

# The Era of Supernetworks

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# We Are in an Era of Supernetworks

Supernetworks are Networks of Networks.

# Supernetworks Underpin Our Economies and Societies



Networks allow for the Flow of People, Products, Energy, and Information Across Regions and the Globe.

# A Supply Chain is an Example of a Supernetwork

Supply chains have revolutionized the production, storage, and distribution of products and serve as critical infrastructure networks for economic activities.



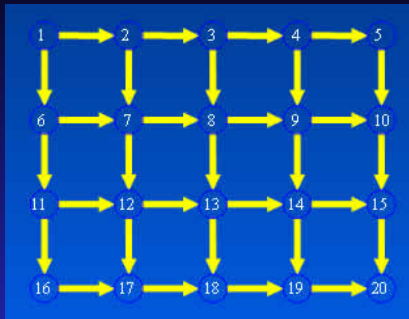
# Examples of Supply Chains



# Making Sense of Complexity Through Mathematics

I utilize mathematical and operations research techniques of **optimization**, **game theory**, and **dynamical systems** to gain insights into the behavior of network systems.

# Network Components

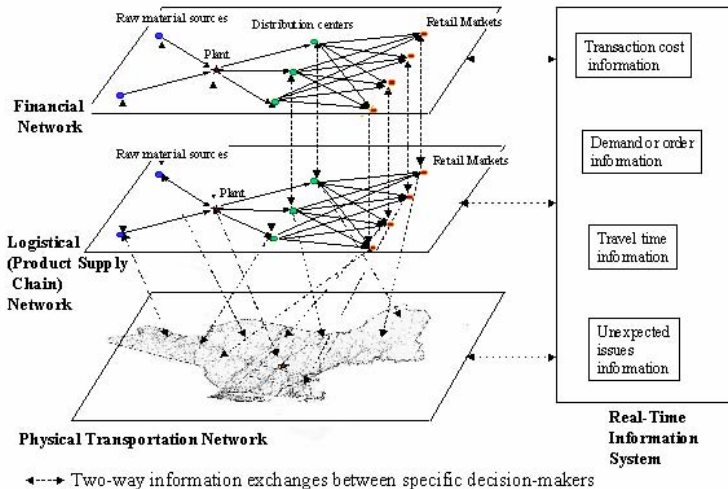


The components of networks as a theoretical (modeling, analysis, and solution) construct include: nodes, links, and flows.

**We use such a representation to conceptualize, formulate, and study network systems in the real-world.**

# Representation of Supply Chains as Supernetworks

## *Supply Chain -Transportation Supernetwork Representation*





# Why Behavior Matters and Paradoxes

# Network Models from Analysis to Design Must Capture the Behavior of Users



*The Braess Paradox Illustrates Why  
Capturing the Behavior of Users on Networks is Critical*

# Importance of Capturing Behavior on Networks

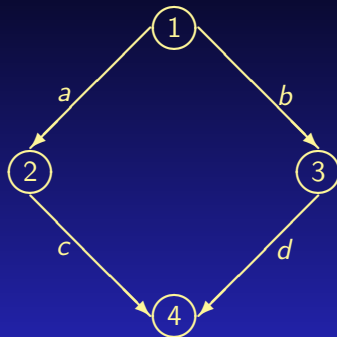
## Braess Paradox and User-Optimizing Behavior

Assume a network with a single O/D pair (1,4). There are 2 paths available to travelers:  $p_1 = (a, c)$  and  $p_2 = (b, d)$ .

For a travel demand of **6**, the equilibrium path flows are  $x_{p_1}^* = x_{p_2}^* = 3$  and

The equilibrium path travel cost is

$$C_{p_1} = C_{p_2} = 83.$$



$$c_a(f_a) = 10f_a, \quad c_b(f_b) = f_b + 50,$$

$$c_c(f_c) = f_c + 50, \quad c_d(f_d) = 10f_d.$$

# Adding a Link Increases Travel Cost for All!

Adding a new link creates a new path  $p_3 = (a, e, d)$ .

