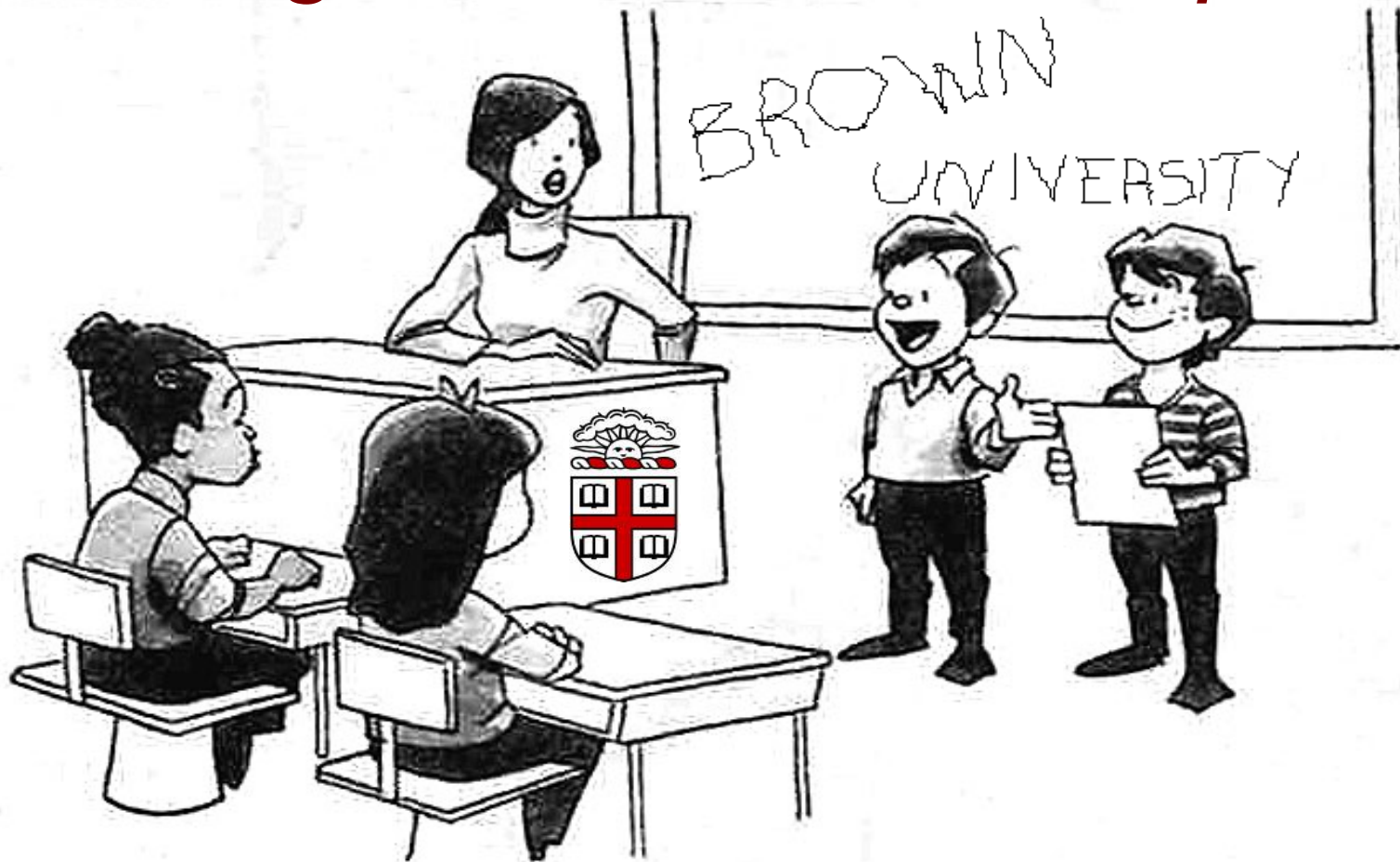


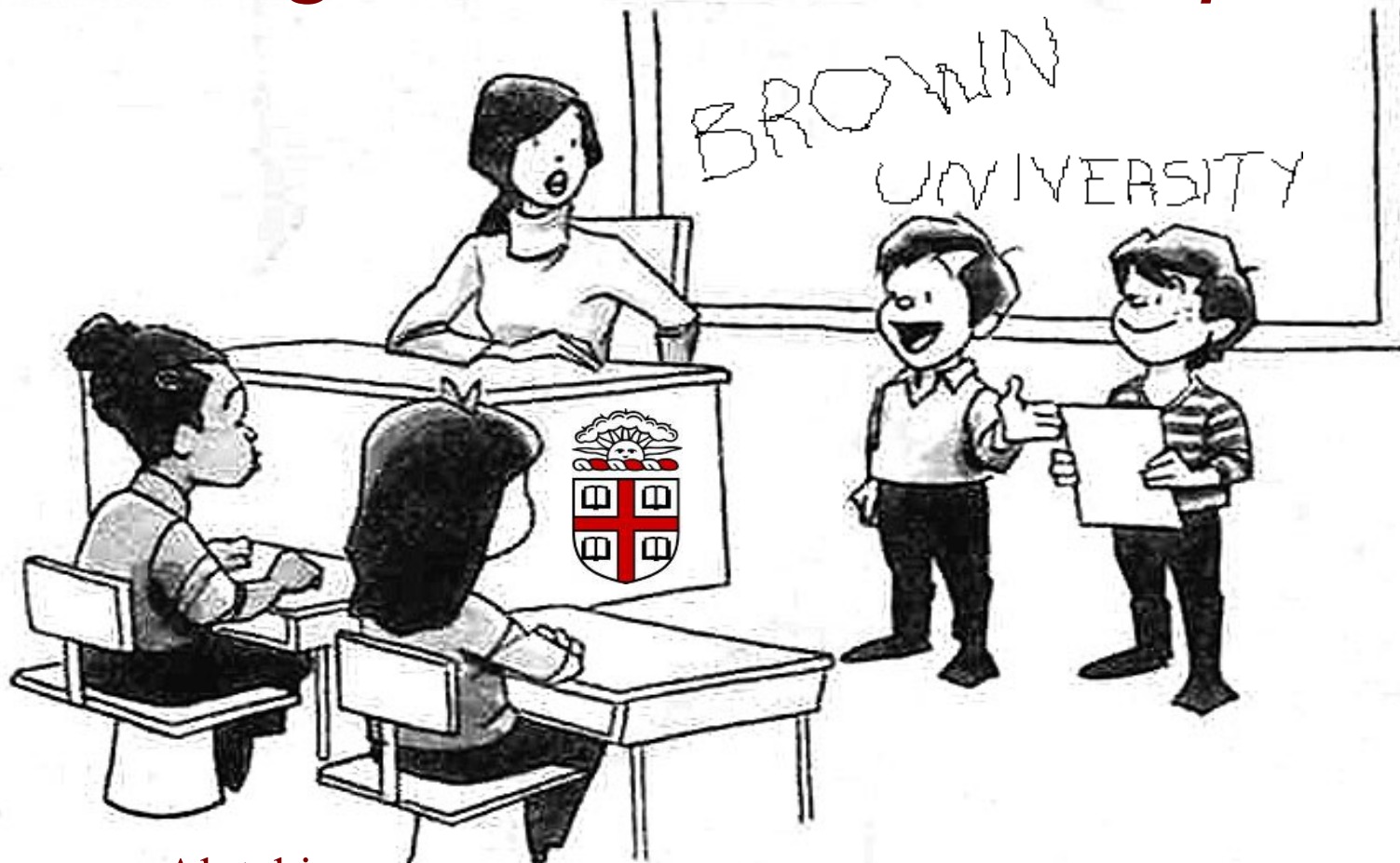
Incentivizing Outsourced Computation



"Kevin will be giving my report on outsourcing."

Mira Belenkiy, Melissa Chase, Chris Erway,
John Jannotti, Alptekin Küpçü, Anna Lysyanskaya

Incentivizing Outsourced Computation



Alptekin

our

~~"Kevin~~ will be giving ~~my~~ report on outsourcing."

