to show that every computationally cheap Bayesian machine game has a Nash equilibrium. But this is too much to hope for. The first problem is that the game may have infinitely many possible actions, and may not be compact in any reasonable topology. This problem is easily solved; we will simply require that the type space and the set of possible actions be finite. Given a *bounding function*  $B : \mathbb{N} \rightarrow \mathbb{N}$  be a function, a *B-bounded Turing machine*  $M$  is one that terminates with probability 1 on each input and, for each  $x \in \{0, 1\}^n$ , the output of  $M(x)$  has length at most  $B(n)$ . If we restrict our attention to games with a finite type space where only  $B$ -bounded machines can be used for some bounding function  $B$ , then we are guaranteed to have only finitely many types and actions.

With this restriction, since we do not charge for computation in a computationally cheap game, it may seem that this result should follow trivially from the fact that every finite game has a Nash equilibrium. But this is false. The problem is that the game itself might involve non-computable features, so we cannot hope that that a Turing machine will be able to play a Nash equilibrium, even if it exists.

Recall that a real number  $r$  is *computable* [Turing 1937] if there exists a Turing machine that on input  $n$  outputs a number  $r'$  such that  $|r - r'| < 2^{-n}$ . A game  $G = ([m], \mathcal{M}, \text{Pr}, T, \vec{\mathcal{C}}, \vec{u})$  is *computable* if (1) for every  $\vec{t} \in T$ ,  $\text{Pr}[\vec{t}]$  is computable, and (2) for every  $\vec{t}, \vec{a}, \vec{c}$ ,  $u(\vec{t}, \vec{a}, \vec{c})$  is computable. As we now show, every computationally cheap *computable* Bayesian machine game has a Nash equilibrium. Even this result is not immediate. Although the game itself is computable, a priori, there may not be a computable Nash equilibrium. Moreover, even if there is, a Turing machine may not be able to simulate it. Our proof deals with both of these problems.

To deal with the first problem, we follow lines similar to those of Lipton and Markakis [2004], who used the Tarski-Seidenberg *transfer principle* [Tarski 1951] to prove the existence of *algebraic* Nash equilibria in finite normal form games with integer valued utilities. We briefly review the relevant details here.

**Definition 2.6** *An ordered field  $R$  is a real closed field if every positive element  $x$  is a square (i.e., there exists a  $y \in R$  such that  $y^2 = x$ ), and every univariate polynomial of odd degree with coefficients in  $R$  has a root in  $R$*

Of course, the real numbers are a real closed field. It is not hard to check that the computable numbers are a real closed field as well.

**Theorem 2.1 (Tarski-Seidenberg [Tarski 1951])** *Let  $R$  and  $R'$  be real closed fields such that  $R \subseteq R'$ , and let  $\bar{P}$  be a finite set of (multivariate) polynomial inequalities with coefficients in  $R$ . Then  $\bar{P}$  has a solution in  $R$  if and only if it has a solution in  $R'$ .*

With this background, we can state and prove the theorem.

**Theorem 2.7** *If  $T$  is a finite type space,  $B$  is a bounding function,  $\mathcal{M}$  is a set of  $B$ -bounded machines, then  $G = ([m], \mathcal{M}, \text{Pr}, \vec{\mathcal{C}}, \vec{u})$  is a computable, computationally cheap Bayesian machine game, then there exists a Nash equilibrium in  $G$ .*

*Proof:* Note that since in  $G$ , (1) the type set is finite, (2) the machine set contains only machines with bounded output length, and thus the action set  $A$  is finite, and (3) computation is free, there exists a finite (standard) Bayesian game  $G'$  with the same type space, action space, and utility functions as  $G$ . Thus,  $G'$  has a Nash equilibrium.

Although  $G'$  has a Nash equilibrium, some equilibria of  $G'$  might not be implementable by a randomized Turing machine; indeed, Nash [1951] showed that even if all utilities are rational, there exist normal-form games where all Nash equilibria involve mixtures over actions with irrational probabilities. To deal with this problem we use the transfer principle.

Let  $R'$  be the real numbers and  $R$  be the computable numbers. Clearly  $R \subset R'$ . We use the approach of Lipton and Markakis to show that a Nash equilibrium in  $G'$  must be the solution to a set of polynomial inequalities with coefficients in  $R$  (i.e., with computable coefficients). Then, by combining the Tarski-Seidenberg transfer principle with the fact that  $G'$  has a Nash equilibrium, it follows that there is a computable Nash equilibrium.

The polynomial equations characterizing the Nash equilibria of  $G'$  are easy to characterize. By definition,  $\vec{\sigma}$  is a Nash equilibrium of  $G'$  if and only if (1) for each player  $i$ , each type  $t_i \in T_i$ , and  $a_i \in A_i$ ,  $\sigma(t_i, a_i) \geq 0$ , (2) for each player  $i$  and  $t_i$ ,  $\sum_{a_i \in A_i} \sigma(t_i, a_i) = 1$ , and (3) for each player  $i$   $t_i \in T$ , and action  $a'_i \in A$ ,

$$\sum_{\vec{t}_{-i} \in T_{-i}} \sum_{\vec{a} \in A} \text{Pr}(\vec{t}) u'_i(\vec{t}, \vec{a}) \prod_{j \in [m]} \sigma_j(t_j, a_j) \geq \sum_{\vec{t}_{-i} \in T_{-i}} \sum_{\vec{a}_{-i} \in A_{-i}} \text{Pr}(\vec{t}) u'_i(\vec{t}, (a'_i, \vec{a}_{-i})) \prod_{j \in [m] \setminus i} \sigma_j(t_j, a_j).$$

Here we are using the fact that a Nash equilibrium must continue to be a Nash equilibrium conditional on each type.

Let  $P$  be the set of polynomial equations that result by replacing  $\sigma_j(t_j, a_j)$  by the variable  $x_{j,t_j,a_j}$ . Since both the type set and action set is finite, and since both the type distribution and utilities are computable, this is a finite set of polynomial inequalities with computable coefficients, whose solutions are the Nash equilibria of  $G'$ . It now follows from the transfer theorem that  $G'$  has a Nash equilibrium where all the probabilities  $\sigma_i(t_i, a_i)$  are computable.

It remains only to show that this equilibrium can be implemented by a randomized Turing machine. We show that, for each player  $i$ , and each type  $t_i$ , there exists a randomized machine that samples according to the distribution  $\sigma_i(t_i)$ ; since the type set is finite, this implies that there exists a machine that implements the strategy  $\sigma_i$ .

Let  $a_1, \dots, a_N$  denote the actions for player  $i$ , and let  $0 = s_0 \leq s_1 \leq \dots \leq s_N = 1$  be a sequence of numbers such that  $\sigma_i(t_i, a_j) = s_j - s_{j-1}$ . Note that since  $\sigma$  is computable, each number  $s_j$  is computable too. That means that there exists a machine that, on input  $n$ , computes an approximation  $\tilde{s}_{n_j}$  to  $s_j$ , such that  $\tilde{s}_{n_j} - 2^{-n} \leq s_j \leq \tilde{s}_{n_j} + 2^{-n}$ . Consider now the machine  $M_i^{t_i}$  that proceeds as follows. The machine constructs a binary decimal  $.r_1 r_2 r_3 \dots$  bit by bit. After the  $n$ th step of the construction, the machine checks if the decimal constructed thus far  $(.r_1 \dots r_n)$  is guaranteed to be a unique interval  $(s_k, s_{k+1}]$ . (Since  $s_0, \dots, s_N$  are computable, it can do this by approximating each one to within  $2^{-n}$ .) With probability 1, after a finite number of steps, the decimal expansion will be known to lie in a unique interval  $(s_k, s_{k+1}]$ . When this happens, action  $a_k$  is performed.  $\square$

We now want to prove that a Nash equilibrium is guaranteed to exist provided that randomization is free. Thus, we assume that we start with a finite set  $\mathcal{M}_0$  of *deterministic* Turing machines and a finite set  $T$  of types (and continue to assume that all the machines in  $\mathcal{M}_0$  terminate).  $\mathcal{M}$  is the *computable convex closure* of  $\mathcal{M}_0$  if  $\mathcal{M}$  consists of machines  $M$  that, on input  $(t, r)$ , first perform some computation that depends only on the random string  $r$  and not on the type  $t$ , that with probability 1, after some finite time and after reading a finite prefix  $r_1$  of  $r$ , choose a machine  $M' \in \mathcal{M}_0$ , then run  $M'$  on input  $(t, r_2)$ , where  $r_2$  is the remaining part of the random tape  $r$ . Intuitively,  $M$  is randomizing over the machines in  $\mathcal{M}_0$ . It is easy to see that there must be some  $B$  such that all the machines in  $\mathcal{M}$  are  $B$ -bounded. *Randomization is free* in a machine game  $G = ([m], \mathcal{M}, \text{Pr}, T, \vec{\mathcal{C}}, \vec{u})$  where  $\mathcal{M}$  is the computable convex closure of  $\mathcal{M}_0$  if  $\mathcal{C}_i(M, t, r)$  is  $\mathcal{C}_i(M', t, r_2)$  (using the notation from above).

**Theorem 2.8** *If  $\mathcal{M}$  is the computable convex closure of some finite set  $\mathcal{M}_0$  of deterministic Turing machines,  $T$  is a finite type space, and  $G = ([m], \mathcal{M}, T, \text{Pr}, \vec{\mathcal{C}}, \vec{u})$  is a game where randomization is free, then there exists a Nash equilibrium in  $G$ .*

*Proof Sketch:* First consider the normal-form game where the agents choose a machine in  $\mathcal{M}_0$ , and the payoff of player  $i$  if  $\vec{M}$  is chosen is the expected payoff in  $G$  (where the expectation is taken with respect to the probability  $\text{Pr}$  on  $T$ ). By Nash's theorem, it follows that there exists a mixed strategy Nash equilibrium in this game. Using the same argument as in the proof of Theorem 2.7, it follows that there exists a machine in  $\mathcal{M}$  that samples according to the mixed distribution over machines, as long as the game is computable (i.e., the type distribution and utilities are computable) and the type and action spaces finite. (The fact that the action space is finite again follows from the fact that type space is finite and that there exist some  $B$  such that all machine in  $\mathcal{M}$  are  $B$ -bounded.) The desired result follows.  $\blacksquare$

We remark that if we take Aumann's [1987] view of a mixed-strategy equilibrium as representing an equilibrium in players' beliefs—that is, each player is actually using a deterministic strategy in  $\mathcal{M}_0$ , and the probability that player  $i$  plays a strategy  $M' \in \mathcal{M}_0$  in equilibrium represents all the

other players’ beliefs about the probability that  $M'$  will be played—then we can justify randomization being free, since players are not actually randomizing. The fact that the randomization is computable here amounts to the assumption that players’ beliefs are computable (a requirement advocated by Megiddo [1989]) and that the population players are chosen from can be sampled by a Turing machine. More generally, there may be settings where randomization devices are essentially freely available (although, even then, it may not be so easy to create an arbitrary computable distribution).

Theorem 2.8 shows that if randomization is free, a Nash equilibrium in machine games is guaranteed to exist. We can generalize this argument to show that, to guarantee the existence of  $\epsilon$ -Nash equilibrium (for arbitrarily small  $\epsilon$ ) it is enough to assume that “polynomial-time” randomization is free. Lipton, Markakis and Mehta [2003] show that every finite game with action space  $A$  has an  $\epsilon$ -Nash equilibrium with support on only  $\text{poly}(\log |A| + 1/\epsilon)$  actions; furthermore the probability of each action is a rational number of length  $\text{poly}(\log |A| + 1/\epsilon)$ . In our setting, it follows that there exists an  $\epsilon$ -Nash equilibrium where the randomization can be computed by a Turing machine with size and running-time bounded by size  $O(\log |M'| + 1/\epsilon)$ . We omit the details here.

## 2.5 Computationally Robust Nash Equilibrium

Computers get faster, cheaper, and more powerful every year. Since utility in a Bayesian machine game takes computational complexity into account, this suggests that an agent’s utility function will change when he replaces one computer by a newer computer. We are thus interested in *robust* equilibria, intuitively, ones that continue to be equilibria (or, more precisely,  $\epsilon$ -equilibria for some appropriate  $\epsilon$ ) even if agents’ utilities change as a result of upgrading computers.

**Definition 2.9 (Computationally robust Nash equilibrium)** *Let  $p : \mathbb{N} \rightarrow \mathbb{N}$ . The complexity function  $\mathcal{C}'$  is at most a  $p$ -speedup of the complexity function  $\mathcal{C}$  if, for all machines  $M$  and views  $v$ ,*

$$\mathcal{C}'(M, v) \leq \mathcal{C}(M, v) \leq p(\mathcal{C}'(M, v)).$$

*Game  $G' = ([m'], \mathcal{M}', \text{Pr}', \vec{\mathcal{C}}', \vec{u}')$  is at most a  $p$ -speedup of game  $G = ([m], \mathcal{M}, \text{Pr}, \vec{\mathcal{C}}, \vec{u})$  if  $m' = m$ ,  $\text{Pr} = \text{Pr}'$  and  $\vec{u} = \vec{u}'$  (i.e.,  $G'$  and  $G$  differ only in their complexity and machine profiles), and  $\mathcal{C}'_i$  is at most a  $p$ -speedup of  $\mathcal{C}_i$ , for  $i = 1, \dots, m$ .  $\vec{M}$  is a  $p$ -robust  $\epsilon$ -equilibrium for  $G$  if, for every game  $G'$  that is at most a  $p$ -speedup of  $G$ ,  $\vec{M}$  is an  $\epsilon$ -Nash equilibrium of  $G'$ .*

We also say that  $M_i$  is a  $p$ -robust  $\epsilon$ -best response to  $\vec{M}_{-i}$  in  $G$ , if for every game  $\tilde{G}$  that is at most a  $p$ -speedup of  $G$ ,  $M_i$  is an  $\epsilon$ -best response to  $\vec{M}_{-i}$ . Note that  $\vec{M}$  is a  $p$ -robust  $\epsilon$ -equilibrium iff, for  $i = 1, \dots, m$ ,  $M_i$  is a  $p$ -robust  $\epsilon$ -best response to  $\vec{M}_{-i}$ .

Intuitively, if we think of complexity as denoting running time and  $\mathcal{C}$  describes the running time of machines (i.e., programs) on an older computer, then  $\mathcal{C}'$  describes the running time of machines on an upgraded computer. For instance, if the upgraded computer runs at most twice as fast as the older one (but never slower), then  $\mathcal{C}'$  is  $\bar{2}$  speedup of  $\mathcal{C}$ , where  $\bar{k}$  denotes the constant function  $k$ . Clearly, if  $\vec{M}$  is a Nash equilibrium of  $G$ , then it is a  $\bar{1}$ -robust equilibrium. We can think of  $p$ -robust equilibrium as a refinement of Nash equilibrium for machine games, just like *sequential equilibrium* [Kreps and Wilson 1982] or *perfect equilibrium* [Selten 1975]; it provides a principled way of ignoring “bad” Nash equilibria.

Note that in games where computation is free, every Nash equilibrium is also computationally robust.

## 2.6 Coalition Machine Games

We strengthen the notion of Nash equilibrium to allow for deviating coalitions. Towards this goal, we consider a generalization of Bayesian machine games called *coalition machine games*, where, in the spirit of *coalitional games* [Neumann and Morgenstern 1947], each *subset* of players has a complexity function and utility function associated with it. In analogy with the traditional notion of Nash equilibrium, which considers only “single-player” deviations, we consider only “single-coalition” deviations.

More precisely, given a subset  $Z$  of  $[m]$ , we let  $-Z$  denote the set  $[m]/Z$ . We say that a machine  $M'_Z$  *controls* the players in  $Z$  if  $M'_Z$  controls the input and output tapes of the players in set  $Z$  (and thus can coordinate their outputs). In addition, the adversary that controls  $Z$  has its own input and output tape. A *coalition machine game*  $G$  is described by a tuple  $([m], \mathcal{M}, \text{Pr}, \vec{\mathcal{C}}, \vec{u})$ , where  $\vec{\mathcal{C}}$  and  $\vec{u}$  are sequences of complexity functions  $\mathcal{C}_Z$  and utility functions  $u_Z$ , respectively, one for each subset  $Z$  of  $[m]$ ;  $m, \mathcal{M}, \text{Pr}, \mathcal{C}_Z$  are defined as in Definition 2.1. In contrast, the utility function  $u_Z$  for the set  $Z$  is a function  $T \times (\{0, 1\}^*)^m \times (\mathbb{N} \times \mathbb{N}^{m-|Z|+1}) \rightarrow \mathbb{R}$ , where  $u_Z(\vec{t}, \vec{a}, (c_Z, \vec{c}_{-Z}))$  is the utility of the coalition  $Z$  if  $\vec{t}$  is the (length  $m+1$ ) type profile,  $\vec{a}$  is the (length  $m$ ) action profile (where we identify  $i$ 's action as player  $i$  output),  $c_Z$  is the complexity of the coalition  $Z$ , and  $\vec{c}_{-Z}$  is the (length  $m - |Z|$ ) profile of machine complexities for the players in  $-Z$ . The complexity  $c_Z$  is a measure of the complexity according to whoever controls coalition  $Z$  of running the coalition. Note that even if the coalition is controlled by a machine  $M'_Z$  that lets each of the players in  $Z$  perform independent computations, the complexity of  $M'_Z$  is not necessarily some function of the complexities  $c_i$  of the players  $i \in Z$  (such as the sum or the max). Moreover, while cooperative game theory tends to focus on *superadditive* utility functions, where the utility of a coalition is at least the sum of the utilities of any partition of the coalition into sub-coalitions or individual players, we make no such restrictions; indeed when taking complexity into account, it might very well be the case that larger coalitions are more expensive than smaller ones. Also note that, in our calculations, we assume that, other than the coalition  $Z$ , all the other players play individually (so that we use  $c_i$  for  $i \notin Z$ ); there is at most one coalition in the picture. Having defined  $u_Z$ , we can define the expected utility of the group  $Z$  in the obvious way.

The *benign machine for coalition  $Z$* , denoted  $M_Z^b$ , is the one where that gives each player  $i \in Z$  its true input, and each player  $i \in Z$  outputs the output of  $M_i$ ;  $M_Z^b$  write nothing on its output tape. Essentially, the benign machine does exactly what all the players in the coalition would have done anyway. We now extend the notion of Nash equilibrium to deal with coalitions; it requires that in an equilibrium  $\vec{M}$ , no coalition does (much) better than it would using the benign machine, according to the utility function for that coalition.