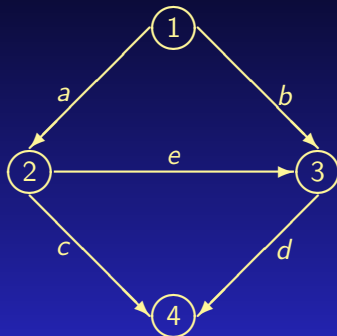
The original flow distribution pattern is no longer an equilibrium pattern, since at this level of flow the cost on path  $p_3$ ,  $C_{p_3} = 70$ .

The new equilibrium flow pattern network is

$$x_{p_1}^* = x_{p_2}^* = x_{p_3}^* = 2.$$

The equilibrium path travel cost:

$$C_{p_1} = C_{p_2} = C_{p_3} = 92.$$



$$c_e(f_e) = f_e + 10$$

D. Braess, A. Nagurney, and T. Wakolbinger, *Transportation Science* 39 (2005), pp 446-450.



# The Braess Paradox Around the World

1969 - Stuttgart, Germany - The traffic worsened until a newly built road was closed.



1990 - Earth Day - New York City - 42<sup>nd</sup> Street was closed and traffic flow improved.



2002 - Seoul, Korea - A 6 lane road built over the Cheonggyecheon River that carried 160,000 cars per day and was perpetually jammed was torn down to improve traffic flow.



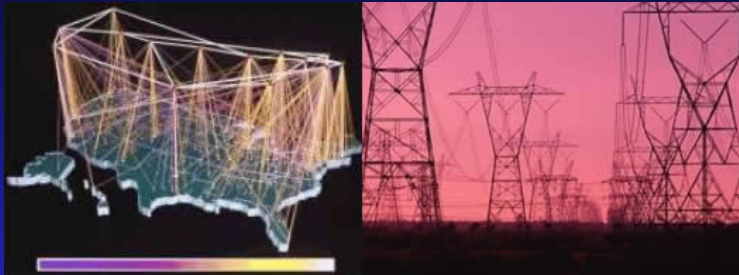
# Braess on Broadway in NYC and Interview



Broadway between 42nd and 47th Street was converted to a pedestrian plaza.



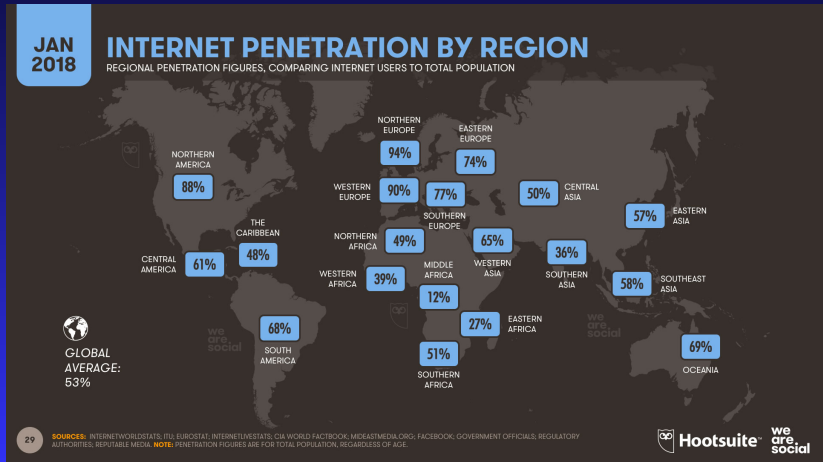
# Other Networks that Behave in a Similar Manner



The Internet and Electric Power Networks!

The Internet has transformed the ways in which individuals, groups, organizations communicate, obtain information, access entertainment, and conduct their business and social activities.

In 2012, there were over 2.4 billion users. In 2018, the number of Internet users has surpassed 4 billion users, more than half of the world's population.



# Envisioning a New Kind of Internet – ChoiceNet

# Envisioning a New Kind of Internet – ChoiceNet



We were one of five teams funded by the US National Science Foundation as part of the Future Internet Architecture (FIA) project. Our project: *Network Innovation Through Choice* envisions a new Internet architecture *ChoiceNet*.

