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Agent-Based Computational Models and Generative Social Science

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Key Features of Agent-Based Computational Models

2

- Heterogeneity
- Autonomy
- Bounded Rationality
 - Bounded information
 - Bounded Computing Capacity
- Explicit Space
- Local Interactions
- Non-Equilibrium Dynamics

- Tipping Phenomena

Canonical Experiment

- <u>To explain</u> macroscopic phenomena, we situate an initial population of autonomous heterogeneous agents in the relevant spatial environment; allow them to interact according to simple local rules and thereby generate--or "grow"--the macroscopic phenomenon from the bottom up.
- <u>Generative Sufficiency</u> is the core explanatory notion.

Sugarscape

- Events unfold on a landscape of renewable resource: "Sugar"
 - The sugarscape proper a twin peaked distribution
 - The darker the yellow, the greater the sugar value
 - Each site has a capacity, a current level, and a simple rule: *If less than capacity, grow back at unit rate.*

The Sugarscape Agents

- Ultimately, they move, feed, age, reproduce, transmit genes, transmit cultural identities, form social networks, fight, trade, contract diseases, and more.
- Initially, they are minimal
 - Vision (heterogeneous)
 - Metabolism (heterogeneous)
 - One <u>Simple Local Rule</u>: Inspect all unoccupied sites within your vision; select the one richest in sugar; move there and harvest the sugar
- When they "eat," we up their sugar wealth by that amount, then we charge them their metabolic rate; if the result is negative, they die. Otherwise, go again.

What Can You Grow?

- Empirical fact: All industrial societies since the turn of the century display a Pareto distribution of income.
- Is the extremely minimal Sugarscape microspecification in fact *sufficient to generate* a Pareto distribution at the macro-level?

Simple Environmental Couplings

- Divide Landscape into a North and South
- Introduce "seasons." For 50 periods, it's bloom in north, drought in south. Then the reverse.
- Generates environmental refugees.
- Environmental degradation can have security implications.

Evolutionary Dynamics

- Population Growth via Sexual Reproduction
- Evolution via Mendelian One Locus Two-Allele Genetics for Vision and Metabolism.

- Watch Darwinian Natural Selection.
 Vision:Red if V > Initial Median
 - Metabolism: B if M < Initial Median</p>
- Nature-Nurture

Cultural Transmission

- Tag-Flipping on Cultural Bit Strings
- A(j) = 100101001; A(k) = 001101100
- Vertical Transmission: " position, equal chance of inheriting mom's or dad's tag.
- Horizontal Transmission: Agent j hops next to agent k and "transmits" to k his value at a random position.
- *Sufficient to generate* spatially segregated "tribes."

Combat

- Now that there are "tribes," combat between tribes is possible.
- R attacks B if R>B and no retaliating B, and vice versa
- Mode 1: Victor takes entire accumulated wealth. Ethnic Cleansing or Oligopoly
- Mode 2: Victor takes fixed reward of x units. Stable Trench War

Combat vs. Assimilation

- Combat Mode 1 (winner take all) Plus Tag-Flipping
- Big agents "converted" before they run to monopoly

11

• Study interplay of assimilation and combat as modes of group defense.

The Proto-History

- Turn four modes on at once
 - Movement
 - **Reproduction**
 - Cultural Transmission and Tribe Formation

- Combat
- Grow a "Toy history" of civilization
- Lead to the Artificial Anasazi Project

Artificial Anasazi

- Kayenta Anasazi of Longhouse Valley: 800-1350
- Digitize Actual Environmental and Demographic History
 - Hydrology, Top Soil, Drought Severity, Maize Potential
 - Household Sizes and Locations
- Use an Agent-Based Model to Test Whether Various Microspecifications (movement, farming, reproduction rules) Suffice to Generate--or "Grow"--the Actual History.

- Phase I focused on purely environmental factors
- Phase II To Include Cultural Factors

Sugarscape Economics

 Introduce second commodity--"Spice"--and second metabolism. With fixed neoclassical preferences:

 $W(w_1,w_2) = w_1^{m_1} w_2^{m_2} T; T = m_1 + m_2.$

Evolving Preferences

- Non-neoclassical evolving preferences;
- f = the frequency of 1's in Agent's Tag string.

 $W(w_1, w_2) = w_1^{fm} r_{w_2}^{(1-f)m_2};$ $T = fm_1 + (1 - f)m_2$

Empirical, Policy, and Commercial Applications Since Sugarscape

• Firms

- Anasazi
- Civil Violence
- Retirement
- Classes
- Crime
- Traffic
- Military Tactics and Alliances
- Decentralized Scheduling
- DisneyScape
- Stock Market Dynamics (NASDAQ Model)

16

• Optimization (TSP/ Ants)