

# Modeling Reciprocity in Human Bilateral Negotiation

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## Motivation

**Goal:** learn how psychological factors affect human negotiation in environments that include

- hierarchy between goals, tasks and resources
- strategic complexity
- social relationships

**Method:**

- formally represent factors within a computational framework
- learn a hierarchical model from observing people
- evaluate model's ability to
  - predict behavior
  - generalize across different types of people and environments

## Colored Trails (Grosz and Kraus '04)

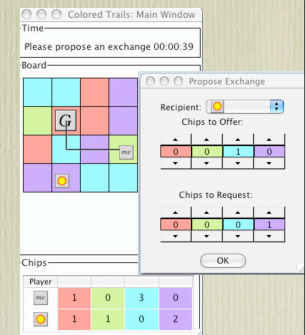
A framework for investigating decision-making between computers and/or people. Interesting for people to play; possible for computers to play

- provides analogy to task settings; abstracts away from domain specific knowledge.
- flexible and extendible. Can vary (among others)
  - complexity of interaction
  - uncertainty of observations
  - environment type (competitive/collaborative)
- negotiation protocol

## Multi-attribute Negotiation Scenario

Unknown, finite number of one-shot CT rounds

- full visibility of board and chips
- dependency relationships vary
- proposer player makes a bid
- responder accepts/rejects bid
- agreement is enforced
- individual performance depends on reaching goal, chips and path taken
- roles alternate at each round



## MURI relevance

Features of repeated interaction across cultures

- Belief revision (e.g., ping-pong diplomacy); must account for inconsistent/incorrect beliefs.
- Dynamic reasoning
  - prospective: what is the ramification (cost) of a potential action in an uncertain future?
  - retrospective: what is the extent to which we reward/punish others for their actions?
- need to consider other's intentions, their beliefs about each other's intentions, etc...

## Modeling Intention

Agent  $j$ 's *merit* - the (normalized) difference between the "fair" outcome for  $i$  and the outcome  $i$  believes  $j$  will choose.

$i > j$ 's *merit*  $> 0$  : ( $i$  believes that)  $j$  is "kind"

$-i < j$ 's *merit*  $< 0$  : ( $i$  believes that)  $j$  is "nasty"

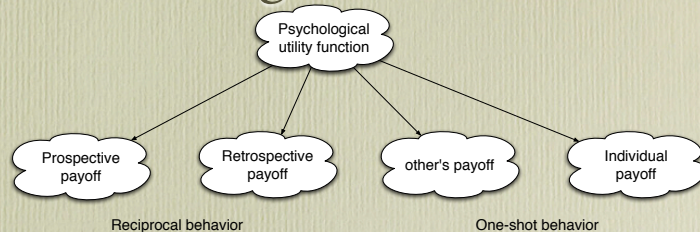
( $i$ 's beliefs about) Retrospective merit for  $j$ : payoff for  $j$  \*  $j$ 's merit

**Fairness Equilibrium** (Rabin '99): agents positively reciprocate kindness; negatively reciprocate nastiness.

example (prisoner's dilemma) : both players believe the other intends to be nice/nasty, and both players cooperate/defect.

We define a fair exchange as the Nash Bargaining solution concept.

## Modeling Repeated negotiation



Intentions are updated by agents at each round

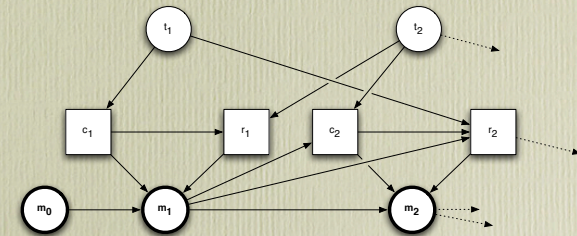
Assume a finite set of types; each type's utility function weighs social factors differently.

Learn a mixture model

- probability distribution over types
- for each type, learn weights for each social factors

## Generative Model

Each instance (round) consists of a set of CT rounds. Each round  $i$  including an offer  $c_i$  and reply  $r_i$ . Each action is generated by (unobserved) type  $t_i, t_2$ .



$$P(\{c_1, \dots, r_1\}, \dots, \{c_n, \dots, r_n\} \mid t_1, t_2) = \\ P(c_1 \mid t_1, m_0)P(r_1 \mid c_1, t_2, m_0)P(c_2 \mid t_2, m_1) \dots P(r_n \mid c_{n-1}, t_2, m_{n-1})$$



## Computing Future ramification

Sample from a set of future games.

For each potential action, compute the expected reward from future games, given current parameter models.

Example - for responder player  $i$ , future ramification at horizon  $k$  at game  $g_n$ , merit scalars  $m_i, m_j$  is computed by

$$ED_K(r_n^i \mid g_n, p_n^j, m_i, m_j) = S_i(p_n^j, r_n^i, g_n) + \sum_{g_{n+1}} \sum_{p_{n+1}^i} P(p_{n+1}^i \mid g_{n+1}, m_j) EP_{K-1}(p_{n+1}^i \mid g_{n+1}, m_i', m_j)$$

## Preliminary Results

Collected 70 instances; each includes a set of CT interactions.

Correlations suggest that reciprocal interactions are present.

- (positive) benefit to response/response  $r$  in two consecutive rounds, response in.
- (negative) response and responder's benefit in two consecutive rounds.

Fit-to-data experiments

- predictive model that learned reciprocal behavior outperformed models that learned one shot behavior,

## Future Work/Obtaining CT

Compare “social” agent performance to a variety of other agents.

- Game theoretic agents
- Other people

Evaluating mode by

- playing new people in new types of situations.
- cultural distinctions

CT release (version 3), available for download

- [www.eecs.harvard.edu/ai/ct3](http://www.eecs.harvard.edu/ai/ct3)
- email list - release announcements, bug fixes, etc...

Modular code can be tailored by modifying a Java configuration class

- Examples: single vs. repeated interaction, prescribed or