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Scenario



Scenario



Marge
(Boss):
trusted



Vacuum clean the house
(Job): **algorithm + input**

honest



lazy



Simpsons
(Contractors):
untrusted



rational



malicious

Scenario



Marge
(Boss):
trusted



Vacuum clean the house
(Job): algorithm + input

Goal: Make sure the
house is cleaned
thoroughly

honest



lazy



Simpsons
(Contractors):
untrusted

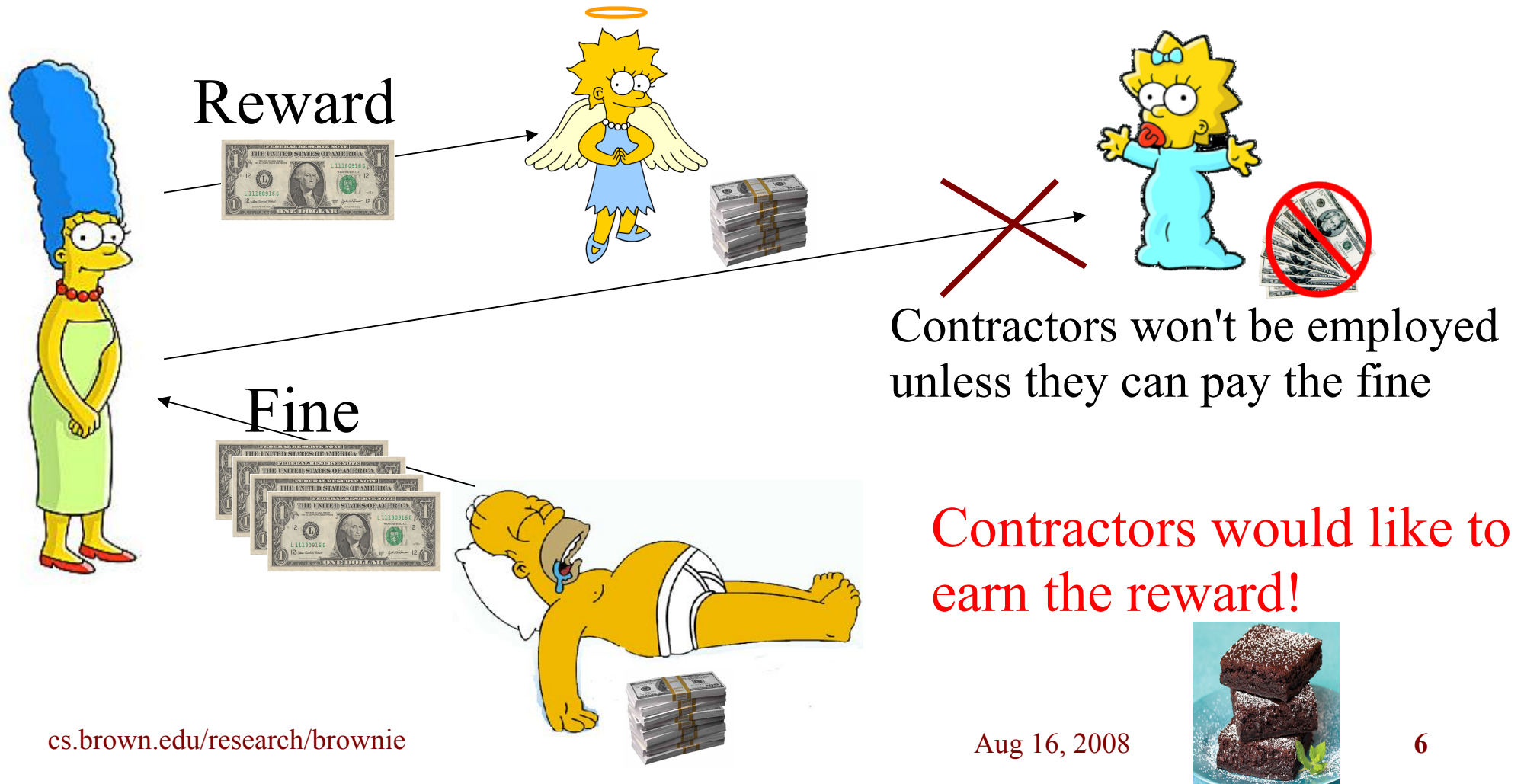


rational



malicious

Model



Why do the job at all?

