Contract Theory for Wireless Networks



Contents

1	Dac	rgroun	a introduction							
	1.1	Introd	uction							
	1.2	Contra	act Theory: Fundamentals and Classification							
		1.2.1	Basic Contract Concepts	:						
		1.2.2	Classification	4						
		1.2.3	Models	•						
		1.2.4	Comparisons	8						
	1.3 Contract Theory: Reward Design									
		1.3.1	Dimension of Rewards	9						
		1.3.2	Rewards on Absolute Performance or Relative							
			Performance	1.						
		1.3.3	Reward in Bilateral or Multilateral Contracting	12						
	1.4	Applic	cations in Wireless Networks	12						
		1.4.1	Adverse Selection	13						
		1.4.2	Moral Hazard	13						
		1.4.3	Mixed Problem	14						
	1.5	Summ	nary	15						
	Refe	erences.		15						
2	Ince	ntive N	Mechanisms for Device-to-Device Communications							
	in C	ellular	Networks with Adverse Selection	17						
	2.1	Introd	uction	17						
	2.2	2.2 Related Work								
	2.3									
		2.3.1	Transmission Data Rate	21						
		2.3.2	User Equipment Type	22						
		2.3.3	Base Station Model	22						
		2.3.4	User Equipment Model	23						
		2.3.5	Social Welfare	23						

x Contents

	2.4	Proposed Solution	23									
		2.4.1 Conditions for Contract Feasibility	24									
		2.4.2 Optimal Contract	26									
		2.4.3 Practical Implementation	31									
	2.5	Simulation Results and Analysis	32									
		2.5.1 Contract Feasibility	33									
		2.5.2 System Performance	34									
	2.6	Summary	39									
	Refe	erences	40									
3	Ince	entive Mechanism in Crowdsourcing with Moral Hazard	43									
	3.1	Introduction	43									
	3.2	System Model	45									
		3.2.1 Utility of User	45									
		3.2.2 Utility of Principal	47									
	3.3	Problem Formulation	47									
	3.4	Simulation Results and Analysis	50									
		3.4.1 Optimal Compensation Package Analysis	50									
		3.4.2 Compensation Package Comparison	52									
	3.5	Summary	55									
	Refe	erences	56									
4 Tournament-Based Incentive Mechanism Designs for Mobile												
	Crowdsourcing											
	4.1	Introduction	57									
	4.2	System Model	59									
		4.2.1 Common Shock Problem	59									
		4.2.2 Rank-Order Statistic	60									
		4.2.3 Utility of the Users	60									
		4.2.4 Utility of the Principal	61									
	4.3	Problem Formulation	62									
		4.3.1 Optimization Problem	62									
		4.3.2 Tournament Design	63									
	4.4	Simulation Results and Analysis	65									
		4.4.1 Simulation Setup	65									
		4.4.2 Reward by Tournament	68									
		4.4.3 Comparison	69									
	4.5	Summary	71									
	Dofe	erences	72									

Contents xi

5	Mu	lti-dimensional Payment Plan in Fog Computing	
	with	n Moral Hazard	73
	5.1	Introduction	73
	5.2	System Model	75
		5.2.1 Operation Cost	75
		5.2.2 QoS Measurement	77
		5.2.3 Payment Plan	77
		5.2.4 Utility of Fog Node	78
		5.2.5 Utility of Network Operator	81
		5.2.6 Social Welfare	81
	5.3	Problem Formulation	82
	5.4	Simulation Results and Analysis	83
	5.5	Summary	87
		erences	87
_			
6		ancing Contract with Adverse Selection and Moral Hazard	
		Spectrum Trading in Cognitive Radio Networks	89
	6.1	Introduction	89
	6.2	Related Works	91
	6.3	System Model	92
	6.4	Problem Formulation	93
		6.4.1 PU's Payoff Maximization Problem	94
		6.4.2 Optimal Contract with Moral Hazard only	95
		6.4.3 Optimal Contract with Adverse Selection only	95
		6.4.4 Optimal Contract with both Adverse Selection	
		and Moral Hazard	96
	6.5	Simulation Results and Analysis	97
		6.5.1 Financing Contract Analysis	97
		6.5.2 System Performance	100
	6.6	Summary	103
	Refe	erences	103
7	Con	nplementary Investment of Infrastructure and Service	
•		viders in Wireless Network Virtualization	105
	7.1	Introduction	105
	7.2	System Model.	107
	1.2	7.2.1 Cost and Revenue Functions.	108
		7.2.2 Shapley Value	109
		7.2.3 Investment Surplus	110
	7.3	Problem Formulation	110
	1.5	7.3.1 General Case	110
		7.3.2 Single Provider and Single Resource	111
		<u>-</u>	111
		7.3.3 Non-integration	111
		/ 3 A TOTASTOCUTE IMPORATOR	11/

••	a
XII	Contents
ALL .	COMMIN

		7.3.5	Service	Provid	er In	tegra	tion	١.,	 	 			 	 	113
		7.3.6	Summa	ry					 	 		 	 	 	114
	7.4	Simul	ation Res	ults and	l An	alysi	s		 	 			 	 	114
		7.4.1	Simulat	ion Set	up				 	 	. . .		 	 	114
		7.4.2	Cost Co	efficier	it				 ٠.	 			 	 	115
		7.4.3	Margina	al Retur	m				 	 			 	 	116
	7.5	Summ	ary						 	 			 	 	117
	Refe	erences.							 	 			 	 	118
8	Con	clusion	and Fut	ure W	orks				 	 			 	 	119
	8.1	Conclu	usion Rei	marks.					 	 			 	 	119
	02	Distract	Work												121