**Definition 2.10 (Nash equilibrium in coalition machine games)** *Given an  $m$ -player coalition machine game  $G$ , a machine profile  $\vec{M}$ , a subset  $Z$  of  $[m]$  and  $\epsilon \geq 0$ ,  $M_Z^b$  is an  $\epsilon$ -best response to  $\vec{M}_{-Z}$  if, for every coalition machine  $M'_Z \in \mathcal{M}$ ,*

$$U_Z^G[(M_Z^b, \vec{M}_{-Z})] \geq U_Z^G[(M'_Z, \vec{M}_{-Z})] - \epsilon.$$

*Given a set  $\mathcal{Z}$  of subsets of  $[m]$ ,  $\vec{M}$  is a  $\mathcal{Z}$ -safe  $\epsilon$ -Nash equilibrium for  $G$  if, for all  $Z \in \mathcal{Z}$ ,  $M_Z^b$  is an  $\epsilon$ -best response to  $\vec{M}_{-Z}$ .*

Our notion of coalition games is quite general. In particular, if we disregard the costs of computation, it allows us to capture some standard notions of coalition resistance in the literature, by choosing  $u_Z$  appropriately. For example, Aumann's [1959] notion of *strong equilibrium* requires that, for all coalitions, it is not the case that there is a deviation that makes everyone in the coalition strictly better off. To capture this, fix a profile  $\vec{M}$ , and define  $u_Z^{\vec{M}}(M'_Z, \vec{M}'_{-Z}) =$



$\min_{i \in Z} u_i(M'_Z, \vec{M}'_{-Z}) - u_i(\vec{M})$ .<sup>6</sup> We can capture the notion of *k-resilient equilibrium* [Abraham, Dolev, Gonen, and Halpern 2006; Abraham, Dolev, and Halpern 2008], where the only deviations allowed are by coalitions of size at most  $k$ , by restricting  $Z$  to consist of sets of cardinality at most  $k$  (so a 1-resilient equilibrium is just a Nash equilibrium). Abraham et al. [2006, 2008] also consider a notion of *strong k-resilient equilibrium*, where there is no deviation by the coalition that makes even one coalition member strictly better off. We can capture this by replacing the min in the definition of  $u_Z^{\vec{M}}$  by max.

## 2.7 Machine Games with Mediators

Up to now we have assumed that the only input a machine receives is the initial type. This is appropriate in a normal-form game, but does not allow us to consider game where players can communicate with each other and (possibly) with a trusted mediator. We now extend Bayesian machine games to allow for communication. For ease of exposition, we assume that all communication passes between the players and a trusted mediator. Communication between the players is modeled by having a trusted mediator who passes along messages received from the players. Thus, we think of the players as having reliable communication channels to and from a mediator; no other communication channels are assumed to exist.

The formal definition of a Bayesian machine game with a mediator is similar in spirit to that of a Bayesian machine game, but now we assume that the machines are *interactive* Turing machines, that can also send and receive messages. We omit the formal definition of an interactive Turing machine (see, for example, [Goldreich 2001]); roughly speaking, the machines use a special tape where the message to be sent is placed and another tape where a message to be received is written. The mediator is modeled by an interactive Turing machine that we denote  $\mathcal{F}$ . A *Bayesian machine game with a mediator* (or a mediated Bayesian machine game) is thus a pair  $(G, \mathcal{F})$ , where  $G = ([m], \mathcal{M}, \text{Pr}, \mathcal{C}_1, \dots, \mathcal{C}_n, u_1, \dots, u_n)$  is a Bayesian machine game (except that  $\mathcal{M}$  here denotes a set of *interactive* machines) and  $\mathcal{F}$  is an interactive Turing machine.

Like machines in Bayesian machine games, interactive machines in a game with a mediator take as argument a view and produce an outcome. Since what an interactive machine does can depend on the history of messages sent by the mediator, the message history (or, more precisely, that part of the message history actually read by the machine) is also part of the view. Thus, we now define a view to be a string  $t; h; r$  in  $\{0, 1\}^* ; \{0, 1\}^* ; \{0, 1\}^*$ , where, as before,  $t$  is that part of the type actually read and  $r$  is a finite bitstring representing the string of random bits actually used, and  $h$  is a finite sequence of messages received and read. Again, if  $v = t; h; r$ , we take  $M(v)$  to be the output of  $M$  given the view.

We assume that the system proceeds in synchronous stages; a message sent by one machine to another in stage  $k$  is received by the start of stage  $k + 1$ . More formally, following [Abraham, Dolev, Gonen, and Halpern 2006], we assume that a *stage* consists of three phases. In the first phase of a stage, each player  $i$  sends a message to the mediator, or, more precisely, player  $i$ 's machine  $M_i$  computes a message to send to the mediator; machine  $M_i$  can also send an empty message, denoted  $\lambda$ . In the second phase, the mediator receives the message and mediator's machine sends each player  $i$  a message in response (again, the mediator can send an empty message). In the third phase, each player  $i$  performs an action other than that of sending a message (again, it may do nothing). The messages sent and the actions taken can depend on the machine's message history (as well as its initial type).

We can now define the expected utility of a profile of interactive machines in a Bayesian machine

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<sup>6</sup>Note that if we do not disregard the cost of computation, it is not clear how to define the individual complexity of a player that is controlled by  $M_Z$ .

game with a mediator. The definition is similar in spirit to the definition in Bayesian machine games, except that we must take into account the dependence of a player’s actions on the message sent by the mediator. Let  $\text{view}_i(\vec{M}, \mathcal{F}, \vec{t}, \vec{r})$  denote the string  $(t_i; h_i; r_i)$  where  $h_i$  denotes the messages received by player  $i$  if the machine profile is  $\vec{M}$ , the mediator uses machine  $\mathcal{F}$ , the type profile is  $\vec{t}$ , and  $\vec{r}$  is the profile of random strings used by the players and the mediator. Given a mediated Bayesian machine game  $G' = (G, \mathcal{F})$ , we can define the random variable  $u_i^{G', \vec{M}}(\vec{t}, \vec{r})$  as before, except that now  $\vec{r}$  must include a random string for the mediator, and to compute the outcome and the complexity function,  $M_j$  gets as an argument  $\text{view}_j(\vec{M}, \mathcal{F}, \vec{t}, \vec{r})$ , since this is the view that machine  $M_j$  gets in this setting. Finally, we define  $U_i^{G'}(\vec{M}) = \mathbf{E}_{\text{Pr}^+}[u_i^{G', \vec{M}}]$  as before, except that now  $\text{Pr}^+$  is a distribution on  $T \times (\{0, 1\}^\infty)^{n+1}$  rather than  $T \times (\{0, 1\}^\infty)^n$ , since we must include a random string for the mediator as well as the players’ machines. We can define Nash equilibrium and computationally robust Nash equilibrium in games with mediators as in Bayesian machine games; we leave the details to the reader.

Up to now, we have considered only players communicating with a mediator. We certainly want to allow for the possibility of players communicating with each other. We model this using a particular mediator that we call the *communication mediator*, denoted  $\text{comm}$ , which corresponds to what cryptographers call *secure channels* and economists call *cheap talk*. With this mediator, if  $i$  wants to send a message to  $j$ , it simply sends the message and its intended recipient to the mediator  $\text{comm}$ . The mediator’s strategy is simply to forward the messages, and the identities of the senders, to the intended recipients. (Technically, we assume that a message  $m$  from  $i$  to the mediator with intended recipient  $j$  has the form  $m; j$ . Messages not of this form are ignored by the mediator.)

**Repeated and extensive games** We can extend the above treatment to consider repeated games (where information from earlier plays is relevant to later plays), and, more generally, arbitrary extensive-form games (i.e., games defined by game trees). We capture an extensive-form game by simply viewing nature as a mediator; we allow utility functions to take into account the messages sent by the player to the mediator (i.e., talk is not necessarily “cheap”), and also the random coins used by the mediator. In other words, we assume, without loss of generality, that all communication and signals sent to a player are sent through the mediator, and that all actions taken by a player are sent as messages to the mediator. We leave the details of the formal definition to the reader.

As shown by the example below, Nash equilibrium in machine games gives a plausible explanation of observed behavior in the finitely-repeated prisoner’s dilemma.

**Example 2.11** Recall that in the prisoner’s dilemma, there are two prisoners, who can choose to either cooperate or defect. As described in the table below, if they both cooperate, they both get 3; if they both defect, then both get -3; if one defects and the other cooperates, the defector gets 5 and the cooperator gets -5. (Intuitively, the cooperator stays silent, while the defector “rats out” his partner. If they both rat each other out, they both go to jail.)

	$C$	$D$
$C$	(3, 3)	(-5, 5)
$D$	(5, -5)	(-3, -3)

It is easy to see that defecting dominates cooperating: no matter what the other player does, a player is better off defecting than cooperating. Thus, “rational” players should defect. And,

indeed,  $(D, D)$  is the only Nash equilibrium of this game. Although  $(C, C)$  gives both players a better payoff than  $(D, D)$ , this is not an equilibrium.

Now consider finitely repeated prisoner’s dilemma (FRPD), where prisoner’s dilemma is played for some fixed number  $N$  of rounds. The only Nash equilibrium is to always defect; this can be seen by a backwards induction argument. (The last round is like the one-shot game, so both players should defect; given that they are both defecting at the last round, they should both defect at the second-last round; and so on.) This seems quite unreasonable. And, indeed, in experiments, people do not always defect [Axelrod 1984]. In fact, quite often they cooperate throughout the game. Are they irrational? It is hard to call this irrational behavior, given that the “irrational” players do much better than supposedly rational players who always defect.

There have been many attempts to explain cooperation in FRPD in the literature; see, for example, [Kreps, Milgrom, Roberts, and Wilson 1982; Neyman 1985; Papadimitriou and Yannakakis 1994]. In particular, [Neyman 1985; Papadimitriou and Yannakakis 1994] demonstrate that if players are restricted to using a finite automaton with bounded complexity, then there exist equilibria that allow for cooperation. However, the strategies used in those equilibria are quite complex, and require the use of large automata;<sup>7</sup> as a consequence this approach does not seem to provide a satisfactory explanation as to why people choose to cooperate.

By using our framework, we can provide a straightforward explanation. Consider the *tit-for-tat* strategy, which proceeds as follows: a player cooperates at the first round, and then at round  $m+1$ , does whatever his opponent did at round  $m$ . Thus, if the opponent cooperated at the previous round, then you reward him by continuing to cooperate; if he defected at the previous round, you punish him by defecting. If both players play tit-for-tat, then they cooperate throughout the game. Interestingly, tit-for-tat does exceedingly well in FRPD tournaments, where computer programs play each other [Axelrod 1984].

Now consider a machine-game version of FRPD, where at each round the player receive as signal the move of the opponent in the previous rounds before they choose their action. In such a game, tit-for-tat is a simple program, which needs no memory (i.e., the machine is stateless). Suppose that we charge even a modest amount  $\alpha$  for memory usage (i.e., stateful machines get a penalty of at least  $\alpha$ , whereas stateless machines get no penalty), that there is a discount factor  $\delta$ , with  $0.5 < \delta < 1$ , so that if the player gets a reward of  $r_m$  in round  $m$ , his total reward over the whole  $N$ -round game (excluding the complexity penalty) is taken to be  $\sum_{m=1}^N \delta^m r_m$ , that  $\alpha \geq 2\delta^N$ , and that  $N > 2$ . In this case, it will be a Nash equilibrium for both players to play tit-for-tat. Intuitively, no matter what the cost of memory is (as long as it is positive), for a sufficiently long game, tit-for-tat is a Nash equilibrium.

To see this, note that the best response to tit-for-tat is to play tit-for-tat up to but not including the last round, and then to defect. But following this strategy requires the player to keep track of the round number, which requires the use of extra memory. The extra gain of 2 achieved by defecting at the last round will not be worth the cost of keeping track of the round number as long as  $\alpha \geq 2\delta^N$ ; thus no stateful strategy can do better. It remains to argue that no stateless strategy (even a randomized stateless strategy) can do better against tit-for-tat. Note that any strategy that defects for the first time at round  $k < N$  does at least  $6\delta^{k+1} - 2\delta^k$  worse than tit-for-tat. It gains 2 at round  $k$  (for a discounted utility of  $2\delta^k$ ), but loses at least 6 relative to tit-for-tat in the next round, for a discounted utility of  $6\delta^{k+1}$ . From that point on the best response is to either continue defecting (which at each round leads to a loss of 6), or cooperating until the last round and then defecting (which leads to an additional loss of 2 in round  $k+1$ , but a gain of 2 in round  $N$ ). Thus, any strategy that defects at round  $k < N$  does at least  $6\delta^{k+1} - 2\delta^k$  worse than tit-for-tat.

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<sup>7</sup>The idea behind these equilibria is to force players to remember a short history of the game, during which players perform random actions; this requires the use of many states.

A strategy that defects at the last round gains  $2\delta^N$  relative to tit-for-tat. Since  $N > 2$ , the probability that a stateless strategy defects at round  $N - 1$  or earlier is at least as high as the probability that it defects for the first time at round  $N$ . (We require that  $N > 2$  to make sure that there exist some round  $k < N$  where the strategy is run on input  $C$ .) It follows that any stateless strategy that defects for the first time in the last round with probability  $p$  in expectation gains at most  $p(2\delta^N - (6\delta^N - 2\delta^{N-1})) = p\delta^{N-1}(2 - 4\delta)$ , which is negative when  $\delta > 0.5$ . Thus, when  $\alpha \geq 2\delta^N$ ,  $N > 2$ , and  $\delta > 0.5$ , tit-for-tat is a Nash equilibrium in FRPD. (However, also note that depending on the cost of memory, tit-for-tat may *not* be a Nash equilibrium for sufficiently short games.)

The argument above can be extended to show that tit-for-tat is a Nash equilibrium even if there is also a charge for randomness or computation, as long as there is no computational charge for machines as “simple” as tit-for-tat; this follows since adding such extra charges can only make things worse for strategies other than tit-for-tat. Also note that even if only one player is charged for memory, and memory is free for the other player, then there is a Nash equilibrium where the bounded player plays tit-for-tat, while the other player plays the best response of cooperating up to but not including the last round of the game, and then defecting. ■

**The revelation principle** The *revelation principle* is one of the fundamental principles in traditional implementation theory. A specific instance of it [Myerson 1979; Forges 1986] stipulates that for every Nash equilibrium in a mediated games  $(\mathcal{G}, \mathcal{F})$ , there exists a different mediator  $\mathcal{F}'$  such that it is a Nash equilibrium for the players to *truthfully* report their type to the mediator and then perform the action suggested by the mediator. As we demonstrate, this principle no longer holds when we take computation into account (a similar point is made by Conitzer and Sandholm [2004], although they do not use our formal model). The intuition is simple: truthfully reporting your type will not be an equilibrium if it is too “expensive” to send the whole type to the mediator. For a naive counter example, consider a game where a player get utility 1 whenever its complexity is 0 (i.e., the player uses the strategy  $\perp$ ) and positive utility otherwise. Clearly, in this game it can never be an equilibrium to truthfully report your type to any mediator. This example is degenerate as the players actually never use the mediator. In the following example, we consider a game with a Nash equilibrium where the players use the mediator.

Consider a 2-player game where each player’s type is an  $n$ -bit number. The type space consists of all pairs of  $n$ -bit numbers that either are the same, or that differ in all but at most  $k$  places, where  $k \ll n$ . The player receive a utility of 1 if they can guess correctly whether their types are the same or not, while having communicated less than  $k + 2$  bits; otherwise it receives a utility of 0. Consider a mediator that upon receiving  $k + 1$  bits from the players answers back to both players whether the bits received are identical or not. With such a mediator it is an equilibrium for the players to provide the first  $k + 1$  bits of their input and then output whatever the mediator tells them. However, providing the full type is always too expensive (and can thus never be a Nash equilibrium), no matter what mediator the players have access to.

### 3 A Computational Notion of Game-Theoretic Implementation

In this section we extend the traditional notion of game-theoretic implementation of mediators to consider computational games. Our aim is to obtain a notion of implementation that can be used to capture the cryptographic notion of implementation. For simplicity, we focus on implementations of mediators that receive a single message from each player and return a single message to each player (i.e., the mediated games consist only of a single stage).

We provide a definition that captures the intuition that the machine profile  $\vec{M}$  implements a

mediator  $\mathcal{F}$  if, whenever a set of players want to truthfully provide their “input” to the mediator  $\mathcal{F}$ , they also want to run  $\vec{M}$  using the same inputs. To formalize “whenever”, we consider what we call *canonical coalition games*, where each player  $i$  has a type  $t_i$  of the form  $x_i; z_i$ , where  $x_i$  is player  $i$ ’s intended “input” and  $z_i$  consists of some additional information that player  $i$  has about the state of the world. We assume that the input  $x_i$  has some fixed length  $n$ . Such games are called *canonical games of input length  $n$* .<sup>8</sup>

Let  $\Lambda^{\mathcal{F}}$  denote the machine that, given type  $t = x; z$  sends  $x$  to the mediator  $\mathcal{F}$  and outputs as its action whatever string it receives back from  $\mathcal{F}$ , and then halts. (Technically, we model the fact that  $\Lambda^{\mathcal{F}}$  is expecting to communicate with  $\mathcal{F}$  by assuming that the mediator  $\mathcal{F}$  appends a signature to its messages, and any messages not signed by  $\mathcal{F}$  are ignored by  $\Lambda^{\mathcal{F}}$ .) Thus, the machine  $\Lambda^{\mathcal{F}}$  ignores the extra information  $z$ . Let  $\vec{\Lambda}^{\mathcal{F}}$  denote the machine profile where each player uses the machine  $\Lambda^{\mathcal{F}}$ . Roughly speaking, to capture the fact that whenever the players want to compute  $\mathcal{F}$ , they also want to run  $\vec{M}$ , we require that if  $\vec{\Lambda}^{\mathcal{F}}$  is an equilibrium in the game  $(G, \mathcal{F})$  (i.e., if it is an equilibrium to simply provide the intended input to  $\mathcal{F}$  and finally output whatever  $\mathcal{F}$  replies), running  $\vec{M}$  using the intended input is an equilibrium as well.

We actually consider a more general notion of implementation: we are interested in understanding how well equilibrium in a set of games with mediator  $\mathcal{F}$  can be implemented using a machine profile  $\vec{M}$  and a possibly different mediator  $\mathcal{F}'$ . Roughly speaking, we want that, for every game  $G$  in some set  $\mathcal{G}$  of games, if  $\vec{\Lambda}^{\mathcal{F}}$  is an equilibrium in  $(G, \mathcal{F})$ , then  $\vec{M}$  is an equilibrium in  $(G, \mathcal{F}')$ . In particular, we want to understand what degree of robustness  $p$  in the game  $(G, \mathcal{F})$  is required to achieve an  $\epsilon$ -equilibrium in the game  $(G, \mathcal{F}')$ . We also require that the equilibrium with mediator  $\mathcal{F}'$  be as “coalition-safe” as the equilibrium with mediator  $\mathcal{F}$ .

**Definition 3.1 (Universal implementation)** *Suppose that  $\mathcal{G}$  is a set of  $m$ -player canonical games,  $\mathcal{Z}$  is a set of subsets of  $[m]$ ,  $\mathcal{F}$  and  $\mathcal{F}'$  are mediators,  $M_1, \dots, M_m$  are interactive machines,  $p : \mathbb{N} \times \mathbb{N} \rightarrow \mathbb{N}$ , and  $\epsilon : \mathbb{N} \rightarrow \mathbb{R}$ .  $(\vec{M}, \mathcal{F}')$  is a  $(\mathcal{G}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon$  if, for all  $n \in \mathbb{N}$ , all games  $G \in \mathcal{G}$  with input length  $n$ , all  $\mathcal{Z}' \subseteq \mathcal{Z}$  if  $\vec{\Lambda}^{\mathcal{F}}$  is a  $p(n, \cdot)$ -robust  $\mathcal{Z}'$ -safe Nash equilibrium in the mediated machine game  $(G, \mathcal{F})$  then*

1. (Preserving Equilibrium)  $\vec{M}$  is a  $\mathcal{Z}'$ -safe  $\epsilon(n)$ -Nash equilibrium in the mediated machine game  $(G, \mathcal{F}')$ .
2. (Preserving Action Distributions) For each type profile  $\vec{t}$ , the action profile induced by  $\vec{\Lambda}^{\mathcal{F}}$  in  $(G, \mathcal{F})$  is identically distributed to the action profile induced by  $\vec{M}$  in  $(G, \mathcal{F}')$ .

