



VCG: Taste

Game Theory Course:
Jackson, Leyton-Brown & Shoham

Privatization

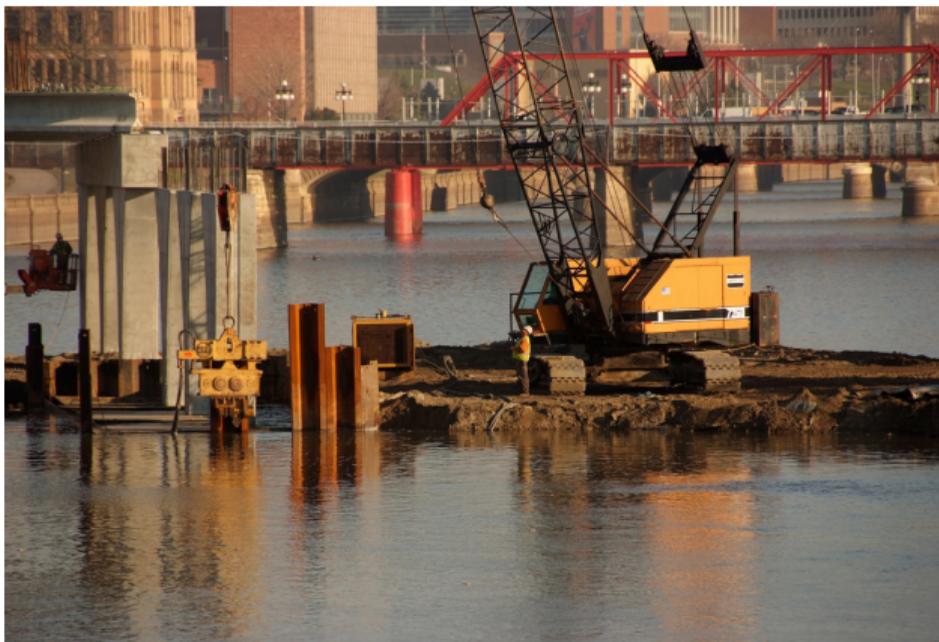
A government privatizing a public utility like a power plant doesn't aim to maximize revenue, but to ensure that the right buyer wins.



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Building a Bridge

Businesses on both sides of a river need to decide whether to build a bridge, and if so how to pay for it.



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Buying a Path in a Network

Shipping along privately owned railroads from Hocking Valley Coal Field to Chicago, 1881.



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cooperative payoff utility
Bayesian Normal-form auctions
repeated
tragedy of the commons
Nash equilibrium class players
predator
strategies
zero-sum probability
Game Theory Online
random math
rational
action

The VCG Mechanism



Amazingly, the VCG mechanism can be used to solve all of these problems, and lots more!