Reward



Fine



cost of vacuuming the house: $\text{cost}(1)$



utility of an honest contractor
 $\text{util}(1) = \text{reward} - \text{cost}(1) > 0$

participation constraint

Why perform the job correctly?



- **Lazy contractors (Homer)** can use **broom** instead of **vacuum**
- Broom does the job correctly with probability $q < 1$
 - But has lower cost
 - $0 \leq \text{cost}(q) < \text{cost}(1)$

Guaranteed Accuracy

Ideally, everyone should use vacuum instead of broom



Solution: Require hash of intermediate steps
(will be different for broom and vacuum)
(e.g., plug into electricity)

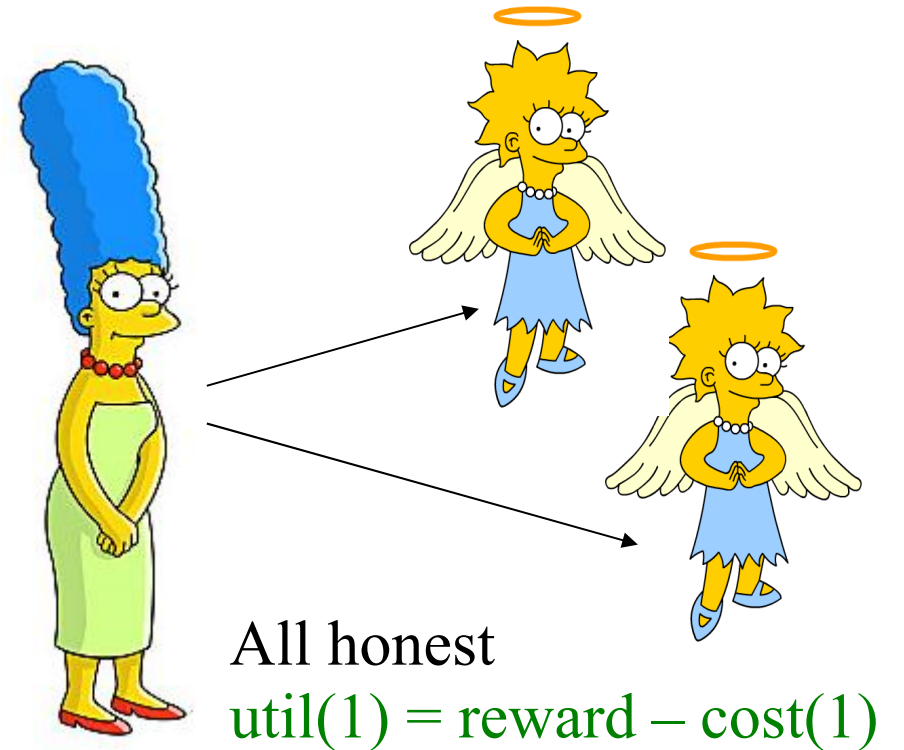
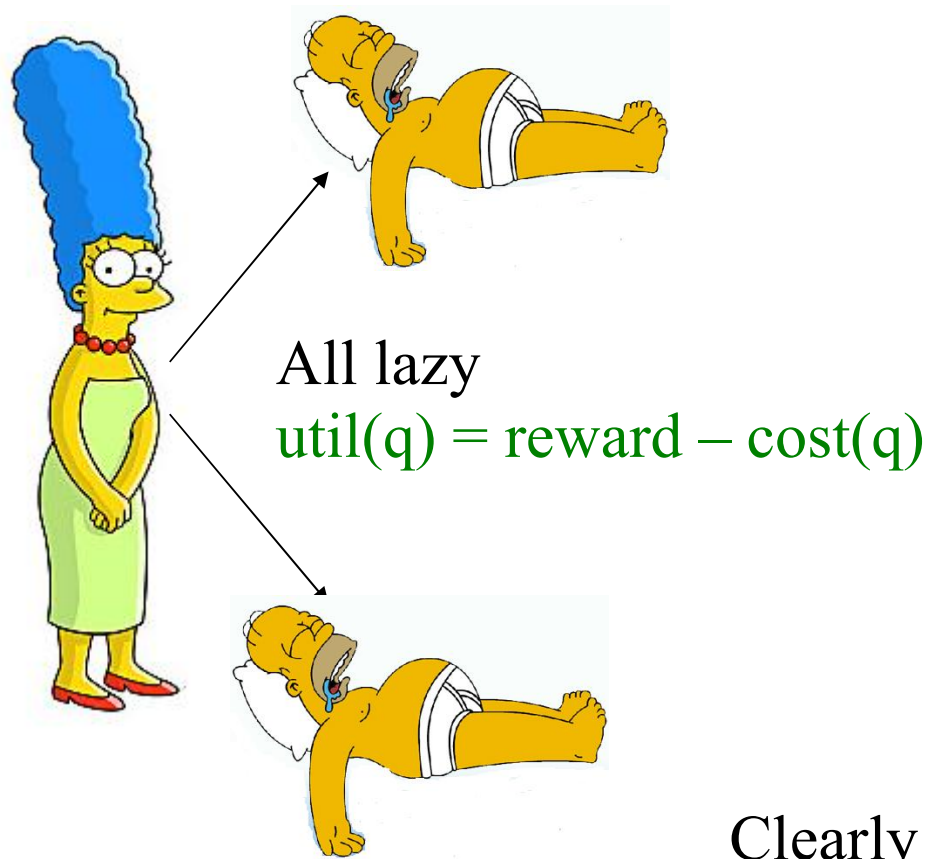