Note that, depending on the class  $\mathcal{G}$ , our notion of universal implementation imposes severe restrictions on the complexity of the machine profile  $\vec{M}$ . For instance, if  $\mathcal{G}$  consists of all games, it requires that the complexity of  $\vec{M}$  is the same as the complexity of  $\vec{\Lambda}^{\mathcal{F}}$ . (If the complexity of  $\vec{M}$  is higher than that of  $\vec{\Lambda}^{\mathcal{F}}$ , then we can easily construct a game  $G$  by choosing the utilities appropriately such that it is an equilibrium to run  $\vec{\Lambda}^{\mathcal{F}}$  in  $(G, \mathcal{F})$ , but running  $\vec{M}$  is too costly.) Also note that if  $\mathcal{G}$  consists of games where players strictly prefer smaller complexity, then universal implementation requires that  $\vec{M}$  be the optimal algorithm (i.e., the algorithm with the lowest complexity) that implements the functionality of  $\vec{M}$ , since otherwise a player would prefer to switch to the optimal implementation. Since few algorithms have been shown to be provably optimal with respect to, for example, the number of computational steps of a Turing machines, this, at first sight, seems to severely limit the use of our definition. However, if we consider games with

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<sup>8</sup>Note that by simple padding, canonical games represent a setting where all parties’ input lengths are upper-bounded by some value  $n$  that is common knowledge. Thus, we can represent any game where there are only finite many possible types as a canonical game for some input length  $n$ .

“coarse” complexity functions, or a complexity functions where, say, the first  $T$  steps are “free” (e.g., machines that execute less than  $T$  steps are assigned complexity 1), the restrictions above are not so severe. Indeed, it seems quite natural to assume that a player is indifferent between the “small” differences in computation.

Our notion of universal implementation is related to a number of other notions in the literature; we briefly review the most relevant ones here.

- Our definition of universal implementation captures intuitions similar in spirit to Forges’ [1990] notion of a *universal mechanism*. It differs in one obvious way: our definition considers *computational* games, where the utility functions depend on complexity considerations. As mentioned, Dodis, Halevi and Rabin [2000] (and more recent work, such as [Abraham, Dolev, Gonen, and Halpern 2006; Lepinski, Micali, Peikert, and Shelat 2004; Halpern and Teague 2004; Abraham, Dolev, Gonen, and Halpern 2006; Gordon and Katz 2006; Kol and Naor 2008]) consider notions of implementation where the players are modeled as polynomially-bounded Turing machines, but do not consider computational games. As such, the notions considered in these works do not provide any a-priori guarantees about the incentives of players with regard to computation.
- Recently, Izmalkov, Lepinski and Micali [2008] introduced a strong notion of implementation, called *perfect implementation*. Although their notion does not explicitly consider games with computational costs, their notion can be viewed as a strengthening of ours under certain assumptions about the cost of computation; however, their notion can be achieved only with the use of strong primitives that cannot be implemented under standard computational and systems assumptions [Lepinski, Micali, and Shelat 2005].
- Our definition is more general than earlier notions of implementation in that we consider also universality with respect to (sub-)classes of games  $\mathcal{G}$ . This extra generality will be extensively used in the sequel.
- Our notion of coalition-safety also differs somewhat from earlier notions. Note that if  $\mathcal{Z}$  contains all subsets of players with  $k$  or less players, then universal implementation implies that all  $k$ -resilient Nash equilibria and all strong  $k$ -resilient Nash equilibria are preserved. However, unlike the notion of  $k$ -resilience considered by Abraham et al. [2006, 2008], our notion provides a “best-possible” guarantee for games that do not have a  $k$ -resilient Nash equilibrium. We guarantee that if a certain subset  $Z$  of players have no incentive to deviate in the mediated game, then that subset will not have incentive to deviate in the cheap-talk game; this is similar in spirit to the definitions of [Izmalkov, Lepinski, and Micali 2008; Lepinski, Micali, Peikert, and Shelat 2004]. Note that, in contrast to [Izmalkov, Lepinski, and Micali 2008; Lepinski, Micali, and Shelat 2005], rather than just allowing colluding players to communicate only through their moves in the game, we allow coalitions of players that are controlled by a single entity; this is equivalent to considering collusions where the colluding players are allowed to freely communicate with each other. In other words, whereas the definitions of [Izmalkov, Lepinski, and Micali 2008; Lepinski, Micali, and Shelat 2005] require protocols to be “signalling-free”, our definition does not impose such restrictions. We believe that this model is better suited to capturing the security of cryptographic protocols in most traditional settings (where signalling is not an issue).
- We require only that a Nash equilibrium is preserved when moving from the game with mediator  $\mathcal{F}$  to the communication game. Stronger notions of implementation require that the equilibrium in the communication game be a *sequential equilibrium* [Kreps and Wilson

1982]; see, for example, [Gerardi 2004; Ben-Porath 2003]. Since every Nash equilibrium in the game with the mediator  $\mathcal{F}$  is also a sequential equilibrium, these stronger notions of implementation actually show that sequential equilibrium is preserved when passing from the game with the mediator to the communication game.

While these notions of implementation guarantee that an equilibrium with the mediator is preserved in the communication game, they do not guarantee that new equilibria are not introduced in the latter. An even stronger guarantee is provided by Izmalkov, Lepinski and Micali’s [2008] notion of perfect implementation; this notion requires a one-to-one correspondence  $f$  between *strategies* in the corresponding games such that each player’s utility with strategy profile  $\vec{\sigma}$  in the game with the mediator is the same as his utility with strategy profile  $(f(\sigma_1), \dots, f(\sigma_n))$  in the communication game without the mediator. Such a correspondence, called *strategic equivalence* by Izmalkov, Lepinski, and Micali [2008], guarantees (among other things) that *all* types of equilibria are preserved when passing from one game to the other, and that no new equilibria are introduced in the communication game. We focus on the simpler notion of implementation, which requires only that Nash equilibria are preserved, and leave open an exploration of more refined notions.

**Strong Universal Implementation** Intuitively,  $(\vec{M}, \mathcal{F}')$  universally implements  $\mathcal{F}$  if, whenever a set of parties want to compute  $\mathcal{F}$ , then they also want to run  $\vec{M}$  (using  $\mathcal{F}'$ ), where we take “wanting to compute  $\mathcal{F}$  (resp., run  $\vec{M}$ )” to be “it is an equilibrium to use  $\vec{\Lambda}^{\mathcal{F}}$  when playing with the mediator  $\mathcal{F}$  (resp., to use  $\vec{M}$  when playing with the mediator  $\mathcal{F}'$ )”. We now strengthen this notion to also require that whenever a subset of the players do *not* want to compute  $\mathcal{F}$  (i.e., if they prefer to do “nothing”), then they also do not want to run  $\vec{M}$ , even if all other players do so. Recall that  $\perp$  denotes the (canonical) machine that does nothing. Recall that if adversary  $Z$  uses  $\perp$ , then it sends no messages and writes nothing on all the output tapes of players in  $Z$ .

**Definition 3.2 (Strong Universal Implementation)** *Let  $(\vec{M}, \mathcal{F}')$  be a  $(\mathcal{G}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon$ .  $(\vec{M}, \mathcal{F}')$  is a strong  $(\mathcal{G}, \mathcal{Z}, p)$ -implementation of  $\mathcal{F}$  if, for all  $n \in \mathbb{N}$ , all games  $G \in \mathcal{G}$  with input length  $n$ , all  $Z \in \mathcal{Z}$ , if  $\perp$  is a  $p(n, \cdot)$ -robust best response to  $\Lambda_{-Z}^{\mathcal{F}}$  in  $(G, \mathcal{F})$  then  $\perp$  is an  $\epsilon$ -best response to  $\vec{M}_{-Z}$  in  $(G, \mathcal{F}')$ .*

## 4 Relating Cryptographic and Game-Theoretic Implementation

We briefly recall the notion of precise secure computation [Micali and Pass 2006; Micali and Pass 2007; Goldreich, Micali, and Wigderson 1986]; more details are given in Appendix A. An  $m$ -ary *functionality* is specified by a random process that maps vectors of inputs to vectors of outputs (one input and one output for each player). That is, formally,  $f = \cup_{n=1}^{\infty} f^n$ , where  $f^n : ((\{0, 1\}^n)^m \times \{0, 1\}^{\infty}) \rightarrow (\{0, 1\}^n)^m$  and  $f^n(f_1^n, \dots, f_m^n)$ . We often abuse notation and suppress the random bitstring  $r$ , writing  $f^n(\vec{x})$  or  $f(\vec{x})$ . (We can think of  $f^n(\vec{x})$  and  $f_i^n(\vec{x})$  as random variables.) A machine profile  $\vec{M}$  *computes*  $f$  if for all  $n \in \mathbb{N}$ , all inputs  $\vec{x} \in (\{0, 1\}^n)^m$  the output vector of the players after an execution of  $\vec{M}$  on input  $\vec{x}$  (where  $M_i$  gets input  $x_i$ ) is identically distributed to  $f^n(\vec{x})$ .

As usual, the security of a protocol  $\vec{M}$  for computing a function  $f$  is defined by comparing the *real execution* of  $\vec{M}$  with an *ideal execution* where all players directly talk to a trusted third party (i.e., a mediator) computing  $f$ . Roughly speaking, a machine profile  $\vec{M}$  *securely computes* an  $m$ -ary functionality  $f$  if the real execution of  $\vec{M}$  emulates the ideal execution. This is formalized by requiring that for every real-execution adversary  $A$ , there exists an ideal-execution adversary  $\tilde{A}$ ,

called the *simulator*, such that the real execution of  $\vec{M}$  with  $A$  is emulated by the ideal execution with  $\tilde{A}$ . The job of  $\tilde{A}$  is to provide appropriate inputs to the trusted party, and to reconstruct the view of  $A$  in the real execution. This should be done in such a way that no *distinguisher*  $D$  can distinguish the outputs of the parties, and the view of the adversary, in the real and the ideal execution. (Note that in the real execution, the view of the adversary is simply the actual view of  $A$  in the execution, whereas in the ideal execution we refer to the reconstructed view output by  $\tilde{A}$ ).

The traditional notion of secure computation [Goldreich, Micali, and Wigderson 1987] requires only that the *worst-case* complexity (size and running-time) of  $\tilde{A}$  is polynomially related to that of  $A$ . Precise secure computation [Micali and Pass 2006; Micali and Pass 2007] additionally requires that the running time of the simulator  $\tilde{A}$  “respects” the running time of the adversary  $A$  in an “execution-by-execution” fashion: a secure computation is said to have precision  $p(n, t)$  if the running-time of the simulator  $\tilde{A}$  (on input security parameter  $n$ ) is bounded by  $p(n, t)$  whenever  $\tilde{A}$  outputs a view in which the running-time of  $A$  is  $t$ .

In this work we introduce a weakening of the notion of precise secure computation. The formal definition is given in Appendix A.1. We here highlight some key differences:

- The standard definition requires the existence of a simulator for every  $A$ , such the real and the ideal execution cannot be distinguished given any set of inputs and any distinguisher. In analogy with the work of Dwork, Naor, Reingold, and Stockmeyer [2003], we change the order of the quantifiers. We simply require that given any adversary, any input distribution and any distinguisher, there exists a simulator that tricks that particular distinguisher, except with probability  $\epsilon(n)$ ;  $\epsilon$  is called the error of the secure computation.
- The notion of precise simulation requires that the simulator *never* exceeds its precision bounds. We here relax this assumption and let the simulator exceed its bound with probability  $\epsilon(n)$ .

Additionally, we generalize this notion to consider arbitrary complexity measures  $\mathcal{C}$  (instead of just running-time), and to consider *general adversary structures* [Hirt and Maurer 2000] (where the specification of a secure computation includes a set  $\mathcal{Z}$  of subsets of players such that the adversary is allowed to corrupt only the players in one of the subsets in  $\mathcal{Z}$ ; in contrast, in [Goldreich, Micali, and Wigderson 1987; Micali and Pass 2006] only *threshold adversaries* are considered, where  $\mathcal{Z}$  consists of all subsets up to a pre-specified size  $k$ .)

We will be most interested in secure computation protocols with precision  $p$  where  $p(n, 0) = 0$ ; such functions are called *homogeneous*. In our setting (where only the machine  $\perp$  has complexity 0), this property essentially says that the adversary running  $\perp$  in the ideal execution (i.e., aborting— not sending any messages to the trusted third party and writing nothing on all the output tapes of players in  $Z$ ) must be a valid simulator of the adversary running  $\perp$  in the real execution.<sup>9</sup> Note that the we can always regain the “non-precise” notion of secure computation by instantiating  $\mathcal{C}(M, v)$  with the sum of the *worst-case* running-time of  $M$  (on inputs of the same length as the input length in  $v$ ) and size of  $M$ . Thus, by the classical results of [Ben-Or, Goldwasser, and Wigderson 1988; Goldwasser, Micali, and Rackoff 1989; Goldreich, Micali, and Wigderson 1987] it directly follows that there exists weak  $\mathcal{C}$ -precise secure computation protocols with precision  $p(n, t) = poly(n, t)$  (where  $p$  is homogeneous) when  $\mathcal{C}(M, v)$  is the sum of the worst-case running-time of  $M$  and size of  $M$ . The results of [Micali and Pass 2006; Micali and Pass 2007] extend to show the existence of weak  $\mathcal{C}$ -precise secure computation protocols with precision  $p(n, t) = O(t)$  (where  $p$  is homogeneous) when  $\mathcal{C}(M, v)$  is a linear combination of the running-time (as opposed to just worst-case running-time) of  $M(v)$  and size of  $M$ . See Appendix C for more details.

<sup>9</sup>Although this property traditionally is not required by standard definitions of security, all “natural” simulators satisfy it.



## 4.1 Equivalences

As a warm-up, we show that “error-free” secure computation, also known as *perfectly-secure computation* [Ben-Or, Goldwasser, and Wigderson 1988], already implies the traditional game-theoretic notion of implementation [Forges 1990] (which does not consider computation). To do this, we first formalize the traditional game-theoretic notion using our notation: Let  $\vec{M}$  be an  $m$ -player profile of machines. We say that  $(\vec{M}, \mathcal{F})$  is a *traditional game-theoretic implementation* of  $\mathcal{F}$  if  $(\vec{M}, \mathcal{F})$  is a  $(\mathcal{G}^{\text{nocomp}}, \{\{1\}, \dots, \{m\}\}, 0)$ -universal implementation of  $\mathcal{F}$  with 0-error, where  $\mathcal{G}^{\text{nocomp}}$  denotes the class of all  $m$ -player canonical machine games where the utility functions do not depend on the complexity profile. (Recall that the traditional notion does not consider computational games or coalition games.)

We say that a mediator  $\mathcal{F}$  *computes the  $m$ -ary functionality  $f$*  if for all  $n \in N$  and all inputs  $\vec{x} \in (\{0, 1\}^n)^m$ , the output vector of the players after an execution of  $\vec{\Lambda}$  on input  $\vec{x}$  and with the mediator  $\mathcal{F}$  is distributed identically to  $f(\vec{x})$ .

**Proposition 4.1** *Suppose that  $f$  is an  $m$ -ary functionality,  $\mathcal{F}$  is a mediator that computes  $f$ , and  $\vec{M}$  is a machine profile. Then  $(\vec{M}, \text{comm})$  is a traditional game-theoretic implementation of  $\mathcal{F}$  if  $\vec{M}$  is a (traditional) perfectly-secure computation of  $\mathcal{F}$ .*

**Proof:** We start by showing that running  $\vec{M}$  is a Nash equilibrium if running  $\vec{\Lambda}^{\mathcal{F}}$  with mediator  $\mathcal{F}$  is one. Recall that the cryptographic notion of error-free secure computation requires that for every player  $i$  and every “adversarial” machine  $M'_i$  controlling player  $i$ , there exists a “simulator” machine  $\tilde{M}_i$ , such that the outputs of all players in the execution of  $(M'_i, \vec{M}_{-i})$  are *identically distributed* to the output of the players in the execution of  $(\tilde{M}_i, \vec{\Lambda}_{-i}^{\mathcal{F}})$  with mediator  $\mathcal{F}$ .<sup>10</sup> In game-theoretic terms, this means that every “deviating” strategy  $M'_i$  in the communication game can be mapped into a deviating strategy  $\tilde{M}_i$  in the mediated game with the same output distribution for each type, and, hence, the same utility, since the utility depends only on the type and the output distribution; this follows since we require universality only with respect to games in  $\mathcal{G}^{\text{nocomp}}$ . Since no deviations in the mediated game can give higher utility than the Nash equilibrium strategy of using  $\Lambda_i^{\mathcal{F}}$ , running  $\vec{M}$  must also be a Nash equilibrium.

It only remains to show that  $\vec{M}$  and  $\vec{\Lambda}^{\mathcal{F}}$  induce the same action distribution; this follows directly from the definition of secure computation by considering an adversary that does not corrupt any parties. ■

We now relate our computational notion of implementation to precise secure computation. Our goal is to show that weak precise secure computation is equivalent to strong  $\mathcal{G}$ -universal implementation for certain natural classes  $\mathcal{G}$  of games. We consider games that satisfy a number of natural restrictions. If  $G = ([m], \mathcal{M}, \text{Pr}, \vec{\mathcal{C}}, \vec{u})$  is a canonical game with input length  $n$ , then

1.  $G$  is *machine universal* if the machine set  $\mathcal{M}$  is the set of Turing machines.
2.  $G$  is *normalized* if the range of  $u_Z$  is  $[0, 1]$  for all subsets  $Z$  of  $[m]$ ;
3.  $G$  is *monotone* if, for all subset  $Z$  of  $[m]$ , all type profiles  $\vec{t}$ , action profiles  $\vec{a}$ , and all complexity profiles  $(c_Z, \vec{c}_{-Z})$ ,  $(c'_Z, \vec{c}'_{-Z})$ , if  $c'_Z > c_Z$ , then  $u_Z(\vec{t}, \vec{a}, (c'_Z, \vec{c}'_{-Z})) \leq u_i(\vec{t}, \vec{a}, (c_Z, \vec{c}_{-Z}))$ .
4.  $G$  is a  $\vec{\mathcal{C}}'$ -game if  $\mathcal{C}_Z = \mathcal{C}'_Z$  for all subsets  $Z$  of  $[m]$ .

Let  $\mathcal{G}^{\vec{\mathcal{C}}}$  denote the class of machine-universal, normalized, monotone, canonical  $\vec{\mathcal{C}}$ -games.

<sup>10</sup>The follows from the fact that perfectly-secure computation is error-free.

Up to now we have placed no constraints on the complexity function. We do need some minimal constraints for our theorem. For one direction of our equivalence results (showing that precise secure computation implies universal implementation), we require that honestly running the protocol should have constant complexity, and that it be the same with and without a mediator. More precisely, we say that a complexity function  $\mathcal{C}$  is  $\vec{M}$ -*acceptable* if, for every subset  $Z$ , the machines  $(\Lambda^{\mathcal{F}})_Z^b$  and  $M_Z^b$  have the same complexity  $c_0$  for all inputs; that is,  $\mathcal{C}_Z((\Lambda^{\mathcal{F}})_Z^b, \cdot) = c_0$  and  $\mathcal{C}_Z(M_Z^b, \cdot) = c_0$ .<sup>11</sup> Note that an assumption of this nature is necessary in order to show that  $(\vec{M}, \text{comm})$  is a  $(\mathcal{G}^{\vec{\mathcal{C}}}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$ . As mentioned earlier, if the complexity of  $\vec{M}$  is higher than that of  $\vec{\Lambda}^{\mathcal{F}}$ , then we can construct a game  $G$  such that it is an equilibrium to run  $\vec{\Lambda}^{\mathcal{F}}$  in  $(G, \mathcal{F})$ , but running  $\vec{M}$  is too costly. The assumption that  $\vec{M}$  and  $\vec{\Lambda}^{\mathcal{F}}$  have the same complexity is easily satisfied when considering coarse complexity function (where say the first  $T$  steps of computation are free). Another way of satisfying this assumption is to consider a complexity function that simply charges  $c_0$  for the use of the mediator, where  $c_0$  is the complexity of running the protocol. Given this view, universal implementation requires only that players want to run  $\vec{M}$  as long as they are willing to pay  $c_0$  in complexity for talking to the mediator. (We remark that we can weaken the assumption that  $\vec{M}$  and  $\vec{\Lambda}^{\mathcal{F}}$  have exactly the same complexity, and allow them to have approximately equal complexities, by considering universality with respect to a slightly more restricted class of games. We omit the details.)

