

non-atomic flow

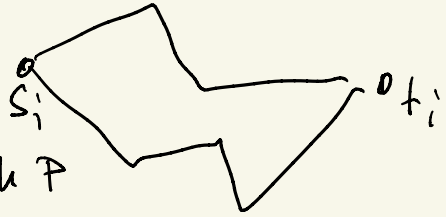
$s_i, t_i$  rate  $r_i$

flow from  $s_i$  to  $t_i$  carrying  $r_i$  flow

Network cost  $c_e(x)$  edges

$c_e(x) \geq 0$  non increasing, cont.

$f_P \geq 0$  amount  
of flow on path  $P$



$$\sum_{\substack{P: s_i \text{ to } t_i \\ \text{path}}} f_P = r_i \quad \left| \quad \begin{array}{l} \text{total on edge } e \\ f(e) = \sum_{P: e \in P} f_P \end{array} \right.$$

$$\text{cost of } P: \quad \sum_{e \in P} c_e(f(e)) = C_P(f)$$

cost of  $f$

$$\text{cost}(f) = \sum_P f_P (C_P(f))$$

$$= \sum_P f_P \sum_{e \in P} c_e(f)$$

$$= \sum_e c_e(f) \cdot \sum_{P: e \in P} f_P = \sum_e c_e(f) f(e)$$


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Equilibrium

all  $P$  with  $f_P > 0$   $s_i$  to  $t_i$

$$c_P(f) = \min_{Q: s_i \text{ to } t_i} c_Q(f)$$

Consider  $f$  ~~an~~ equilibrium flow

fixed edge cost  $\bar{c}_e = c_e(f(e))$

with  $\bar{c}$  cost  $f$  is min cost

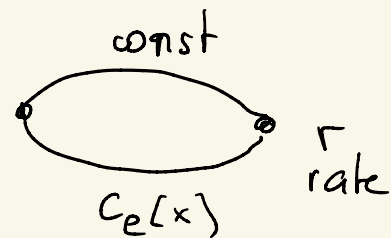
all other feasible flows  $f^*$

$$\text{cost } f^* \text{ with } \bar{c} \text{ cost} \geq \text{cost}(f)$$


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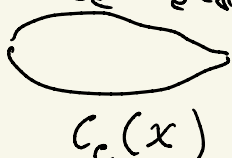
$$\alpha(\mathcal{C}) = \max_{\text{Opt}} \frac{\text{Nash}}{\text{Opt}} \text{ on this}$$

↗  
class of  
possible cost



Thm: all cost from  $\mathcal{C}$  then  
PoA bounded by  $\alpha(\mathcal{C})$

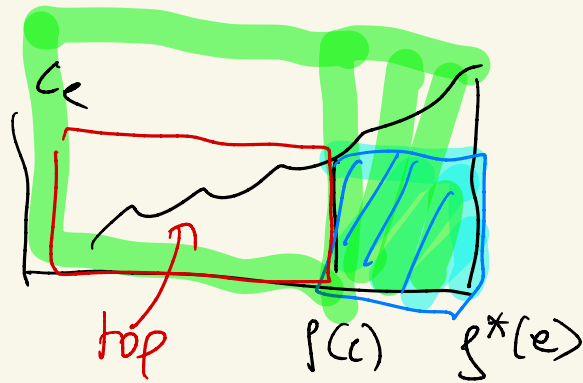
Proof:  $f^*$  - min ~~cost~~ social cost flow

$$r = f(e) \quad \bar{c}_e = c_e(f(e))$$


Claim

$$\alpha \geq \frac{c_e(f(e)) f(e)}{f^*(e) c_e(f^*(e)) + \bar{c}_e(f(e) - f^*(e))} \leftarrow \text{equilibrium}$$

Note also true if  $f^*(e) > f(e)$



adding for all e

$$\sum_e c_e(f(e)) f(e) \leq$$

$$\alpha \left[ \sum_e f^*(e) c_e(f^*(e)) \right] +$$

$$\alpha \sum_e \bar{c}_e (f(e) - f^*(e))$$

$$\text{cost}(f) \leq \alpha \left[ \text{OPT} + \text{cost}(f) - \sum_e \bar{c}_e f^*(e) \right]$$

$$\leq \alpha \left[ \text{OPT} + \cancel{\text{cost}(f)} - \cancel{\text{cost}(f)} \right]$$

↑  
as with  $\bar{c}$  cost  
f is min cost

$$\Rightarrow \text{cost}(f) \leq \alpha \text{OPT}$$

Intuition

recall eq. all flow on path  
min cost  $\sum_{e \in P} c_e(f(e))$

$$\text{cost of flow} \quad \sum_e c_e(f(e)) \cdot f(e)$$

if derivative of P

> derivative on Q

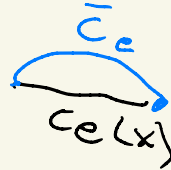
$\Rightarrow$  global improves

moveup bit of flow  $P \rightarrow Q$



$$[c_e(x) x]' = \underbrace{c_e(x)}_{\text{selfish}} + x \underbrace{c_e'(x)}_{\text{social pain}}$$

Network



all edges  
add new  
copy

Claim

- Nash undegraded
- Opt only improves

Opt on  $H_{\text{is}}$  = optimize edge by edge