Employ Multiple Contractors

- Marge needs to make sure the house is really clean, and ready for Christmas
- Give the same job to multiple people
- Marge double-checks the result only when the contractors return different results.

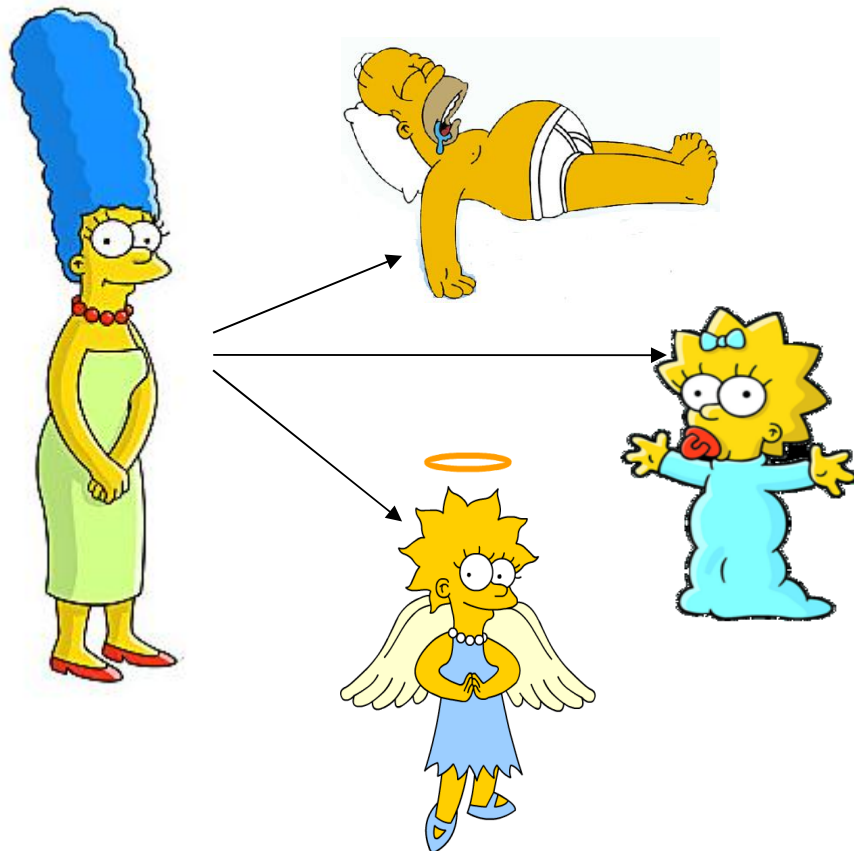


Problem: Two Equilibria



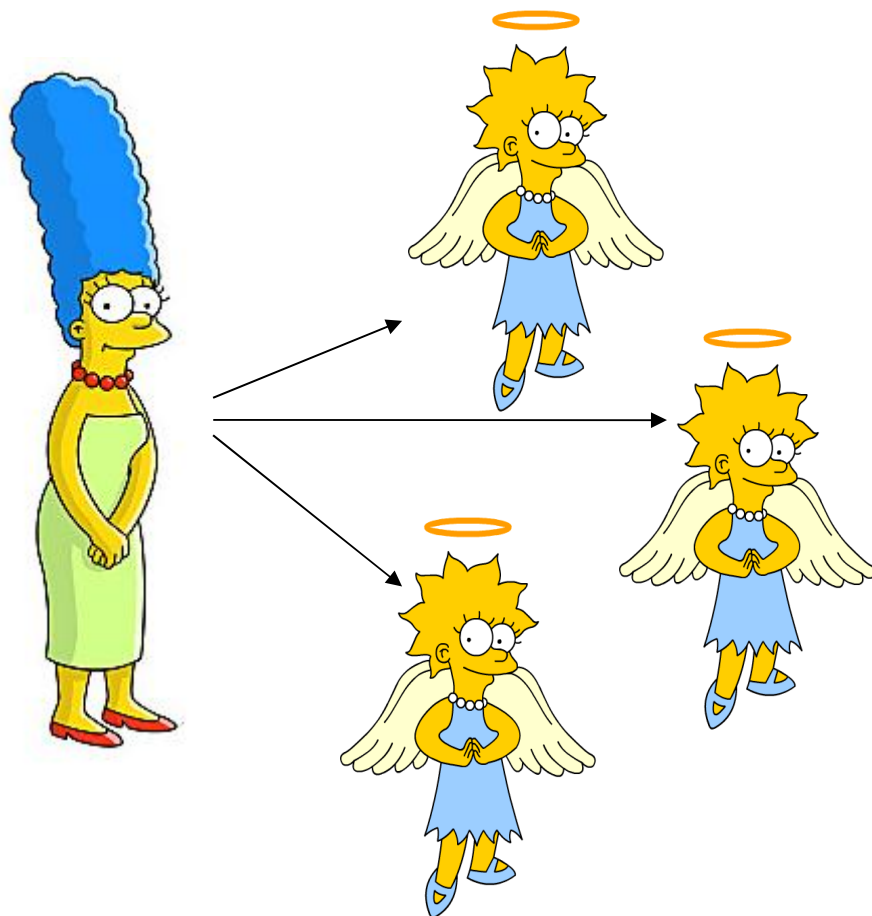
Clearly $util(q) > util(1)$