For the other direction of our equivalence (showing that universal implementation implies precise secure computation), we require that certain operations, like moving output from one tape to another, do not incur any additional complexity. Such complexity functions are called *output-invariant*; we provide a formal definition at the beginning of Section B. We can now state the connection between secure computation and game-theoretic implementation.

**Theorem 4.2 (Equivalence: Information-theoretic case)** *Suppose that  $f$  is an  $m$ -ary functionality,  $\mathcal{F}$  is a mediator that computes  $f$ ,  $\vec{M}$  is a machine profile that computes  $f$ ,  $\mathcal{Z}$  is a set of subsets of  $[m]$ ,  $\vec{\mathcal{C}}$  is an  $\vec{M}$ -acceptable output-invariant complexity function, and  $p$  is a homogeneous precision function. Then  $\vec{M}$  is a weak  $\mathcal{Z}$ -secure computation of  $f$  with  $\vec{\mathcal{C}}$ -precision  $p$  and  $\epsilon$ -statistical error “if and only if”  $(\vec{M}, \text{comm})$  is a strong  $(\mathcal{G}^{\vec{\mathcal{C}}}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon$ .<sup>12</sup>*

In Appendix C we provide a “computational” analogue of the equivalence theorem above: roughly speaking, we show an equivalence between *computational* precise secure computation and strong universal implementation with respect to “computationally-efficient” classes of games (i.e., games where the complexity and utility functions can be computed by polynomial-size circuits, and where we consider only machines whose computations can be carried out by polynomial-size circuits). As a corollary of this result, we also obtain a game-theoretic characterization of the “standard” (i.e., “non-precise”) notion of secure computation; roughly speaking, we show an equivalence between secure computation and strong universal implementation with respect to computationally-efficient classes of games when considering a complexity function  $\mathcal{C}(M, v)$  that is a combination of the *worst-case* running-time of  $M$  and the size of  $M$ .

**Proof overview** We now provide a high-level overview of the proof of Theorem 4.2. Needless to say, this oversimplified sketch leaves out many crucial details which complicate the proof.

<sup>11</sup>Our results continue to hold if  $c_0$  is a function on the input length  $n$  but otherwise does not depend on the view.

<sup>12</sup>We put “if and only if” in quotes, since the result as stated is only true if there are finitely many possible adversaries. If there are infinitely many possible adversaries, we seem to need to use slightly different  $\epsilon$ ’s in each direction. More precise, in the “if” direction, we only show that for every  $\epsilon' < \epsilon$ , it holds that strong universal implementation with error  $\epsilon'$  implies secure computation with error  $\epsilon$ . See Appendix B for details.

*Weak precise secure computation implies strong universal implementation.* At first glance, it might seem like the traditional notion of secure computation of [Goldreich, Micali, and Wigderson 1987] easily implies the notion of universal implementation: if there exists some (deviating) strategy  $A$  in the communication game implementing mediator  $\mathcal{F}$  that results in a different distribution over actions than in equilibrium, then the simulator  $\tilde{A}$  for  $A$  could be used to obtain the same distribution; moreover, the running time of the simulator is within a polynomial of that of  $A$ . Thus, it would seem like secure computation implies that any “poly”-robust equilibrium can be implemented. However, the utility function in the game considers the complexity of each execution of the computation. So, even if the worst-case running time of  $\tilde{A}$  is polynomially related to that of  $A$ , the utility of corresponding executions might be quite different. This difference may have a significant effect on the equilibrium. To make the argument go through we need a simulation that preserves complexity in an execution-by-execution manner. This is exactly what precise zero knowledge [Micali and Pass 2006] does. Thus, intuitively, the degradation in computational robustness by a universal implementation corresponds to the precision of a secure computation.

More precisely, to show that a machine profile  $\vec{M}$  is a universal implementation, we need to show that whenever  $\Lambda$  is a  $p$ -robust equilibrium in a game  $G$  with mediator  $\mathcal{F}$ , then  $\vec{M}$  is an  $\epsilon$ -equilibrium (with the communication mediator `comm`). Our proof proceeds by contradiction: we show that a deviating strategy  $M'_Z$  (for a coalition controlling  $Z$ ) for the  $\epsilon$ -equilibrium  $\vec{M}$  can be turned into a deviating strategy  $\tilde{M}_Z$  for the  $p$ -robust equilibrium  $\vec{\Lambda}$ . We here use the fact that  $\vec{M}$  is a weak precise secure computation to find the machine  $\tilde{M}_Z$ ; intuitively  $\tilde{M}_Z$  will be the simulator for  $M'_Z$ . The key step in the proof is a method for embedding any coalition machine game  $G$  into a distinguisher  $D$  that “emulates” the role of the utility function in  $G$ . If done appropriately, this ensures that the utility of the (simulator) strategy  $\tilde{M}_Z$  is close to the utility of the strategy  $M'_Z$ , which contradicts the assumption that  $\vec{\Lambda}$  is an  $\epsilon$ -Nash equilibrium.

The main obstacle in embedding the utility function of  $G$  into a distinguisher  $D$  is that the utility of a machine  $\tilde{M}_Z$  in  $G$  depends not only on the types and actions of the players, but also on the complexity of running  $\tilde{M}_Z$ . In contrast, the distinguisher  $D$  does not get the complexity of  $\tilde{M}$  as input (although it gets its output  $v$ ). On a high level (and oversimplifying), to get around this problem, we let  $D$  compute the utility *assuming* (incorrectly) that  $\tilde{M}_Z$  has complexity  $c = \mathcal{C}(M', v)$  (i.e., the complexity of  $M'_Z$  in the view  $v$  output by  $\tilde{M}_Z$ ). Suppose, for simplicity, that  $\tilde{M}_Z$  is *always* “precise” (i.e., it always respects the complexity bounds).<sup>13</sup> Then it follows that (since the complexity  $c$  is always close to the actual complexity of  $\tilde{M}_Z$  in every execution) the utility computed by  $D$  corresponds to the utility of some game  $\tilde{G}$  that is at most a  $p$ -speed up of  $G$ . (To ensure that  $\tilde{G}$  is indeed a speedup and not a “slow-down”, we need to take special care with simulators that potentially run faster than the adversary they are simulating. The monotonicity of  $G$  helps us to circumvent this problem.) Thus, although we are not able to embed  $G$  into the distinguisher  $D$ , we can embed a related game  $\tilde{G}$  into  $D$ . This suffices to show that  $\vec{\Lambda}$  is not a Nash equilibrium in  $\tilde{G}$ , contradicting the assumption that  $\vec{\Lambda}$  is a  $p$ -robust Nash equilibrium. A similar argument can be used to show that  $\perp$  is also an  $\epsilon$ -best response to  $\vec{M}_{-Z}$  if  $\perp$  is a  $p$ -robust best response to  $\vec{\Lambda}_{-Z}$ , demonstrating that  $\vec{M}$  in fact is a strong universal implementation.

*Strong universal implementation implies weak precise secure computation.* To show that strong universal implementation implies weak precise secure computation, we again proceed by contradiction. We show how the existence of a distinguisher  $D$  and an adversary  $M'_Z$  that cannot be simulated by *any* machine  $\tilde{M}_Z$  can be used to construct a game  $G$  for which  $\vec{M}$  is not a strong implementation. The idea is to have a utility function that assigns high utility to some “simple”

<sup>13</sup>This is an unjustified assumption, and in the actual proof we actually need to consider a more complicated construction.

strategy  $M_Z^*$ . In the mediated game with  $\mathcal{F}$ , no strategy can get better utility than  $M_Z^*$ . On the other hand, in the cheap-talk game, the strategy  $M_Z'$  does get higher utility than  $M_Z^*$ . As  $D$  indeed is a function that “distinguishes” a mediated execution from a cheap-talk game, our approach will be to try to embed the distinguisher  $D$  into the game  $G$ . The choice of  $G$  depends on whether  $M_Z' = \perp$ . We now briefly describe these games.

If  $M_Z' = \perp$ , then there is no simulator for the machine  $\perp$  that simply halts. In this case, we construct a game  $G$  where using  $\perp$  results in a utility that is determined by running the distinguisher. (Note that  $\perp$  can be easily identified, since it is the only strategy that has complexity 0.) All other strategies instead get some canonical utility  $d$ , which is higher than the utility of  $\perp$  in the mediated game. However, since  $\perp$  cannot be “simulated”, playing  $\perp$  in the cheap-talk game leads to an even higher utility, contradicting the assumption that  $\vec{M}$  is a universal implementation.

If  $M_Z' \neq \perp$ , we construct a game  $G'$  in which each strategy other than  $\perp$  gets a utility that is determined by running the distinguisher. Intuitively, efficient strategies (i.e., strategies that have relatively low complexity compared to  $M_Z'$ ) that output views on which the distinguisher outputs 1 with high probability get high utility. On the other hand,  $\perp$  gets a utility  $d$  that is at least as good as what the other strategies can get in the mediated game with  $\mathcal{F}$ . This makes  $\perp$  a best response in the mediated game; in fact, we can define the game  $G'$  so that it is actually a  $p$ -robust best response. However, it is not even an  $\epsilon$ -best-response in the cheap-talk game:  $M_Z'$  gets higher utility, as it receives a view that cannot be simulated. (The output-invariant condition on the complexity function  $\mathcal{C}$  is used to argue that  $M_Z'$  can output its view at no cost.)

## 4.2 Universal Implementation for Specific Classes of Games

Our equivalence result might seem like a negative result. It demonstrates that considering only rational players (as opposed to adversarial players) does not facilitate protocol design. Note, however, that for the equivalence to hold, we must consider implementations universal with respect to essentially *all* games. In many settings, it might be reasonable to consider implementations universal with respect to only certain subclasses of games; in such scenarios, universal implementations may be significantly simpler or more efficient, and may also circumvent traditional lower bounds.

We list some natural restrictions on classes of games below, and discuss how such restrictions can be leveraged in protocol design. These examples illustrate some of the benefits of a fully game-theoretic notion of security that does not rely on the standard cryptographic simulation paradigm.

**Games with punishment:** Many natural situations can be described as games where players can choose actions that “punish” an individual player  $i$ . For instance, this punishment can represent the cost of being excluded from future interactions. Intuitively, games with punishment model situations where players do not want to be caught cheating. Punishment strategies (such as the grim-trigger strategy in repeated prisoner’s dilemma, where a player defects forever once his opponent defects once [Axelrod 1984]) are extensively used in the game-theory literature. We give two examples where cryptographic protocol design is facilitated when requiring only implementations that are universal with respect to games with punishment.

*Efficiency:* As observed by Malkhi et al. [2004], and more recently formalized by Aumann and Lindell [2006], in situations where players do not want to be caught cheating, it is easier to construct efficient protocols. Using our framework we can formalize this intuition in a straightforward way. For concreteness, consider classes of normalized 2-player games, where the expected utility for both players in every Nash equilibrium is  $\beta$ , but where player  $1 - i$  receives payoff  $\alpha < \beta$  if player  $i$  outputs the string `punish`. Assume first that  $\alpha = 0$  and

$\beta = 1/2$ , that is, the Nash equilibrium strategy gives utility  $1/2$  but a “punished” player gets 0. In such a setting, it is sufficient to come up with protocols which guarantee that a cheating player is caught with probability  $1/2$ ; to prevent cheating simply “punish” a player that gets caught cheating. It follows that the utility of cheating is bounded by  $1/2 \times 1 + 1/2 \times 0 = 1/2$ . By the same argument it follows that for general  $\alpha, \beta$ , it is sufficient to have a protocol where a cheating player gets caught with probability  $\frac{1-\beta}{1-\alpha}$ .

*Fairness:* It is well-known that, for many functions, secure 2-player computation where both players receive output is impossible if we require *fairness* (i.e., that either both or neither of the players receives an output) [Goldreich 2004]. Such impossibility results can be easily circumvented by considering universal implementation with respect to games with punishment. This follows from the fact that although it is impossible to get secure computation with fairness, the weaker notion of secure computation with *abort* [Goldwasser and Lindell 2002] is achievable. Intuitively, this notion guarantees that the only attack possible is one where one of the players prevents the other player from getting its output; this is called an “abort”. To get a universal implementations with respect to games with punishment, it is thus sufficient to use any (weak) precise secure computation protocol with abort (see [Goldwasser and Lindell 2002; Micali and Pass 2007]) modified so that players output *punish* if the other player aborts. It immediately follows that a player can never get a higher utility by aborting (as this will be detected by the other player, and consequently the aborting player will be punished). This result can be viewed as a generalization of the approach of [Dodis, Halevi, and Rabin 2000].<sup>14</sup>

**Games with switching cost:** Unlike perfectly-secure protocols, computationally-secure protocols inherently have a non-zero error probability. For instance, secure 2-player computation can be achieved only with computational security (with non-zero error probability). By our equivalence result, it follows that universal implementations with respect to the most general classes of 2-player games also require non-zero error probability. This is no longer the case for implementations universal with respect to restricted classes of games.

Consider, for example, a scenario where the complexities of  $\vec{M}$  and  $\vec{\Lambda}^{\mathcal{F}}$  are 1, while all other machines (except  $\perp$ ) have complexity at least 2. As mentioned earlier, every game  $G$  where  $\vec{M}$  is an  $\epsilon$ -Nash equilibrium, can be transformed into another game  $G'$  where  $\vec{M}$  is a true Nash equilibrium:  $G'$  is identical to  $G$  except that all strategies with complexity different than 2 are penalized  $\epsilon$ . This penalty can be thought of as the cost of searching for a better algorithm, or the cost of implementing the new algorithm; such a cost seems reasonable in situations where the algorithm  $\vec{M}$  is freely available to the players (e.g., it is accessible on a web-page), but any other strategy requires some implementation cost. Of course, in such a setting it might seem unreasonable that the machine  $\perp$  (which does nothing) is penalized. Luckily, to get universal implementations with respect to two-player games, we do not require a penalty for using  $\perp$ : it is easily seen that in all traditional secure computation protocols, playing  $\perp$  can never be a profitable deviation.<sup>15</sup> Thus, it is sufficient to penalize all machine with complexity at least 2.

**Strictly monotone games:** In our equivalence results we considered monotone games, where

<sup>14</sup>For this application, it is not necessary to use our game-theoretic definition of security. An alternative way to capture fairness in this setting would be to require security with respect to the standard (simulation-based) definition with abort, and additionally fairness (but not security) with respect to rational agents, according to the definition of [Dodis, Halevi, and Rabin 2000; Halpern and Teague 2004]; this approach is similar to the one used by Kol and Naor [2008]. Our formalization is arguably more natural.

<sup>15</sup>This follows from the fact that  $\perp$  is a perfect simulator for the strategy  $\perp$ .

players never prefer to compute more. It is sometimes reasonable to assume that players *strictly* prefer to compute less. We outline two possible advantages of considering universal implementations with respect to strictly monotone games.

*Error-free implementations:* Considering universality with respect to only strictly monotone games gives another approach for achieving error-free implementations. This seems particularly promising if we consider an idealized model where cryptographic functionalities (such as one-way functions) are modeled as black-boxes (see, e.g., the random oracle model of Bellare and Rogaway [1993]), and the complexity function considers the number of calls to the cryptographic function. Intuitively, if the computational cost of trying to break the cryptographic function (e.g., we need to evaluate the one-way function at least one more time) is higher than the expected gain, it is not worth deviating from the protocol.

*Fairness* One vein of research on secure computation considers protocols for achieving fair exchanges using *gradual-release* protocols (see e.g., [Boneh and Naor 2000]). In a gradual-release protocol, the players are guaranteed that if at any point one player “aborts”, then the other player(s) can compute the output within a comparable amount of time (say within twice the time). By making appropriate assumptions about the utility of computation, we can ensure that players never have incentives to deviate. Intuitively, if the cost of computing  $t$  extra steps is positive, even if the other player computes, say  $2t$ , extra steps, it will never be worth it for a player to abort. (One extra assumption that is needed is that players prefer to get the output than not getting it, even if they can trick other players into computing for a long time. This is required to ensure that a player does not prefer to abort and not compute anything while the other player attempts to compute the output.)

## 5 Conclusion

We have defined a general approach to taking computation into account in game theory that subsumes previous approaches, and shown a close connection between computationally robust Nash equilibria and precise secure computation. This opens the door to a number of exciting research directions, in both secure computation and game theory. We briefly describe a few here:

- We have illustrated some situations where universal implementations with respect to restricted classes of games facilitates protocol design. More generally, we believe that combining computational assumptions with assumptions about utility will be a fruitful line of research for secure computation. For instance, it is conceivable that difficulties associated with concurrent executability of protocols could be alleviated by making assumptions regarding the cost of message scheduling; the direction of Cohen, Kilian, and Petrank [2001] (where players who delay messages are themselves punished with delays) seems relevant in this regard.
- Our notion of universal implementation uses Nash equilibrium as solution concept. It is well known that in (traditional) extensive form games (i.e., games defined by a game tree), a Nash equilibrium might prescribe non-optimal moves at game histories that do not occur on the equilibrium path. This can lead to “empty threats”: “punishment” strategies that are non-optimal and thus not credible. Many recent works on implementation (see e.g., [Gerardi 2004; Izmalkov, Lepinski, and Micali 2008]) therefore focus on stronger solution concepts such as *sequential equilibrium* [Kreps and Wilson 1982]. We note that when taking computation into account, the distinction between credible and non-credible threats becomes more subtle: the threat of using a non-optimal strategy in a given history might be credible if, for instance, the overall complexity of the strategy is smaller than any strategy that is

optimal at every history. Thus, a simple strategy that is non-optimal off the equilibrium path might be preferred to a more complicated (and thus more costly) strategy that performs better off the equilibrium path (indeed, people often use non-optimal but simple “rules-of-thumbs” when making decisions). Finding a good definition of empty threats in games with computation costs seems challenging.

