

February 20th, 2018

## Stable matching problem

## 2-Sided Markets

A market with 2 distinct groups of participants each with their own preferences.


## Aspiration: A Good Centeralized System

## What can go wrong?



How do you solve a problem like this?
I. Formulate the problem
2. Ask: Is there a trivial algorithm? Find and analyze.
3. Ask: Is there a better algorithm? Find and analyze.
4. Maker further observations.

## Formalizing the problem

An instance of the problem can be represented as a tuple $(X, Y)+$ preference list for each element.

$$
\begin{aligned}
& \text { Students } \\
& \text { Companies } \\
& |X|=|Y|=n
\end{aligned}
$$

Goal:

## Formalizing the problem

What is a stable matching?


| A variant: Roommate problem |  |
| :--- | :--- |
| $(c, b, d)$ a | oc $(b, a, d)$ |
| $(a, c, d)$ b | od $(a, c, b)$ |

(a,c,d) be
-d (a,c,b)

Does this have a stable matching?

## Stable matching: Is there a trivial algorithm?



## Trivial algorithm:

## The Gale-Shapley proposal algorithm

While there is a man $\mathbf{m}$ who is not matched:

- Let $w$ be the highest ranked woman in m's list to whom m has not proposed yet.
- If $\mathbf{w}$ is unmatched, or $\mathbf{w}$ prefers $\mathbf{m}$ over her current match:
- Match m and w.
(The previous match of $w$ is now unmatched.)


## Cool, but does it work correctly?

- Does it always terminate?
- Does it always find a stable matching?
(Does a stable matching always exist?)


## Gale-Shapley algorithm analysis

## Theorem:

The Gale-Shapley proposal algorithm always terminates with a stable matching after at most $n^{2}$ iterations.

A constructive proof that a stable matching always exists.

## 3 things to show:

## Gale-Shapley algorithm analysis

1. Number of iterations is at most $n^{2}$.

## Gale-Shapley algorithm analysis

2. The algorithm terminates with a perfect matching.

If we don't have a perfect matching:
A man is not matched
$\Longrightarrow$ All women must be matched
$\Longrightarrow$ All men must be matched.
Contradiction

## Gale-Shapley algorithm analysis

3. The matching has no unstable pairs.
"Improvement" Lemma:
(i) A man can only go down in his preference list.
(ii) A woman can only go up in her preference list.

## Unstable pair:

( $\mathrm{m}, \mathrm{w}$ ) unmatched
but they prefer each other.


## Further questions

## Theorem:

The Gale-Shapley proposal algorithm always terminates with a stable matching after at most $n^{2}$ iterations.

Does the order of how we pick men matter?
Would it lead to different matchings?

Is the algorithm "fair"?
Does this algorithm favor men or women or neither?

## Further questions

$\mathbf{m}$ and $\mathbf{w}$ are valid partners if there is a stable matching in which they are matched.
best $(\mathbf{m})=$ highest ranked valid partner of $\mathbf{m}$

## Theorem:

## Proof of man optimality

Proof:

## Further questions

worst(w) = lowest ranked valid partner of w

## Theorem:

## Proof of woman pessimality

Proof:

## Real-world applications

Variants of the Gale-Shapley algorithm is used for:

- matching medical students and hospitals
- matching students to high schools (e.g. in New York)
- matching students to universities (e.g. in Hungary)
- matching users to servers
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