Method 1: Using Honest Contractors to Incentivize Rational Contractors



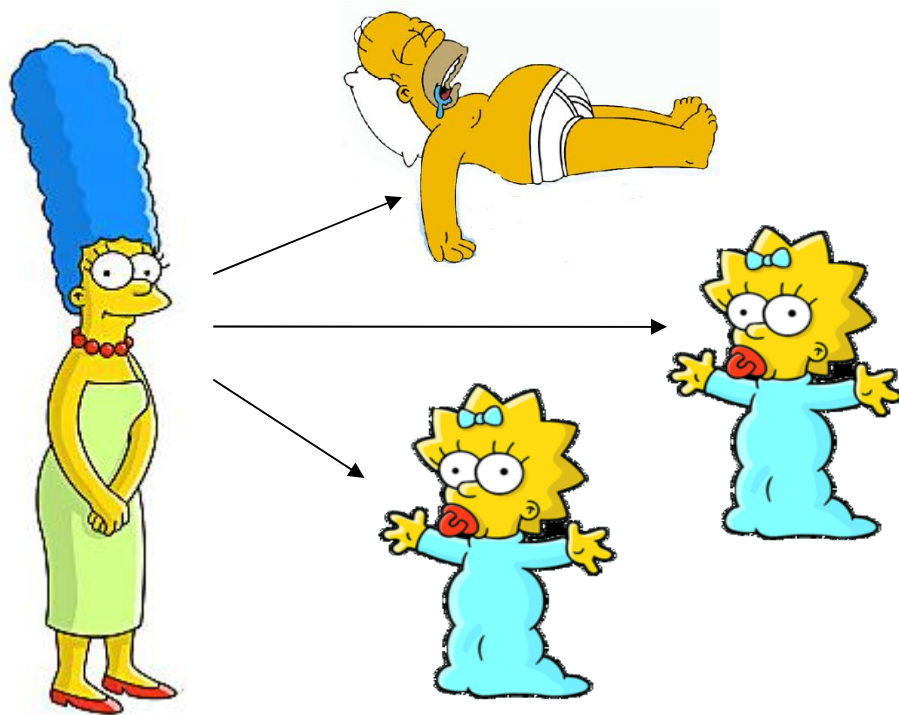
- If some fraction of contractors are **honest**
- Set **fine/reward** using
 - $\Pr[\text{honest contractor exists in group}]$
- Then all rational contractors will behave honestly

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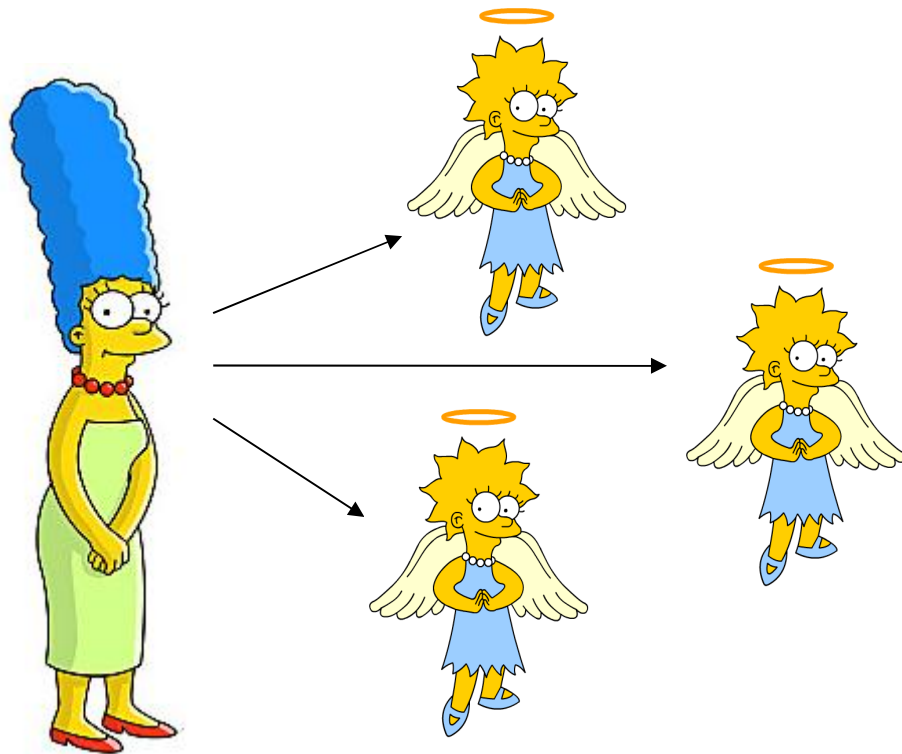
Method 2: Using Bounties to Incentivize Rational Contractors



- Offer extra reward (**bounty**) to whoever catches a cheater
- If cheating gives advantage **adv** then set $\text{bounty} \geq \text{reward} \cdot \text{adv}$
- Then all rational contractors will act honestly

utility when you catch a cheater
 $\text{util}(1) = \text{reward} - \text{cost}(1) + \text{bounty}$