- As we have seen, universal implementation is equivalent to a variant of precise secure computation with reversed quantifier. It would be interesting to find a notion of implementation that corresponds more closely to the standard definition without a change in the order of quantifier; in particular, whereas the traditional definition of zero-knowledge guarantees *deniability* (i.e., the property that the interaction does not leave any “trace”), the new one does not. Finding a game-theoretic definition that also captures deniability seems like an interesting question.
- As we have seen, Nash equilibria do not always exist in games with computation. This leaves open the question of what the appropriate solution concept is. The issue of finding an appropriate solution concept becomes of particular interest in extensive-form games. As mentioned above, it is more standard in such games to consider refinements of Nash equilibrium such as sequential equilibrium. Roughly speaking, in a sequential equilibrium, every player must make a best response at every information set, where an information set is a set of nodes in the game tree that the agent cannot distinguish. The standard assumption in game theory is that the information set is given *exogenously*, as part of the description of the game tree. As Halpern [1997] has argued, an exogenously-given information set does not always represent the information that an agent actually has. The issue becomes even more significant in our framework. While an agent may have information that allows him to distinguish two nodes, the computation required to realize that they are different may be prohibitive, and (with computational costs) an agent can rationally decide not to do the computation. This suggests that the information sets should be determined by the machine. More generally, in defining solution concepts, it has proved necessary to reason about players’ beliefs about other players’ beliefs; now these beliefs will have to include beliefs regarding computation. Finding a good model of such beliefs seems challenging.
- A natural next step would be to introduce notions of computation in the epistemic logic. There has already been some work in this direction (see, for example, [Halpern, Moses, and Tuttle 1988; Halpern, Moses, and Vardi 1994; Moses 1988]). We believe that combining the ideas of this paper with those of the earlier papers will allow us to get, for example, a cleaner knowledge-theoretic account of zero knowledge than that given by Halpern, Moses, and Tuttle [1988].
- Finally, it would be interesting to use behavioral experiments to, for example, determine the “cost of computation” in various games (such as the finitely repeated prisoner’s dilemma).

**Acknowledgments** The second author wishes to thank Silvio Micali and abhi shelat for many exciting discussions about cryptography and game theory, and Adam Kalai for enlightening discussions. We also thank Tim Roughgarden for encouraging us to think of conditions that guarantee the existence of Nash equilibrium.

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# Appendix

## A Precise Secure Computation

In this section, we review the notion of precise secure computation [Micali and Pass 2006; Micali and Pass 2007] which is a strengthening of the traditional notion of secure computation [Goldreich, Micali, and Wigderson 1987]. We consider a system where players are connected through secure (i.e., authenticated and private) point-to-point channels. We consider a malicious adversary that is allowed to corrupt a subset of the  $m$  players before the interaction begins; these players may then deviate arbitrarily from the protocol. Thus, the adversary is *static*; it cannot corrupt players based on history.

An  $m$ -ary *functionality* is specified by a random process that maps vectors of inputs to vectors of outputs (one input and one output for each player). That is, formally,  $f = \cup_{n=1}^{\infty} f^n$ , where  $f^n : ((\{0, 1\}^n)^m \times \{0, 1\}^{\infty}) \rightarrow (\{0, 1\}^n)^m$  and  $f^n(f_1^n, \dots, f_m^n)$ . We often abuse notation and suppress the random bitstring  $r$ , writing  $f^n(\vec{x})$  or  $f(\vec{x})$ . (We can think of  $f^n(\vec{x})$  and  $f_i^n(\vec{x})$  as random variables.) A machine profile  $\vec{M}$  *computes*  $f$  if for all  $n \in N$ , all inputs  $\vec{x} \in (\{0, 1\}^n)^m$  the output vector of the players after an execution of  $\vec{M}$  on input  $\vec{x}$  (where  $M_i$  gets input  $x_i$ ) is identically distributed to  $f^n(\vec{x})$ .<sup>16</sup> As usual, the security of protocol  $\vec{M}$  for computing a function  $f$  is defined by comparing the *real execution* of  $\vec{M}$  with an *ideal execution* where all players directly talk to a trusted third party (i.e., a mediator) computing  $f$ . In particular, we require that the outputs of the players in both of these executions cannot be distinguished, and additionally that the view of the adversary in the real execution can be reconstructed by the ideal-execution adversary (called the *simulator*). Additionally, *precision* requires that the running-time of the simulator in each run of the ideal execution is closely related to the running time of the real-execution adversary in the (real-execution) view output by the simulator.

**The ideal execution** Let  $f$  be an  $m$ -ary functionality. Let  $\tilde{A}$  be a probabilistic polynomial-time machine (representing the ideal-model adversary) and suppose that  $\tilde{A}$  controls the players in  $Z \subseteq [m]$ . We characterize the *ideal execution of  $f$*  given adversary  $\tilde{A}$  using a function denoted  $\text{IDEAL}_{f, \tilde{A}}$  that maps an input vector  $\vec{x}$ , an auxiliary input  $z$ , and a tuple  $(r_{\tilde{A}}, r_f) \in (\{0, 1\}^{\infty})^2$  (a random string for the adversary  $\tilde{A}$  and a random string for the trusted third party) to a triple  $(\vec{x}, \vec{y}, v)$ , where  $\vec{y}$  is the output vector of the players  $1, \dots, m$ , and  $v$  is the output of the adversary  $\tilde{A}$  on its tape given input  $(z, \vec{x}, r_{\tilde{A}})$ , computed according to the following three-stage process.

In the first stage, each player  $i$  receives its input  $x_i$ . Each player  $i \notin Z$  next sends  $x_i$  to the trusted party. (Recall that in the ideal execution, there is a trusted third party.) The adversary  $\tilde{A}$  determines the value  $x'_i \in \{0, 1\}^n$  a player  $i \in Z$  sends to the trusted party. We assume that the system is synchronous, so the trusted party can tell if some player does not send a message; if player  $i$  does not send a message (or if its message is not in  $\{0, 1\}^n$ ) it is taken to have sent  $0^n$ . Let  $\vec{x}'$  be the vector of values received by the trusted party. In the second stage, the trusted party computes  $y_i = f_i(\vec{x}', r_f)$  and sends  $y_i$  to  $P_i$  for every  $i \in [m]$ . Finally, in the third stage, each player  $i \notin Z$  outputs the value  $y_i$  received from the trusted party. The adversary  $\tilde{A}$  determines the output of the players  $i \in Z$ .  $\tilde{A}$  finally also outputs an arbitrary value  $v$  (which is supposed to be the “reconstructed” view of the real-execution adversary  $A$ ). Let  $\text{view}_{f, \tilde{A}}(\vec{x}, z, \vec{r})$  denote the the view of  $\tilde{A}$  in this execution. Again, we occasionally abuse notation and suppress the random

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<sup>16</sup>A common relaxation requires only that the output vectors are statistically close. All our results can be modified to apply also to protocols that are satisfy only such a “statistical” notion of computation.

strings, writing  $\text{IDEAL}_{f,\tilde{A}}(\vec{x}, z)$  and  $\text{view}_{f,\tilde{A}}(\vec{x}, z)$ ; we can think of  $\text{IDEAL}_{f,\tilde{A}}(\vec{x}, z)$  and  $\text{view}_{f,\tilde{A}}(\vec{x}, z)$  as random variables.

**The real execution** Let  $f$  be an  $m$ -ary functionality, let  $\Pi$  be a protocol for computing  $f$ , and let  $A$  be a machine that controls the same set  $Z$  of players as  $\tilde{A}$ . We characterize the *real execution* of  $\Pi$  given adversary  $A$  using a function denoted  $\text{REAL}_{\Pi,A}$  that maps an input vector  $\vec{x}$ , an auxiliary input  $z$ , and a tuple  $\vec{r} \in (\{0, 1\}^\infty)^{m+1-|Z|}$  ( $m - |Z|$  random strings for the players not in  $Z$  and a random string for the adversary  $A$ ), to a triple  $(\vec{x}, \vec{y}, v)$ , where  $\vec{y}$  is the output of players  $1, \dots, m$ , and  $v$  is the view of  $A$  that results from executing protocol  $\Pi$  on inputs  $\vec{x}$ , when players  $i \in Z$  are controlled by the adversary  $A$ , who is given auxiliary input  $z$ . As before, we often suppress the vector of random bitstrings  $\vec{r}$  and write  $\text{REAL}_{\Pi,A}(\vec{x}, z)$ .

We now formalize the notion of precise secure computation. For convenience, we slightly generalize the definition of [Micali and Pass 2006] to consider *general adversary structures* [Hirt and Maurer 2000]. More precisely, we assume that the specification of a secure computation protocol includes a set  $\mathcal{Z}$  of subsets of players, where the adversary is allowed to corrupt only the players in one of the subsets in  $\mathcal{Z}$ ; the definition of [Micali and Pass 2006; Goldreich, Micali, and Wigderson 1987] considers only *threshold adversaries* where  $\mathcal{Z}$  consists of all subsets up to a pre-specified size  $k$ . We first provide a definition of precise computation in terms of running time, as in [Micali and Pass 2006], although other complexity functions could be used; we later consider general complexity functions.

We use a complexity function  $\text{STEPS}$ , which, on input a machine  $M$  and a view  $v$ , roughly speaking, gives the number of “computational steps” taken by  $M$  in the view  $v$ . In counting computational steps, we assume a representation of machines such that a machine  $M$ , given as input an encoding of another machine  $A$  and an input  $x$ , can emulate the computation of  $A$  on input  $x$  with only linear overhead. (Note that this is clearly the case for “natural” memory-based models of computation. An equivalent representation is a universal Turing machine that receives the code it is supposed to run on one input tape.)

In the following definition, we say that a function is *negligible* if it is asymptotically smaller than the inverse of any fixed polynomial. More precisely, a function  $\nu : \mathbb{N} \rightarrow \mathbb{R}$  is negligible if, for all  $c > 0$ , there exists some  $n_c$  such that  $\nu(n) < n^{-c}$  for all  $n > n_c$ .

Roughly speaking, a computation is secure if the ideal execution cannot be distinguished from the real execution. To make this precise, a *distinguisher* is used. Formally, a distinguisher gets as input a bitstring  $z$ , a triple  $(\vec{x}, \vec{y}, v)$  (intuitively, the output of either  $\text{IDEAL}_{f,\tilde{A}}$  or  $\text{REAL}_{\Pi,A}$  on  $(\vec{x}, z)$ ) and some appropriate-length tuple of random strings) and a random string  $r$ , and outputs either 0 or 1. As usual, we typically suppress the random bitstring and write, for example,  $D(z, \text{IDEAL}_{f,\tilde{A}}(\vec{x}, z))$  or  $D(z, \text{REAL}_{\Pi,A}(\vec{x}, z))$ .

**Definition A.1 (Precise Secure Computation)** *Let  $f$  be an  $m$ -ary function,  $\Pi$  a protocol computing  $f$ ,  $\mathcal{Z}$  a set of subsets of  $[m]$ ,  $p : \mathbb{N} \times \mathbb{N} \rightarrow \mathbb{N}$ , and  $\epsilon : \mathbb{N} \rightarrow \mathbb{R}$ . Protocol  $\Pi$  is a  $\mathcal{Z}$ -secure computation of  $f$  with precision  $p$  and  $\epsilon$ -statistical error if, for all  $Z \in \mathcal{Z}$  and every real-model adversary  $A$  that controls the players in  $Z$ , there exists an ideal-model adversary  $\tilde{A}$ , called the simulator that controls the players in  $Z$  such that, for all  $n \in \mathbb{N}$ , all  $\vec{x} = (x_1, \dots, x_m) \in (\{0, 1\}^n)^m$ , and all  $z \in \{0, 1\}^*$ , the following conditions hold:*

1. For every distinguisher  $D$ ,

$$\left| \Pr_U[D(z, \text{REAL}_{\Pi,A}(\vec{x}, z)) = 1] - \Pr_U[D(z, \text{IDEAL}_{f,\tilde{A}}(\vec{x}, z)) = 1] \right| \leq \epsilon(n);$$

$$2. \Pr_U[\text{STEPS}(\tilde{A}, \text{view}_{f, \tilde{A}}(\vec{x}, z)) \leq p(n, \text{STEPS}(A, \tilde{A}(\text{view}_{f, \tilde{A}}(n, \vec{x}, z))))] = 1.^{17}$$

$\Pi$  is a  $\mathcal{Z}$ -secure computation of  $f$  with precision  $p$  and  $(T, \epsilon)$ -computational error if it satisfies the two conditions above with the adversary  $A$  and the distinguisher  $D$  restricted to being computable by a TM with running time bounded by  $T(\cdot)$ .

Protocol  $\Pi$  is a  $\mathcal{Z}$ -secure computation of  $f$  with statistical precision  $p$  if there exists some negligible function  $\epsilon$  such that  $\Pi$  is a  $\mathcal{Z}$ -secure computation of  $f$  with precision  $p$  and  $\epsilon$ -statistical error. Finally, protocol  $\Pi$  is a  $\mathcal{Z}$ -secure computation of  $f$  with computational precision  $p$  if for every polynomial  $T$ , there exists some negligible function  $\epsilon$  such that  $\Pi$  is a  $\mathcal{Z}$ -secure computation of  $f$  with precision  $p$  and  $(T, \epsilon)$ -computational error.

The traditional notion of secure computation is obtained by replacing condition 2 with the requirement that the worst-case running-time of  $\tilde{A}$  is polynomially related to the worst-case running time of  $A$ .

We will be most interested in secure computation protocols with precision  $p$  where  $p(n, 0) = 0$ ; such functions are called *homogeneous*. In our setting (where only the machine  $\perp$  has complexity 0), this property essentially says that the adversary running  $\perp$  in the ideal execution (i.e., aborting— not sending any messages to the trusted third party and writing nothing on all the output tapes of players in  $Z$ ) must be a valid simulator of the adversary running  $\perp$  in the real execution.

The following theorems were provided by Micali and Pass [2007, 2006], using the results of [Ben-Or, Goldwasser, and Wigderson 1988; Goldreich, Micali, and Wigderson 1987]. Let  $\mathcal{Z}_t^m$  denote all the subsets of  $[m]$  containing  $t$  or less elements.

**Theorem A.2** *If  $f$  is an  $m$ -player functionality, then there exists a homogeneous precision function  $p$  and a protocol  $\Pi$  such that  $p(n, t) = O(t)$  and  $\Pi$   $\mathcal{Z}_{\lceil m/3 \rceil - 1}^m$ -securely computes  $f$  with precision  $p$  and 0-statistical error.*

This result can also be extended to more general adversary structures by relying on the results of [Hirt and Maurer 2000]. We can also consider secure computation of specific 2-party functionalities.

**Theorem A.3** *Suppose that there exists an enhanced trapdoor permutation. For every 2-ary function  $f$  where only one party gets an output (i.e.,  $f_1(\cdot) = 0$ ), there exists a homogeneous precision function  $p$  and protocol  $\Pi$  such that  $p(n, t) = O(t)$  and  $\Pi$   $\mathcal{Z}_1^2$ -securely computes  $f$  with computational-precision  $p$ .*

[Micali and Pass 2006] also obtains unconditional results (using statistical security) for the special case of zero-knowledge proofs. We refer the reader to [Micali and Pass 2006; Pass 2006] for more details.

## A.1 Weak Precise Secure Computation

Universal implementation is not equivalent to precise secure computation, but to a (quite natural) weakening of it. *Weak precise secure computation*, which we are about to define, differs from precise secure computation in the following respects:

<sup>17</sup>Note that the three occurrences of  $\Pr_U$  in the first two clauses represent slightly different probability measures, although this is hidden by the fact that we have omitted the superscripts. The first occurrence of  $\Pr_U$  should be  $\Pr_U^{m-|Z|+3}$ , should we are taking the probability over the  $m+2-|Z|$  random inputs to  $\text{REAL}_{f,A}$  and the additional random input to  $D$ ; similarly, the second and third occurrences of  $\Pr_U$  should be  $\Pr_U^3$ .

- Just as in traditional definition of zero knowledge [Goldwasser, Micali, and Rackoff 1989], precise zero knowledge requires that for every adversary, there exists a simulator that, on all inputs, produces an interaction that no distinguisher can distinguish from the real interaction. This simulator must work for all inputs and all distinguishers. In analogy with the notion of “weak zero knowledge” [Dwork, Naor, Reingold, and Stockmeyer 2003], we here switch the order of the quantifiers and require instead that for every input distribution  $\text{Pr}$  over  $\vec{x} \in (\{0, 1\}^n)^m$  and  $z \in \{0, 1\}^*$ , and every distinguisher  $D$ , there exists a (precise) simulator that “tricks”  $D$ ; in essence, we allow there to be a different simulator for each distinguisher. As argued by Dwork et al. [2003], this order of quantification is arguably reasonable when dealing with concrete security. To show that a computation is secure in every concrete setting, it suffices to show that, in every concrete setting (where a “concrete setting” is characterized by an input distribution and the distinguisher used by the adversary), there is a simulator.
- We further weaken this condition by requiring only that the probability of the distinguisher outputting 1 on a real view be (essentially) no higher than the probability of outputting 1 on a simulated view. In contrast, the traditional definition requires these probabilities to be (essentially) equal. If we think of the distinguisher outputting 1 as meaning that the adversary has learned some important feature, then we are saying that the likelihood of the adversary learning an important feature in the real execution is essentially no higher than that of the adversary learning an important feature in the “ideal” computation. This condition on the distinguisher is in keeping with the standard intuition of the role of the distinguisher.
- We allow the adversary and the simulator to depend not only on the probability distribution, but also on the particular security parameter  $n$  (in contrast, the definition of [Dwork, Naor, Reingold, and Stockmeyer 2003] is *uniform*). That is why, when considering weak precise secure computation with  $(T, \epsilon)$ -computational error, we require that the adversary  $A$  and the simulator  $D$  be computable by *circuits* of size at most  $T(n)$  (with a possibly different circuit for each  $n$ ), rather than a Turing machine with running time  $T(n)$ . Again, this is arguably reasonable in a concrete setting, where the security parameter is known.
- We also allow the computation not to meet the precision bounds with a small probability. The obvious way to do this is to change the requirement in the definition of precise secure computation by replacing 1 by  $1 - \epsilon$ , to get

$$\text{Pr}_U[\text{STEPS}(\tilde{A}, \text{view}_{f, \tilde{A}}(\vec{x}, z)) \leq p(n, \text{STEPS}(A, \tilde{A}(\text{view}_{f, \tilde{A}}(\vec{x}, z))))] \geq 1 - \epsilon(n),$$

where  $n$  is the input length. We change this requirement in two ways. First, rather than just requiring that this precision inequality hold for all  $\vec{x}$  and  $z$ , we require that the probability of the inequality holding be at least  $1 - \epsilon$  for all distributions  $\text{Pr}$  over  $\vec{x} \in (\{0, 1\}^n)^m$  and  $z \in \{0, 1\}^*$ .

The second difference is to add an extra argument to the distinguisher, which tells the distinguisher whether the precision requirement is met. In the real computation, we assume that the precision requirement is always met, thus, whenever it is not met, the distinguisher can distinguish the real and ideal computations. We still want the probability that the distinguisher can distinguish the real and ideal computations to be at most  $\epsilon(n)$ . For example, our definition disallows a scenario where the complexity bound is not met with probability  $\epsilon(n)/2$  and the distinguisher can distinguish the computations with (without taking the complexity bound into account) with probability  $\epsilon(n)/2$ .

- In keeping with the more abstract approach used in the definition of robust implementation, the definition of weak precise secure computation is parametrized by the abstract complexity

measure  $\mathcal{C}$ , rather than using STEPS. This just gives us a more general definition; we can always instantiate  $\mathcal{C}$  to measure running time.

**Definition A.4 (Weak Precise Secure Computation)** *Let  $f$ ,  $\Pi$ ,  $\mathcal{Z}$ ,  $p$ , and  $\epsilon$  be as in the definition of precise secure computation. Protocol  $\Pi$  is a weak  $\mathcal{Z}$ -secure computation of  $f$  with and  $\epsilon$ -statistical error if, for all  $n \in N$ , all  $Z \in \mathcal{Z}$ , all real-execution adversaries  $A$  that control the players in  $Z$ , all distinguishers  $D$ , and all probability distributions  $\Pr$  over  $(\{0, 1\}^n)^m \times \{0, 1\}^*$ , there exists an ideal-execution adversary  $\tilde{A}$  that controls the players in  $Z$  such that*

$$\Pr^+(\{(\vec{x}, z) : D(z, \text{REAL}_{\Pi, A}(\vec{x}, z), 1) = 1\}) \\ - \Pr^+(\{(\vec{x}, z) : D(z, \text{IDEAL}_{f, \tilde{A}}(\vec{x}, z), \text{precise}_{Z, A, \tilde{A}}(n, \text{view}_{f, \tilde{A}}(\vec{x}, z))) = 1\}) \leq \epsilon(n),$$

where  $\text{precise}_{Z, A, \tilde{A}}(n, v) = 1$  if and only if  $\mathcal{C}_Z(\tilde{A}, v) \leq p(n, \mathcal{C}_Z(A, \tilde{A}(v)))$ .<sup>18</sup>  $\Pi$  is a weak  $\mathcal{Z}$ -secure computation of  $f$  with precision  $p$  and  $(T, \epsilon)$ -computational error if it satisfies the two conditions above with the adversary  $A$  and the distinguisher  $D$  restricted to being computable by a randomized circuit of size  $T(n)$ . Protocol  $\Pi$  is a  $\mathcal{Z}$ -weak secure computation of  $f$  with statistical  $\mathcal{C}$ -precision  $p$  if there exists some negligible function  $\epsilon$  such that  $\Pi$  is a  $\mathcal{Z}$ -weak secure computation of  $f$  with precision  $p$  and statistical  $\epsilon$ -error. Finally, Protocol  $\Pi$  is a  $\mathcal{Z}$ -weak secure computation of  $f$  with computational  $\mathcal{C}$ -precision  $p$  if for every polynomial  $T(\cdot)$ , there exists some negligible function  $\epsilon$  such that  $\Pi$  is a  $\mathcal{Z}$ -weak secure computation of  $f$  with precision  $p$  and  $(T, \epsilon)$ -computational error.

Our terminology suggests that weak precise secure computation is weaker than precise secure computation. This is almost immediate from the definitions if  $\mathcal{C}_Z(M, v) = \text{STEPS}(M, v)$  for all  $Z \in \mathcal{Z}$ . A more interesting setting considers a complexity measure that can depend on  $\text{STEPS}(M, v)$  and the size of the description of  $M$ . It directly follows by inspection that Theorems A.2 and A.3 also hold if, for example,  $\mathcal{C}_Z(M, v) = \text{STEPS}(M, v) + O(|M|)$  for all  $Z \in \mathcal{Z}$ , since the simulators in those results only incur a constant additive overhead. (This is not a coincidence. As argued in [Micali and Pass 2006; Pass 2006], the definition of precise simulation guarantees the existence of a “universal” simulator  $S$ , with “essentially” the same precision, that works for *every* adversary  $A$ , provided that  $S$  also gets the code of  $A$ ; namely given a real-execution adversary  $A$ , the ideal-execution adversary  $\tilde{A} = S(A)$ .<sup>19</sup> Since  $|S| = O(1)$ , it follows that  $|\tilde{A}| = |S| + |A| = O(|A|)$ .) That is, we have the following variants of Theorems A.2 and A.3:

**Theorem A.5** *If  $f$  is an  $m$ -player functionality,  $\mathcal{C}(M, v) = \mathcal{C}_Z(M, v) = \text{STEPS}(M, v) + O(|M|)$ , then there exists a homogeneous precision function  $p$  and a protocol  $\Pi$  such that  $p(n, t) = O(t)$  and  $\Pi$  weak  $\mathcal{Z}_{\lfloor m/3 \rfloor - 1}^m$ -securely computes  $f$  with  $\mathcal{C}$ -precision  $p$  and 0-statistical error.*

**Theorem A.6** *Suppose that there exists an enhanced trapdoor permutation, and  $\mathcal{C}(M, v) = \mathcal{C}_Z(M, v) = \text{STEPS}(M, v) + O(|M|)$ . For every 2-ary function  $f$  where only one party gets an output (i.e.,  $f_1(\cdot) = 0$ ), there exists a homogeneous precision function  $p$  and protocol  $\Pi$  such that  $p(n, t) = O(t)$  and  $\Pi$  weak  $\mathcal{Z}_1^2$ -securely computes  $f$  with computational  $\mathcal{C}$ -precision  $p$ .*

## B Proof of Theorem 4.2

In this section, we prove Theorem 4.2. Recall that for one direction of our main theorem we require that certain operations, like moving output from one tape to another, do not incur any additional complexity. We now make this precise.

<sup>18</sup>Recall that  $\Pr^+$  denotes the product of  $\Pr$  and  $\Pr_U$  (here, the first  $\Pr^+$  is actually  $\Pr^{+(m+3-|Z|)}$ , while the second is  $\Pr^{+3}$ ).

<sup>19</sup>This follows by considering the simulator  $S$  for the universal TM (which receives the code to be executed as auxiliary input).



**Definition B.1** A complexity function  $\mathcal{C}$  is output-invariant if, for every set  $Z$  of players, there exists some canonical player  $i_Z \in Z$  such that the following two conditions hold.

1. For every machine  $M_Z$  controlling the players in  $Z$ , there exists some machine  $M'_Z$  with the same complexity as  $M_Z$  such that the output of  $M'_Z(v)$  is identical to  $M_Z(v)$  except that player  $i_Z$  outputs  $y;v$ , where  $y$  is the output of  $i_Z$  in the execution of  $M_Z(v)$  (i.e.,  $M'_Z$  is identical to  $M_Z$  with the only exception being that player  $i_Z$  also outputs the view of  $M'_Z$ ).
2. For every machine  $M'_Z$  controlling players  $Z$ , there exists some machine  $M_Z$  with the same complexity as  $M'_Z$  such that the output of  $M_Z(v)$  is identical to  $M'_Z(v)$  except if player  $i_Z$  outputs  $y;v'$  for some  $v' \in \{0,1\}^*$  in the execution of  $M'_Z(v)$ . In that case, player  $i_Z$  outputs only  $y$  in the execution by  $M_Z(v)$ ; furthermore,  $M_Z(v)$  outputs  $v'$  on its own output tape.

We remark that our results would still hold if we weakened the two conditions above to allow the complexities to be close, but not necessarily equal, by allowing some overhead in complexity (at the cost of some slackness in the parameters of the theorem).

We now prove each direction of Theorem 4.2 separately, to make clear what assumptions we need for each part. We start with the “only if” direction. The following result strengthens the “only if” direction, by requiring only that  $\mathcal{C}$  is  $\vec{M}$ -acceptable (and not necessarily output-invariant).

**Theorem B.2** Let  $\vec{M}, f, \mathcal{F}, \mathcal{Z}$  be as in the statement of Theorem 4.2, and let  $\mathcal{C}$  be an  $\vec{M}$ -acceptable complexity function. If  $\vec{M}$  is a weak  $\mathcal{Z}$ -secure computation of  $f$  with  $\mathcal{C}$ -precision  $p$  and error  $\epsilon$ , then  $(\vec{M}, \text{comm})$  is a strong  $(\mathcal{G}^{\vec{\mathcal{C}}}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon$ .

**Proof:** Suppose that  $\vec{M}$  is a weak  $\mathcal{Z}$ -secure computation of  $f$  with  $\mathcal{C}$ -precision  $p$  and  $\epsilon$ -statistical error. Since  $\vec{M}$  computes  $f$ , for every game  $G \in \mathcal{G}^{\vec{\mathcal{C}}}$ , the action profile induced by  $\vec{M}$  in  $(G, \text{comm})$  is identically distributed to the action profile induced by  $\vec{\Lambda}^{\mathcal{F}}$  in  $(G, \mathcal{F})$ . We now show that  $(\vec{M}, \text{comm})$  is a  $(\mathcal{G}^{\vec{\mathcal{C}}}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon$ .

**Claim B.3**  $(\vec{M}, \text{comm})$  is a  $(\mathcal{G}^{\vec{\mathcal{C}}}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon$ .

**Proof:** Let  $G \in \mathcal{G}^{\vec{\mathcal{C}}}$  be a game with input length  $n$  such that  $\vec{\Lambda}^{\mathcal{F}}$  is a  $p(n, \cdot)$ -robust  $\mathcal{Z}$ -safe equilibrium in  $(G, \mathcal{F})$ . We show that  $\vec{M}$  is a  $\mathcal{Z}$ -safe  $\epsilon(n)$ -equilibrium in  $(G, \text{comm})$ . Recall that this is equivalent to showing that no coalition of players  $Z \in \mathcal{Z}$  can increase their utility by more than  $\epsilon(n)$  by deviating from their prescribed strategies. In other words, for all  $Z \in \mathcal{Z}$  and machines  $M'_Z$ , we need to show that

$$U_Z^{(G, \text{comm})}(M'_Z, \vec{M}_{-Z}) \leq U_Z^{(G, \text{comm})}(M_Z^b, \vec{M}_{-Z}) + \epsilon(n).$$

Suppose, by way of contradiction, that there exists some machine  $M'_Z$  such that

$$U_Z^{(G, \text{comm})}(M'_Z, \vec{M}_{-Z}) > U_Z^{(G, \text{comm})}(M_Z^b, \vec{M}_{-Z}) + \epsilon(n). \quad (1)$$

We now obtain a contradiction by showing that there exists some other game  $\tilde{G}$  that is at most a  $p(n, \cdot)$ -speedup of  $G$  and a machine  $\tilde{M}_Z$  such that

$$U_Z^{(\tilde{G}, \mathcal{F})}(\tilde{M}_Z, \vec{\Lambda}_{-Z}^{\mathcal{F}}) > U_Z^{(\tilde{G}, \mathcal{F})}((\Lambda^{\mathcal{F}})_Z^b, \vec{\Lambda}_{-Z}^{\mathcal{F}}). \quad (2)$$

This contradicts the assumption that  $\Lambda^{\mathcal{F}}$  is a  $p$ -robust equilibrium.

Note that the machine  $M'_Z$  can be viewed as a real-execution adversary controlling the players in  $Z$ . The machine  $\tilde{M}_Z$  will be defined as the simulator for  $M'_Z$  for some appropriately defined input

distribution  $\Pr$  on  $T \times \{0, 1\}^*$  and distinguisher  $D$ . Intuitively,  $\Pr$  will be the type distribution in the game  $G$  (where  $z$  is nature's type), and the distinguisher  $D$  will capture the utility function  $u_Z$ . There is an obvious problem with using the distinguisher to capture the utility function: the distinguisher outputs a single bit, whereas the utility function outputs a real. To get around this problem, we define a probabilistic distinguisher that outputs 1 with a probability that is determined by the expected utility; this is possible since the game is normalized, so the expected utility is guaranteed to be in  $[0, 1]$ . We also cannot quite use the same distribution for the machine  $M$  as for the game  $G$ . The problem is that, if  $G \in \mathcal{G}$  is a canonical game with input length  $n$ , the types in  $G$  have the form  $x; z$ , where  $x \in \{0, 1\}^n$ . The protocol  $\Lambda_i^{\mathcal{F}}$  in  $(G, \text{comm})$  ignores the  $z$ , and sends the mediator the  $x$ . On the other hand, in a secure computation, the honest players provide their input (i.e., their type) to the mediator. Thus, we must convert a type  $x_i z_i$  of a player  $i$  in the game  $G$  to a type  $x$  for  $\Lambda_i^{\mathcal{F}}$ .

More formally, we proceed as follows. Suppose that  $G$  is a canonical game with input length  $n$ , and the type space of  $G$  is  $T$ . Given  $\vec{t} = (x_1 z_1, \dots, x_n z_n, t_N) \in T$ , define  $\vec{t}^D$  by taking  $t_i^D = x_1 z_i$  if  $i \in Z$ ,  $t_i^D = x_i$  if  $i \notin Z$ , and  $t_N^D = t_N; z_1; \dots; z_m$ . Say that  $(\vec{x}, z)$  is *acceptable* if there is some (necessarily unique)  $\vec{t} \in T$   $z = t_1^D; \dots; t_n^D; t_N^D$  and  $\vec{x} = (t_1^D, \dots, t_m^D)$ . If  $(\vec{x}, z)$  is acceptable, let  $\vec{t}_{\vec{x}, z}$  be the element of  $T$  determined this way. If  $\Pr_G$  is the probability distribution over types,  $\Pr(\vec{x}, z) = \Pr_G(\vec{t}_{\vec{x}, z})$  if  $(\vec{x}, z)$  is acceptable, and  $\Pr(\vec{x}, z) = 0$  otherwise.

Define the probabilistic distinguisher  $D$  as follows: if  $\text{precise} = 0$  or  $(\vec{x}, z)$  is not acceptable, then  $D(z, (\vec{x}, \vec{y}, \text{view}), \text{precise}) = 0$ ; otherwise  $D(z, (\vec{x}, \vec{y}, \text{view}), \text{precise}) = 1$  with probability  $u_Z(\vec{t}_{\vec{x}, z}, \vec{y}, \mathcal{C}_Z(M'_Z, \text{view}), \vec{c}_{0-Z})$ .

Since we can view  $M'_Z$  as a real-execution adversary controlling the players in  $Z$ , the definition of weak precise secure computation guarantees that, for the distinguisher  $D$  and the distribution  $\Pr$  described above, there exists a simulator  $\tilde{M}_Z$  such that

$$\begin{aligned} & \Pr^+(\{(\vec{x}, z) : D(z, \text{REAL}_{\tilde{M}, M'_Z}(\vec{x}, z), 1) = 1\}) \\ & - \Pr^+(\{(\vec{x}, z) : D(z, \text{IDEAL}_{f, \tilde{M}_Z}(\vec{x}, z), \text{precise}_{Z, M'_Z, \tilde{M}_Z}(n, \text{view}_{f, \tilde{M}}(\vec{x}, z))) = 1\}) \leq \epsilon(n). \end{aligned} \quad (3)$$

We can assume without loss of generality that if  $\tilde{M}_Z$  sends no messages and outputs nothing, then  $\tilde{M}_Z = \perp$ .

We next define a new complexity function  $\vec{\mathcal{C}}$  that, by construction, will be at most a  $p(n, \cdot)$ -speedup of  $\mathcal{C}$ . Intuitively, this complexity function will consider the speedup required to make up for the ‘‘overhead’’ of the simulator  $\tilde{M}_Z$  when simulating  $M'_Z$ . To ensure that the speedup is not too large, we incur it only on views where the simulation by  $\tilde{M}_Z$  is ‘‘precise’’. Specifically, let the complexity function  $\vec{\mathcal{C}}$  be identical to  $\mathcal{C}$ , except that if  $\text{precise}_{Z, M'_Z, \tilde{M}_Z}(n, \tilde{v}) = 1$  and  $\mathcal{C}(\tilde{M}_Z, \tilde{v}) \geq \mathcal{C}(M'_Z, v)$ , where  $v$  is the view output by  $\tilde{M}_Z(\tilde{v})$ , then  $\vec{\mathcal{C}}_Z(\tilde{M}_Z, \tilde{v}) = \mathcal{C}_Z(M'_Z, v)$ . (Note that  $\tilde{v}$  is a view for the ideal execution.  $M'_Z$  runs in the real execution, so we need to give it as input the view output by  $\tilde{M}_Z$  given view  $\tilde{v}$ , namely  $v$ . Recall that the simulator  $\tilde{M}_Z$  is trying to reconstruct the view of  $M'_Z$ . Also, note that we did not define  $\vec{\mathcal{C}}_Z(\tilde{M}_Z, \tilde{v}) = \mathcal{C}_Z(M'_Z, v)$  if  $\mathcal{C}(\tilde{M}_Z, \tilde{v}) < \mathcal{C}(M'_Z, v)$ , for then  $\vec{\mathcal{C}}_Z$  would not be a speedup of  $\mathcal{C}_Z$ . Finally, we remark that we rely on the fact that the precision function  $p$  is homogeneous, and so  $p(n, 0) = 0$ . This ensures that  $\vec{\mathcal{C}}_Z$  assigns 0 complexity only to  $\perp$ , as is required for a complexity function.) By construction,  $\vec{\mathcal{C}}_Z$  is at most a  $p(n, \cdot)$ -speedup of  $\mathcal{C}_Z$ . Let  $\tilde{G}$  be identical to  $G$  except that the complexity function is  $\vec{\mathcal{C}}$ . It is immediate that  $\tilde{G}$  is at most a  $p(n, \cdot)$ -speedup of  $G$ .

We claim that it follows from the definition of  $D$  that

$$U_Z^{(\tilde{G}, \mathcal{F})}(\tilde{M}_Z, \vec{\Lambda}_{-Z}^{\mathcal{F}}) \geq \Pr^+(\{(\vec{x}, z) : D(z, \text{IDEAL}_{f, \tilde{M}_Z}(\vec{x}, z), \text{precise}_{Z, M'_Z, \tilde{M}_Z}(n, \text{view}_{f, \tilde{M}}(\vec{x}, z))) = 1\}). \quad (4)$$

To see this, let  $a_Z(\vec{t}, \vec{r})$  (resp.,  $a_i(\vec{t}, \vec{r})$ ) denote the output that  $\tilde{M}_Z$  places on the output tapes of the players in  $Z$  (resp., the output of player  $i \notin Z$ ) when the strategy profile  $(\tilde{M}_Z, \Lambda_{-Z}^{\mathcal{F}})$  is used with mediator  $\mathcal{F}$ , the type profile is  $\vec{t}$ , and the random strings are  $\vec{r}$ . (Note that these outputs are completely determined by  $\vec{t}$  and  $\vec{r}$ .) Similarly, let  $view_{\tilde{M}_Z}(\vec{t}, \vec{r})$  and  $view_{\Lambda_i^{\mathcal{F}}}(\vec{t}, \vec{r})$  and denote the views of the adversary and player  $i \notin Z$  in this case.