Method 2: Using Bounties to Incentivize Rational Contractors



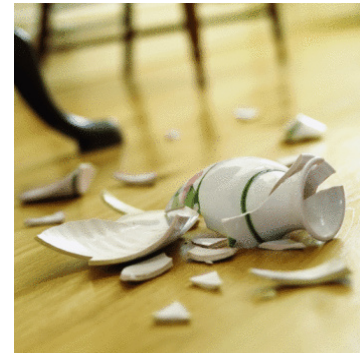
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Malicious Contractors

- Malicious contractors are **irrational**
 - Bart will break the vases while cleaning
- Bart wants to
 - **reduce accuracy of the job**
 - **waste Marge's time**

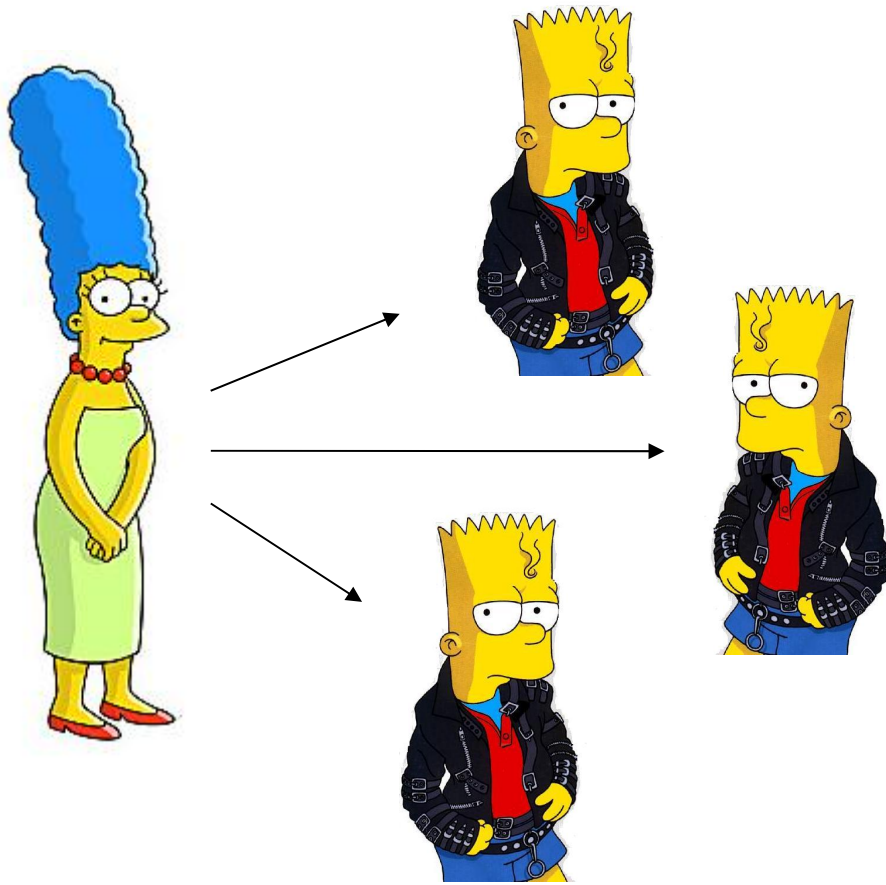


Malicious Contractors

- Malicious contractors are **irrational**
 - Bart will break the vases while cleaning
- Bart wants to
 - **reduce accuracy of the job**
 - **waste Marge's time**
- **Needs to keep non-negative balance**
 - needs to stay in the system
 - will not be employed if cannot pay the fine



Limited Damage by Malicious Contractors



- We show the **accuracy loss** and **wasted work** caused by malicious contractors are **very limited**.
- **Bart needs to clean the house many times so that he can pay the fine when he breaks the vase.**



Conclusion

- Ways for **Marge** to employ **untrusted** family members to thoroughly clean the house using a **vacuum**
- Limit damage caused by **malicious Bart**, and force him to clean the house most of the time.
- Best of all, at **Brown University**, our **Brownie** group rewards its members who clean after the meetings with



Full presentation this **Friday** @ **Seattle**

NetEcon 08

cs.brown.edu/research/brownie



THANKS!