Since each type profile  $\vec{t} \in T$  is  $t_{\vec{x}, z}$  for some  $(\vec{x}, z)$ , and  $\Pr_G(t_{\vec{x}, z}) = \Pr(\vec{x}, z)$ , we have

$$\begin{aligned} & U_Z^{(\tilde{G}, \mathcal{F})}(\tilde{M}_Z, \tilde{\Lambda}_{-Z}^{\mathcal{F}}) \\ &= \sum_{\vec{t}, \vec{r}} \Pr_G^+(\vec{t}, \vec{r}) u_Z(\vec{t}, (a_Z(\vec{t}, \vec{r}), \vec{a}_{-Z}(\vec{t}, \vec{r})), (\tilde{\mathcal{C}}_Z(\tilde{M}_Z, view_{\tilde{M}_Z}(\vec{t}, \vec{r})), \tilde{\mathcal{C}}_{-Z}(\Lambda_{-Z}^{\mathcal{F}}, view_{-Z}(\vec{t}, \vec{r})))) \\ &= \sum_{\vec{x}, z, \vec{r}} \Pr^+(\vec{x}, z, \vec{r}) u_Z(\vec{t}_{\vec{x}, z}, (a_Z(\vec{t}_{\vec{x}, z}, \vec{r}), \vec{a}_{-Z}(\vec{t}_{\vec{x}, z}, \vec{r})), (\tilde{\mathcal{C}}_Z(\tilde{M}_Z, view_{\tilde{M}_Z}(\vec{t}_{\vec{x}, z}, \vec{r})), \vec{c}_{0-Z})). \end{aligned}$$

In the third line, we use the fact that  $\tilde{\mathcal{C}}_i(\Lambda_i^{\mathcal{F}}, view_i(\vec{t}, \vec{r})) = \mathcal{C}_i(\Lambda_i^{\mathcal{F}}, view_i(\vec{t}, \vec{r})) = c_0$  for all  $i \notin Z$ , since  $\mathcal{C}$  is  $\tilde{M}$ -acceptable. Thus, it suffices to show that, for all  $\vec{x}, z$ , and  $\vec{r}$ ,

$$\begin{aligned} & u_Z(\vec{t}_{\vec{x}, z}, (a_Z(\vec{t}_{\vec{x}, z}, \vec{r}), \vec{a}_{-Z}(\vec{t}_{\vec{x}, z}, \vec{r})), \tilde{\mathcal{C}}_Z(\tilde{M}_Z, view_{\tilde{M}_Z}(\vec{t}_{\vec{x}, z}, \vec{r})), \vec{c}_{0-Z}) \\ & \geq \Pr_U(D(z, \text{IDEAL}_{f, \tilde{M}_Z}(\vec{x}, z, \vec{r}), \text{precise}_{Z, M'_Z, \tilde{M}_Z}(n, \text{view}_{f, \tilde{M}}(\vec{x}, z, \vec{r}))) = 1). \end{aligned} \quad (5)$$

This inequality clearly holds if  $\text{precise}_{Z, M'_Z, \tilde{M}_Z}(n, \text{view}_{f, \tilde{M}}(\vec{x}, z, \vec{r})) = 0$ , since in that case the right-hand side is 0.<sup>20</sup> Next consider the case when  $\text{precise}_{Z, M'_Z, \tilde{M}_Z}(n, \text{view}_{f, \tilde{M}}(\vec{x}, z, \vec{r})) = 1$ . In this case, by the definition of  $D$ , the right-hand side equals

$$u_Z(\vec{t}_{\vec{x}, z}, (a_Z(\vec{t}_{\vec{x}, z}, \vec{r}), \vec{a}_{-Z}(\vec{t}_{\vec{x}, z}, \vec{r})), (\mathcal{C}_Z(M'_Z, v_Z(\vec{t}_{\vec{x}, z}, \vec{r})), \vec{c}_{0-Z})),$$

where  $v_Z(\vec{t}_{\vec{x}, z}, \vec{r}) = \tilde{M}_Z(view_{\tilde{M}_Z}(\vec{t}_{\vec{x}, z}, \vec{r}))$  (i.e., the view output by  $\tilde{M}_Z$ ). By the definition of  $\tilde{\mathcal{C}}$ , it follows that when  $\mathcal{C}_Z(\tilde{M}_Z, view_{\tilde{M}_Z}(\vec{t}_{\vec{x}, z}, \vec{r})) \geq \mathcal{C}_Z(M'_Z, v_Z(\vec{x}, z, \vec{r}))$  and  $\text{precise}_{Z, M'_Z, \tilde{M}_Z}(n, \text{view}_{f, \tilde{M}}(\vec{x}, z, \vec{r})) = 1$ , then  $\tilde{\mathcal{C}}_Z(\tilde{M}_Z, view_{\tilde{M}_Z}(\vec{t}_{\vec{x}, z}, \vec{r})) = \mathcal{C}_Z(M'_Z, v_Z(\vec{x}, z, \vec{r}))$ , and (5) holds with  $\geq$  replaced by  $=$ . On the other hand, when  $\mathcal{C}_Z(\tilde{M}_Z, view_{\tilde{M}_Z}(\vec{t}_{\vec{x}, z}, \vec{r})) < \mathcal{C}_Z(M'_Z, v_Z(\vec{x}, z, \vec{r}))$ , then  $\tilde{\mathcal{C}}_Z(\tilde{M}_Z, view_{\tilde{M}_Z}(\vec{t}_{\vec{x}, z}, \vec{r})) = \mathcal{C}_Z(\tilde{M}_Z, view_{\tilde{M}_Z}(\vec{t}_{\vec{x}, z}, \vec{r}))$ , and thus  $\mathcal{C}_Z(M'_Z, v_Z(\vec{x}, z, \vec{r})) > \tilde{\mathcal{C}}_Z(\tilde{M}_Z, view_{\tilde{M}_Z}(\vec{t}_{\vec{x}, z}, \vec{r}))$ ; (5) then holds by the monotonicity of  $u_Z$ .

Similarly, we have that

$$\Pr^+(\{(\vec{x}, z) : D(z, \text{REAL}_{\tilde{M}, M'_Z}(\vec{x}, z), 1) = 1\}) = U_Z^{(G, \text{comm})}(M'_Z, \vec{M}_{-Z}). \quad (6)$$

In more detail, a similar argument to that for (4) shows that it suffices to show that, for all  $\vec{x}, z$ , and  $\vec{r}$ ,

$$\begin{aligned} & u_Z(\vec{t}_{\vec{x}, z}, a_Z(\vec{t}_{\vec{x}, z}, \vec{r}), \vec{a}_{-Z}(\vec{t}_{\vec{x}, z}, \vec{r}), \mathcal{C}_Z(M'_Z, view_{M'_Z}(\vec{t}_{\vec{x}, z}, \vec{r})), \mathcal{C}_{-Z}(M_{-Z}, view_{M_{-Z}}(\vec{t}_{\vec{x}, z}, \vec{r}))) \\ &= \Pr_U(D(z, \text{REAL}_{\tilde{M}, M'_Z}(\vec{x}, z, \vec{r}), 1) = 1), \end{aligned}$$

where  $a_Z(\vec{t}, \vec{r})$ ,  $a_i(\vec{t}, \vec{r})$ ,  $view_{M'_Z}(\vec{t}, \vec{r})$ , and  $view_{M_i}(\vec{t}, \vec{r})$  are appropriately defined outputs and views in an execution of  $(M'_Z, \vec{M}'_Z)$ . Here we use the fact that  $\vec{C}$  is  $\vec{M}$ -acceptable, so that  $\mathcal{C}_{-Z}(M_{-Z}, view_{M_{-Z}}(\vec{t}_{\vec{x}, z}, \vec{r})) = \vec{c}_{0-Z}$ .

It now follows immediately from (3), (4), and (6) that

$$U_Z^{(\tilde{G}, \mathcal{F})}(\tilde{M}_Z, \tilde{\Lambda}_{-Z}^{\mathcal{F}}) \geq U_Z^{(G, \text{comm})}(M'_Z, \vec{M}_{-Z}) - \epsilon(n).$$

<sup>20</sup>Note that we here rely on the fact that  $G$  is  $\mathcal{C}$ -natural and hence normalized, so that the range of  $u_Z$  is  $[0, 1]$ .

Combined with (1), this yields

$$U_Z^{(\tilde{G}, \mathcal{F})}(\tilde{M}_Z, \vec{\Lambda}_{-Z}^{\mathcal{F}}) > U_Z^{(G, \text{comm})}(M_Z^b, \vec{M}_{-Z}). \quad (7)$$

Since  $\vec{M}$  and  $\mathcal{F}$  both compute  $f$  (and thus must have the same distribution over outcomes), it follows that

$$U_Z^{(G, \text{comm})}(M_Z^b, \vec{M}_{-Z}) = U_Z^{(G, \mathcal{F})}((\Lambda^{\mathcal{F}})_Z^b, \vec{\Lambda}_{-Z}^{\mathcal{F}}) = U_Z^{(\tilde{G}, \mathcal{F})}((\Lambda^{\mathcal{F}})_Z^b, \vec{\Lambda}_{-Z}^{\mathcal{F}}). \quad (8)$$

For the last equality, recall that  $\tilde{G}$  is identical to  $G$  except for the complexity of  $\tilde{M}_Z$  (and hence the utility of strategy profiles involving  $\tilde{M}_Z$ ). Thus, the last equality follows once we show that  $(\Lambda^{\mathcal{F}})_Z^b \neq \tilde{M}_Z$ . This follows from the various technical assumptions we have made. If  $(\Lambda^{\mathcal{F}})_Z^b = \tilde{M}_Z$ , then  $\tilde{M}_Z$  sends no messages (all the messages sent by  $\Lambda^{\mathcal{F}}$  to the communication mediator are ignored, since they have the wrong form), and does not output anything (since messages from the communication mediator are not signed by  $\mathcal{F}$ ). Thus,  $\tilde{M}_Z$  acts like  $\perp$ . By assumption, this means that  $\tilde{M}_Z = \perp$ , so  $\tilde{M}_Z \neq (\Lambda^{\mathcal{F}})_Z^b$ .

From (7) and (8), we conclude that

$$U_Z^{(\tilde{G}, \mathcal{F})}(\tilde{M}_Z, \vec{\Lambda}_{-Z}^{\mathcal{F}}) > U_Z^{(\tilde{G}, \mathcal{F})}((\Lambda^{\mathcal{F}})_Z^b, \vec{\Lambda}_{-Z}^{\mathcal{F}}),$$

which gives the desired contradiction. ■

It remains to show that  $(\vec{M}, \text{comm})$  is also a *strong*  $(\mathcal{G}^{\vec{\mathcal{C}}}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon$ . That is, if  $\perp$  is a  $p(n, \cdot)$ -best response to  $\vec{\Lambda}_{-Z}^{\mathcal{F}}$  in  $(G, \mathcal{F})$  then  $\perp$  an  $\epsilon$ -best response to  $\vec{M}_{-Z}$  in  $(G, \text{comm})$ . Suppose, by way of contradiction, that there exists some  $M'_Z$  such that

$$U_Z^{(G, \text{comm})}(M'_Z, \vec{M}_{-Z}) > U_Z^{(G, \text{comm})}(\perp, \vec{M}_{-Z}) + \epsilon(n). \quad (9)$$

It follows using the same proof as in Claim B.3 that there exists a game  $\tilde{G}$  that is at most a  $p(n, \cdot)$  speedup of  $G$  and a machine  $\tilde{M}_Z$  such that

$$U_Z^{(\tilde{G}, \mathcal{F})}(\tilde{M}_Z, \vec{\Lambda}_{-Z}^{\mathcal{F}}) > U_Z^{(\tilde{G}, \mathcal{F})}(\perp, \vec{\Lambda}_{-Z}^{\mathcal{F}}). \quad (10)$$

But this contradicts the assumption that  $\perp$  is a  $p(n, \cdot)$ -robust best response to  $\vec{\Lambda}_{-Z}^{\mathcal{F}}$  in  $(G, \mathcal{F})$ . ■

We now prove the “if” direction of Theorem 4.2. For this direction, we need the assumption that  $\vec{\mathcal{C}}$  is output-invariant. Moreover, we get a slightly weaker implication: we show only that for every  $\epsilon, \epsilon'$  such that  $\epsilon' < \epsilon$  it holds that strong universal implementation with error  $\epsilon'$  implies weak secure computation with error  $\epsilon$ . After proving this result, we introduce some additional restrictions on  $\mathcal{C}$  that suffice to prove the implication for the case when  $\epsilon' = \epsilon$ .

**Theorem B.4** *Suppose that  $\vec{M}, f, \mathcal{F}, \mathcal{Z}$  are as above,  $\epsilon' < \epsilon$ , and  $\vec{\mathcal{C}}$  is an  $\vec{M}$ -acceptable output-invariant complexity function. If  $(\vec{M}, \text{comm})$  is a strong  $(\mathcal{G}^{\vec{\mathcal{C}}}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon'$ , then  $\vec{M}$  is a weak  $\mathcal{Z}$ -secure computation of  $f$  with  $\mathcal{C}$ -precision  $p$  and error  $\epsilon$ .*

**Proof:** Let  $(\vec{M}, \text{comm})$  be a  $(\mathcal{G}^{\vec{\mathcal{C}}}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon(\cdot)$ . We show that  $\vec{M}$   $\mathcal{Z}$ -securely computes  $f$  with  $\mathcal{C}$ -precision  $p(\cdot, \cdot)$  and error  $\epsilon(\cdot)$ . Suppose, by way of contradiction, that there exists some  $n \in \mathbb{N}$ , a distribution  $\text{Pr}$  on  $(\{0, 1\}^n)^m \times \{0, 1\}^*$ , a subset  $Z \in \mathcal{Z}$ , a distinguisher  $D$ , and a machine  $M'_Z \in \mathcal{M}$  that controls the players in  $Z$  such that for all machines  $\tilde{M}_Z \in \mathcal{M}$ ,

$$\begin{aligned} & \text{Pr}^+(\{(\vec{x}, z) : D(z, \text{REAL}_{\vec{M}, M'_Z}(\vec{x}, z), 1) = 1\}) \\ & - \text{Pr}^+(\{(\vec{x}, z) : D(z, \text{IDEAL}_{f, \tilde{M}_Z}(\vec{x}, z), \text{precise}_{Z, M'_Z, \tilde{M}_Z}(n, \text{view}_{f, \tilde{M}_Z}(\vec{x}, z) = 1))\}) > \epsilon(n). \end{aligned} \quad (11)$$

To obtain a contradiction we consider two cases:  $M'_Z = \perp$  or  $M'_Z \neq \perp$ .

*Case 1:  $M'_Z = \perp$ .* We define a game  $G \in \mathcal{G}^{\vec{\mathcal{C}}}$  such that  $\vec{\Lambda}_{-Z}^{\mathcal{F}}$  is a  $p$ -robust  $\mathcal{Z}$ -safe equilibrium in the game  $(G, \mathcal{F})$ , and show that

$$U_Z^{(G, \text{comm})}(M'_Z, M_{-Z}) > U_Z^{(G, \text{comm})}(M_Z^b, \vec{M}_{-Z}) + \epsilon(n),$$

which contradicts the assumption that  $\vec{M}$  is a  $(\mathcal{G}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$ .

Intuitively,  $G$  is such that the strategy  $\perp$  (which is the only one that has complexity 0) gets a utility that is determined by the probability with which the distinguisher  $D$  outputs 1 (on input the type and action profile). On the other hand, all other strategies (i.e., all strategies with positive complexity) get the same utility  $d$ . If  $d$  is selected so that the probability of  $D$  outputting 1 in  $(G, \mathcal{F})$  is at most  $d$ , it follows that  $\vec{\Lambda}^{\mathcal{F}}$  is a  $p$ -robust Nash equilibrium. However,  $\perp$  will be a profitable deviation in  $(G, \text{comm})$ .

In more detail, we proceed as follows. Let

$$d = \Pr^+(\{(\vec{x}, z) : D(z, \text{IDEAL}_{f, \perp}(\vec{x}, z), 1) = 1\}). \quad (12)$$

Consider the game  $G = ([m], \mathcal{M}, \Pr, \vec{\mathcal{C}}, \vec{u})$ , where  $u_{Z'}(\vec{t}, \vec{a}, \vec{c}) = 0$  for all  $Z' \neq Z$  and

$$u_Z((t_1, \dots, t_m, t_N), \vec{a}, (c_Z, \vec{c}_{-Z})) = \begin{cases} \Pr_U(D(t_N, ((t_1, \dots, t_m), \vec{a}, \lambda), 1) = 1) & \text{if } c_Z = 0 \\ d & \text{otherwise,} \end{cases}$$

where, as before,  $\Pr_U$  is the uniform distribution on  $\{0, 1\}^\infty$  ( $D$ 's random string). It follows from the definition of  $D$  (and the fact that only  $\perp$  has complexity 0) that, for all games  $\tilde{G}$  that are speedups of  $G$  and all machines  $\tilde{M}_Z, U_Z^{(\tilde{G}, \mathcal{F})}(\tilde{M}_Z, \vec{\Lambda}_{-Z}^{\mathcal{F}}) \leq d$ .

Since  $M_Z^b \neq \perp$  (since  $\mathcal{C}$  is  $\vec{M}$ -acceptable and  $\vec{M}$  has complexity  $c_0 > 0$ ), we conclude that  $\vec{\Lambda}^{\mathcal{F}}$  is a  $p$ -robust  $Z$ -safe Nash equilibrium. In contrast (again since  $M_Z^b \neq \perp$ ),  $U_Z^{(G, \text{comm})}(M_Z^b, \vec{M}_{-Z}) = d$ . But, since  $M'_Z = \perp$  by assumption, we have

$$\begin{aligned} & U_Z^{(G, \text{comm})}(\perp, \vec{M}_{-Z}) \\ &= U_Z^{(G, \text{comm})}(M'_Z, \vec{M}_{-Z}) \\ &= \Pr^+(\{(\vec{x}, z) : D(z, \text{REAL}_{\vec{M}, M'_Z}(\vec{x}, z), 1) = 1\}) \\ &> d + \epsilon(n) \end{aligned} \quad [\text{by (11) and (12)}],$$

which is a contradiction.

*Case 2:  $M'_Z \neq \perp$ .* To obtain a contradiction, we first show that, without loss of generality,  $M'_Z$  lets one of the players in  $\mathcal{Z}$  output the view of  $M'_Z$ . Next, we define a game  $G \in \mathcal{G}^{\vec{\mathcal{C}}}$  such that  $\perp$  is a  $p(n, \cdot)$ -best response to  $\vec{\Lambda}_{-Z}^{\mathcal{F}}$  in  $(G, \mathcal{F})$ . We then show that

$$U_Z^{(G, \text{comm})}(M'_Z, M_{-Z}) \geq U_Z^{(G, \text{comm})}(\perp, \vec{M}_{-Z}) + \epsilon(n),$$

which contradicts the assumption that  $\vec{M}$  is a strong  $(\mathcal{G}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon' < \epsilon$ .

To prove the first step, note that by the first condition in the definition of output-invariant, there exists some canonical player  $i_Z \in \mathcal{Z}$  and a machine  $M''_Z$  controlling the players in  $Z$  with the same complexity as  $M'_Z$  such that the output of  $M''_Z(v)$  is identical to  $M'_Z(v)$ , except that player  $i_Z$

outputs  $y; v$ , where  $y$  is the output of  $i_Z$  in the execution of  $M'_Z(v)$ . We can obtain a counterexample with  $M''_Z$  just as well as with  $M'_Z$  by considering the distinguisher  $D'$  which is defined identically to  $D$ , except that if  $y_{i_Z} = y; v$ , then  $D'(z, (\vec{x}, \vec{y}, v), \text{precise}) = D(z, (\vec{x}, \vec{y}', v), \text{precise})$ , where  $\vec{y}'$  is identical to  $\vec{y}$  except that  $y'_{i_Z} = y$ . Consider an adversary  $\tilde{M}'_Z$ . We claim that

$$\begin{aligned} & \Pr^+(\{(\vec{x}, z) : D'(z, \text{REAL}_{\tilde{M}, M''_Z}(\vec{x}, z), 1) = 1\}) \\ & - \Pr^+(\{(\vec{x}, z) : D(z, \text{IDEAL}_{f, \tilde{M}'_Z}(\vec{x}, z), \text{precise}_{Z, M'_Z, \tilde{M}'_Z}(n, \text{view}_{f, \tilde{M}'_Z} = (\vec{x}, z))) = 1\}) > \epsilon(n). \end{aligned} \quad (13)$$

By definition of  $D$ , it follows that

$$\Pr^+(\{(\vec{x}, z) : D(z, \text{REAL}_{\tilde{M}, M'_Z}(\vec{x}, z), 1) = 1\}) = \Pr^+(\{(\vec{x}, z) : D'(z, \text{REAL}_{\tilde{M}, M''_Z}(\vec{x}, z), 1) = 1\}). \quad (14)$$

By the second condition of the definition of output-invariant, there exists a machine  $\tilde{M}_Z$  with the same complexity as  $\tilde{M}'_Z$  such that the output of  $\tilde{M}_Z(v)$  is identical to  $M'_Z(v)$  except that if player  $i_Z$  outputs  $y; v'$  for some  $v \in \{0, 1\}^*$  in the execution by  $M'_Z(v)$ , then it outputs only  $y$  in the execution by  $\tilde{M}_Z(v)$ ; furthermore  $\tilde{M}_Z(v)$  outputs  $v'$ . It follows that

$$\begin{aligned} & \Pr^+(\{(\vec{x}, z) : D(z, \text{IDEAL}_{f, \tilde{M}'_Z}(\vec{x}, z), \text{precise}_{Z, M'_Z, \tilde{M}'_Z}(n, \text{view}_{f, \tilde{M}'_Z}(\vec{x}, z))) = 1\}) \\ & = \Pr^+(\{(\vec{x}, z) : D'(z, \text{IDEAL}_{f, \tilde{M}_Z}(\vec{x}, z), \text{precise}_{Z, M'_Z, \tilde{M}_Z}(n, \text{view}_{f, \tilde{M}}(\vec{x}, z))) = 1\}). \end{aligned} \quad (15)$$

Equation (13) is now immediate from (11), (14), and (15). Thus, we can assume without loss of generality that  $M'_Z$  is such that, when  $M'_Z$  has view  $v$ , the output of player  $i_Z$  is  $y; v$ .

We now define a game  $G \in \mathcal{G}^{\mathcal{C}}$  such that  $\perp$  is a  $p(n, \cdot)$ -robust best response to  $\vec{\Lambda}_{-Z}^{\mathcal{F}}$  in  $(G, \mathcal{F})$ , but  $\perp$  is not an  $\epsilon$ -best response to  $\vec{M}_{-Z}$  in  $(G, \text{comm})$ . Intuitively,  $G$  is such that simply playing  $\perp$  guarantees a high payoff. However, if a coalition controlling  $Z$  can provide a view that cannot be “simulated”, then it receives an even higher payoff. By definition, it will be hard to find such a view in the mediated game. However, by our assumption that  $\vec{M}$  is not a secure computation protocol, it is possible for the machine controlling  $Z$  to obtain such a view in the cheap-talk game.

In more detail, we proceed as follows. Let

$$d = \sup_{\tilde{M}_Z \in \mathcal{M}} \Pr^+(\{(\vec{x}, z) : D(z, \text{IDEAL}_{f, \tilde{M}_Z}(\vec{x}, z), \text{precise}_{Z, M'_Z, \tilde{M}_Z}(n, \text{view}_{f, \tilde{M}_Z}(\vec{x}, z))) = 1\}). \quad (16)$$

Consider the game  $G = ([m], \mathcal{M}, \text{Pr}, \vec{\mathcal{C}}, \vec{u})$ , where  $u_{Z'}(\vec{t}, \vec{a}, \vec{c}) = 0$  for all  $Z' \neq Z$  and

$$u_Z(\vec{t}, \vec{a}, \vec{c}) = \begin{cases} d & \text{if } c_Z = 0 \\ \Pr_U(D(t_N, ((t_1, \dots, t_m), \vec{a}, v), 1) = 1) & \text{if } a_{i_Z} = y; v, 0 < p(n, c_Z) \leq p(n, \mathcal{C}_Z(M'_Z, v)) \\ 0 & \text{otherwise.} \end{cases}$$

Clearly,  $G \in \mathcal{G}^{\vec{\mathcal{C}}}$ .

**Claim B.5**  $\perp$  is a  $p(n, \cdot)$ -robust best response to  $\vec{\Lambda}_{-Z}^{\mathcal{F}}$  in  $(G, \mathcal{F})$ .

**Proof:** Suppose, by way of contradiction, that there exists some game  $\tilde{G}$  with complexity profile  $\vec{\tilde{C}}$  that is at most a  $p(n, \cdot)$ -speedup of  $G$  and a machine  $M_Z^*$  such that

$$U_Z^{(\tilde{G}, \mathcal{F})}(M_Z^*, \vec{\Lambda}_{-Z}^{\mathcal{F}}) > U_Z^{(\tilde{G}, \mathcal{F})}(\perp, \vec{\Lambda}_{-Z}^{\mathcal{F}}). \quad (17)$$

It is immediate from (17) that  $M_Z^* \neq \perp$ . Thus, it follows from the definition of complexity functions that  $\tilde{\mathcal{C}}(M_Z^*, v) \neq 0$  for all  $v \in \{0, 1\}^*$ . That means that when calculating  $u^{(\tilde{G}, \mathcal{F})}(M_Z^*, \vec{\Lambda}_{-Z}^{\mathcal{F}})$ , the second or third conditions in the definition of  $u_Z$  must apply. Moreover, the second condition applies on type  $(\vec{x}, z)$  only if  $a_{i_Z}$  has the form  $y; v$  and  $0 < p(n, \mathcal{C}_Z(M_Z^*, \text{view}_{M_Z^*}(\vec{x}, z))) \leq p(n, \mathcal{C}_Z(M_Z^*, v))$ . Since  $\tilde{\mathcal{C}}$  is at most a  $p$ -speedup of  $\mathcal{C}$ , the latter condition implies that  $0 < \mathcal{C}_Z(M_Z^*, \text{view}_{M_Z^*}(\vec{x}, z)) \leq p(n, \mathcal{C}_Z(M_Z^*, v))$ . Hence,  $U_Z^{(\tilde{G}, \mathcal{F})}(M_Z^*, \vec{\Lambda}_{-Z}^{\mathcal{F}})$  is at most

$$\Pr^+(\{(\vec{x}, z) : D(z, \text{IDEAL}'_{f, M_Z^*}(\vec{x}, z), \text{precise}_{Z, M_Z^*, M_Z^*}(n, \text{view}'_{f, M_Z^*}(\vec{x}, z))) = 1\}),$$

where  $\text{IDEAL}'$  is defined identically to  $\text{IDEAL}$ , except that  $y_{i_Z}$  (the output of player  $i_Z$ ) is parsed as  $y; v$ , and  $\text{view}'_{f, M_Z^*}(\vec{x}, z)$  is  $v$ .

Since  $\mathcal{C}_Z(\perp, v) = 0$  for all  $v$ , the definition of  $u_Z$  guarantees that  $U_Z^{(\tilde{G}, \mathcal{F})}(\perp, \vec{\Lambda}_{-Z}^{\mathcal{F}}) = d$ . It thus follows from (17) that

$$U_Z^{(\tilde{G}, \mathcal{F})}(M_Z^*, \vec{\Lambda}_{-Z}^{\mathcal{F}}) > d.$$

Thus,

$$\Pr^+(\{(\vec{x}, z) : D(z, \text{IDEAL}'_{f, M_Z^*}(\vec{x}, z), \text{precise}_{Z, M_Z^*, M_Z^*}(n, \text{view}_{f, M_Z^*}(\vec{x}, z))) = 1\}) > d.$$

The second condition of the definition of output-invariant complexity implies that there must exist some  $M_Z^{**}$  such that

$$\Pr^+(\{(\vec{x}, z) : D(z, \text{IDEAL}_{f, M_Z^{**}}(\vec{x}, z), \text{precise}_{Z, M_Z^*, M_Z^{**}}(n, \text{view}_{f, M_Z^{**}}(\vec{x}, z))) = 1\}) > d,$$

which contradicts (16). Thus,  $\vec{\Lambda}^{\mathcal{F}}$  is a  $p$ -robust  $\mathcal{Z}$ -equilibrium of  $(G, \mathcal{F})$ .  $\blacksquare$

Since  $(\vec{M}, \text{comm})$  is a strong  $(\mathcal{G}^{\tilde{\mathcal{C}}}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon$ , and  $\perp$  is a  $p(n, \cdot)$ -robust best response to  $\vec{\Lambda}_{-Z}^{\mathcal{F}}$  in  $(G, \mathcal{F})$ , it must be the case that  $\perp$  is an  $\epsilon$ -best response to  $\vec{M}_{-Z}$  in  $(G, \text{comm})$ . However, by definition of  $u_Z$ , we have that

$$\begin{aligned} & U_Z^{(G, \text{comm})}(M'_Z, \vec{M}_{-Z}) \\ &= \sum_{\vec{t}, \vec{r}} \Pr^+( \{(\vec{t}, \vec{r}) u_Z(\vec{t}, M'_Z(\text{view}_{\vec{M}_Z}(\vec{t}, \vec{r})), \vec{M}_{-Z}(\text{view}_{\vec{M}_{-Z}}(\vec{t}, \vec{r})), \mathcal{C}_Z(M'_Z, \text{view}_{\vec{M}_Z}(\vec{t}, \vec{r})), \mathcal{C}_{-Z}(\vec{M}_{-Z}, \text{view}_{\vec{M}_{-Z}}(\vec{t}, \vec{r}))\} \\ &= \Pr^+(\{(\vec{x}, z) : D(z, \text{REAL}_{f, M'_Z}(n, \vec{x}, z), 1) = 1\}) \end{aligned}$$

where  $\text{view}_{\vec{M}_Z}(\vec{t}, \vec{r})$  (resp.,  $\text{view}_{\vec{M}_{-Z}}(\vec{t}, \vec{r})$ ) denotes the view of  $\vec{M}_Z$  when the strategy profile  $(\vec{M}_Z, \vec{M}_{-Z})$  is used with mediator  $\text{comm}$ . The second equality follows from the fact that player  $i_Z$  outputs the view of  $M'_Z$ . Recall that (11) holds (with strict inequality) for every machine  $\vec{M}_Z$ . It follows that

$$\begin{aligned} & U_Z^{(G, \text{comm})}(M'_Z, \vec{M}_{-Z}) \\ &= \Pr^+(\{(\vec{x}, z) : D(z, \text{REAL}_{\vec{M}, M'_Z}(\vec{x}, z), 1) = 1\}) \\ &\geq \sup_{\vec{M} \in \mathcal{M}} \Pr^+(\{(\vec{x}, z) : D(z, \text{IDEAL}_{f, \vec{M}_Z}(\vec{x}, z), \text{precise}_{Z, M'_Z, \vec{M}_Z}(n, \text{view}_{f, \vec{M}_Z}(\vec{x}, z) = 1))\}) + \epsilon(n) \\ &= d + \epsilon(n) \end{aligned} \tag{18}$$

where the last equality follows from (16).

Since  $U_Z^{(G, \text{comm})}(\perp, \vec{M}_{-Z}) = d$ , this is a contradiction. This completes the proof of the theorem.  $\blacksquare$

Note that if the set

$$S = \{\Pr^+(\{(\vec{x}, z) : D(z, \text{IDEAL}_{f, \vec{M}_Z}(\vec{x}, z), \text{precise}_{Z, M'_Z, \vec{M}_Z}(n, \text{view}_{f, \vec{M}_Z}(\vec{x}, z))) = 1\}) : \vec{M} \in \mathcal{M}\}$$

has a maximal element  $d$ , then by (11), equation (18) would hold with strict inequality, and thus theorem B.4 would hold even if  $\epsilon' = \epsilon$ . We can ensure this by introducing some additional technical (but natural) restrictions on  $\mathcal{C}$ . For instance, suppose that  $\mathcal{C}$  is such that for every complexity bound  $c$ , the number of machines that have complexity at most  $c$  is finite, i.e., for every  $c \in \mathbb{N}$ , there exists some constant  $N$  such that  $|\{M \in \mathcal{M} : \exists v \in \{0, 1\}^* \mathcal{C}(M, v) \leq c\}| = N$ . Under this assumption  $S$  is finite and thus has a maximal element.

## C A Computational Equivalence Theorem

To prove a “computational” analogue of our equivalence theorem (relating computational precise secure computation and universal implementation), we need to introduce some further restrictions on the complexity functions, and the classes of games considered.

- A (vector of) complexity functions  $\vec{\mathcal{C}}$  is *efficient* if each function is computable by a (randomized) polynomial-sized circuit.
- A secure computation game  $G = ([m], \mathcal{M}, \text{Pr}, \vec{\mathcal{C}}, \vec{u})$  with input length  $n$  is said to be  $T(\cdot)$ -*machine universal* if
  - the machine set  $\mathcal{M}$  is the set of Turing machines implementable by  $T(n)$ -sized randomized circuits, and
  - $\vec{u}$  is computable by a  $T(n)$ -sized circuits.

Let  $\mathcal{G}^{\vec{\mathcal{C}}, T}$  denote the class of  $T(\cdot)$ -machine universal, normalized, monotone, canonical  $\vec{\mathcal{C}}$ -games.

**Theorem C.1 (Equivalence: Computational Case)** *Suppose that  $f$  is an  $m$ -ary functionality,  $\mathcal{F}$  is a mediator that computes  $f$ ,  $\vec{M}$  is a machine profile that computes  $f$ ,  $\mathcal{Z}$  is a set of subsets of  $[m]$ ,  $\vec{\mathcal{C}}$  is an  $\vec{M}$ -acceptable output-invariant complexity function, and  $p$  is a homogeneous efficient precision function. Then  $\vec{M}$  is a weak  $\mathcal{Z}$ -secure computation of  $f$  with computational  $\vec{\mathcal{C}}$ -precision  $p$  if and only if, for every polynomial  $T$ , there exists some negligible function  $\epsilon$  such that  $(\vec{M}, \text{comm})$  is a strong  $(\mathcal{G}^{\vec{\mathcal{C}}, T}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon$ .*

**Proof:** We again separate out the two directions of the proof, to show which assumptions are needed for each one.

**Theorem C.2** *Let  $\vec{M}, f, \mathcal{F}, \mathcal{Z}$  be as above, and let  $\vec{\mathcal{C}}$  be an  $\vec{M}$ -acceptable natural output-invariant efficient complexity function, and  $p$  a homogeneous precision function. If  $(\vec{M}, \text{comm})$  is a weak  $\mathcal{Z}$ -secure computation of  $f$  with computational  $\vec{\mathcal{C}}$ -precision  $p$ , then for every polynomial  $T$ , there exists some negligible function  $\epsilon$  such that  $\vec{M}$  is a strong  $(\mathcal{G}^{\vec{\mathcal{C}}, T}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon$ .*

**Proof Sketch:** The proof follows the same lines as that of Theorem B.2. Assume that  $\vec{M}$  computes  $f$  with computational  $\vec{\mathcal{C}}$ -precision  $p$ . Since  $\vec{M}$  computes  $f$ , it follows that for every polynomial  $T$  and game  $G \in \mathcal{G}^{\vec{\mathcal{C}}, T}$ , the action profile induced by  $\vec{M}$  in  $(G, \text{comm})$  is identically distributed to the action profile induced by  $\vec{\Lambda}^{\mathcal{F}}$  in  $(G, \mathcal{F})$ . We now show that, for every polynomial  $T$ , there exists some negligible function  $\epsilon$  such that  $(\vec{M}, \text{comm})$  is a  $(\mathcal{G}^{\vec{\mathcal{C}}, T}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon$ . Assume, by way of contradiction, that there exists polynomials  $T$  and  $g$  and infinitely many  $n \in \mathbb{N}$  such that the following conditions hold:



- there exists some game  $G \in \mathcal{G}^{\vec{\mathcal{C}}, T}$  with input length  $n$  such that  $\vec{\Lambda}^{\mathcal{F}}$  is a  $p(n, \cdot)$ -robust  $\mathcal{Z}$ -safe equilibrium in  $(G, \mathcal{F})$ ;
- there exists some machine  $M'_Z \in \mathcal{M}$  such that

$$U_Z^{(G, \text{comm})}(M'_Z, \vec{M}_{-Z}) > U_Z^{(G, \text{comm})}(M_Z^b, \vec{M}_{-Z}) + \frac{1}{g(n)}. \quad (19)$$

It follows using the same proof as in Proposition B.2 that this contradicts the weak secure computation property of  $\vec{M}$ . In fact, to apply this proof, we only need to make sure that the distinguisher  $D$  constructed can be implemented by a polynomial-sized circuit. However, since by our assumption  $\vec{\mathcal{C}}$  is efficient and  $\vec{u}$  is  $T(\cdot)$ -sized computable, it follows that  $D$  can be constructed efficiently. Strong universal implementation follows in the same way. ■

**Theorem C.3** *Let  $\vec{M}, f, \mathcal{F}, \mathcal{Z}$  be as above, let  $\vec{\mathcal{C}}$  be a  $\vec{M}$ -acceptable output-invariant efficient complexity function, and let  $p$  be an efficient homogeneous precision function. If, for every polynomial  $T$ , there exists some negligible function  $\epsilon$  such that  $(\vec{M}, \text{comm})$  is a  $(\mathcal{G}^{\vec{\mathcal{C}}, T}, \mathcal{Z}, p)$ -universal implementation of  $\mathcal{F}$  with error  $\epsilon$ , then  $\vec{M}$  is a weak  $\mathcal{Z}$ -secure computation of  $f$  with computational  $\vec{\mathcal{C}}$ -precision  $p$ .*

**Proof Sketch:** Assume by way of contradiction that there exist polynomials  $T$  and  $g$ , infinitely many  $n \in N$ , a distribution  $\text{Pr}$  on  $(\{0, 1\}^n)^m \times \{0, 1\}^*$ , a subset  $Z \in \mathcal{Z}$ , a  $T(n)$ -sized distinguisher  $D$ , and a  $T(n)$ -sized machine  $M'_Z \in \mathcal{M}$  that controls the players in  $Z$  such that for all machines  $\vec{M}_Z$ ,

$$\begin{aligned} & \text{Pr}^+(\{(\vec{x}, z) : D(z, \text{REAL}_{\vec{M}, M'_Z}(\vec{x}, z), 1) = 1\}) \\ & - \text{Pr}^+(\{(\vec{x}, z) : D(z, \text{IDEAL}_{f, \vec{M}_Z}(\vec{x}, z), \text{precise}_{Z, M'_Z, \vec{M}_Z}(n, \text{view}_{f, \vec{M}_Z}(\vec{x}, z) = 1))\}) > \frac{1}{g(n)}. \end{aligned} \quad (20)$$

As in the proof of Theorem B.4 we construct a game  $G$  that contradicts the assumption that  $\mathcal{M}$  is a strong universal implementation. The only thing that needs to be changed is that we need to prove that the game  $G$  constructed is in  $\mathcal{G}^{\vec{\mathcal{C}}, T'}$  for some polynomial  $T'$ . That is, we need to prove that  $\vec{u}$  can be computed by poly-sized circuits (given that  $D$  is poly-size computable). We do not know how to show that the actual utility function  $u_Z$  constructed in the proof of Proposition B.4 can be made efficient. However, for each polynomial  $g'$ , we can approximate it to within an additive factor of  $\frac{1}{g'(n)}$  using polynomial-sized circuits (by repeated sampling); this is sufficient to show that there exists some  $T'$  and some polynomial  $g''$  such that that  $\vec{M}$  is not a  $\frac{1}{g''(n)}$ -equilibrium in  $(G, \text{comm})$ . ■

**Relating Universal Implementation and “Standard” Secure Computation** We note that Theorem C.1 also provides a game-theoretic characterization of the “standard” (i.e., “non-precise”) notion of secure computation. We simply consider the complexity function  $\text{worstcase}(v)$  that is the sum of the worst-case running-time of  $M$  on inputs of the same length as in the view  $v$ , and the size of  $M$ . With this complexity function, the definition of weak precise secure computation reduces to the traditional notion of weak secure computation without precision (or, more precisely, with “worst-case” precision just as in the traditional definition). Given this complexity function, the precision of a secure computation protocol becomes the traditional “overhead” of the simulator (this is also called *knowledge tightness* [Goldreich, Micali, and Wigderson 1991]).

Roughly speaking, “weak secure computation” with overhead  $p$  (where  $p$  is a homogeneous function) is thus equivalent to strong  $(G^{\text{worstcase.poly}}, p)$ -universal implementation with negligible error.