## Team:

- ▶ University of Massachusetts Amherst: Tilman Wolf, Anna Nagurney
- ▶ University of Kentucky: Jim Griffioen, Ken Calvert
- ▶ North Carolina State University: Rudra Dutta, George Rouskas
- ▶ RENC/UNC: Ilya Baldin

# Some Weaknesses of Current Internet

- **The Internet architecture lacks in mechanisms to introduce competition and market forces.**
- Existing economic models cannot be deployed in today's Internet: **no mechanisms in order to create and discover contracts with any provider and to do so on short-time scales, and time-scales of different lengths.**
- **Routing of messages may be inefficient** and **the capacity is not well-utilized in the network.**

# ChoiceNet Foci: *Choices and Network Economics*

Choice criteria can include:

- **privacy**
- **minimization of risk**
- even **reducing environmental impact**.

**Transparency is associated with ChoiceNet** and having more refined routing options **can also assist in cybersecurity**.

# ChoiceNet Principles

*Competition Drives Innovation!*

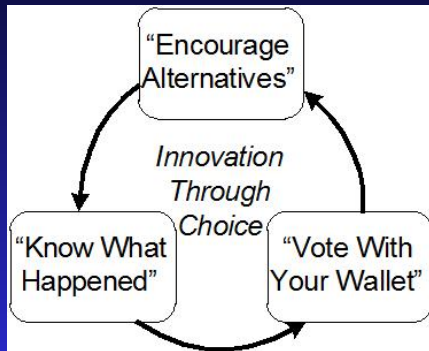
**Services are at core of ChoiceNet**  
(“everything is a service”)

Services provide a benefit, have a cost  
Services are created, composed, sold,  
verified, etc.

**“Encourage alternatives”** Provide  
building blocks for different types of  
services

**“Know what happened”** Ability to  
evaluate services

**“Vote with your wallet”** Reward good  
services!



# ChoiceNet

- **ChoiceNet / economy plane enables new business models in the Internet**

- Very dynamic economic relationships are possible
- All entities get rewarded.

- **Examples**

- Movie streaming
- Reading a newspaper online in a coffee shop (short-term and long-term contracts)
- Customers as providers.



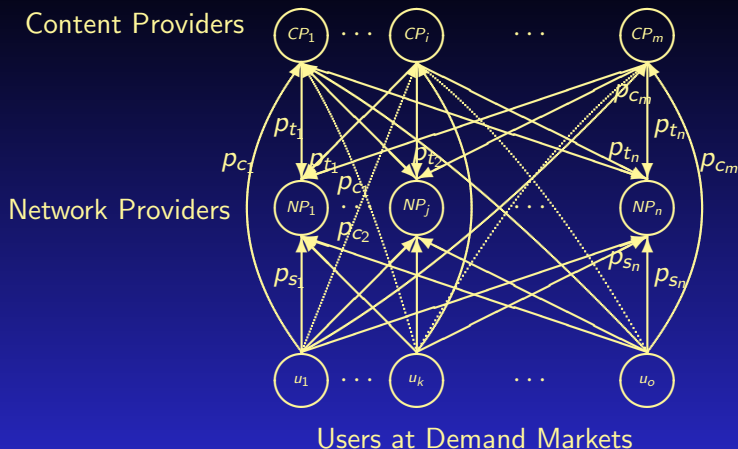


# Designing an Internet




The new book by Clark, a developer of the Internet, cites our paper: “ChoiceNet: Toward an Economy Plane for the Internet,” Wolf, Griffioen, Calvert, Dutta, Rouskas, Baldin, and Nagurney, *ACM SIGCOMM Computer Communication Review* **44(3)** (2018), pp 58-65.

# Game Theory Models - Flow of Content and Payments




“A Network Economic Game Theory Model of a Service-Oriented Internet with Price and Quality Competition in Both Content and Network Provision,” S. Saberi, A. Nagurney, and T. Wolf, *Service Science* **6(4)** (2014), pp 229-250.

# Muchas Gracias!




## The Virtual Center for Supernetworks



*Supernetworks for Optimal Decision-Making and Improving the Global Quality of Life*

Director's Welcome	About the Director	Projects	Supernetworks Laboratory	Center Associates	Media Coverage	Braess Paradox
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**Center Associates of the Virtual Center for Supernetworks**

**The Virtual Center for Supernetworks** is an interdisciplinary center at the Isenberg School of Management that advances knowledge on large-scale networks and integrates operations research and management science, engineering, and economics. Its Director is Dr. Anna Nagurney, the John F. Smith Memorial Professor of Operations Management.

**Mission:** The Virtual Center for Supernetworks fosters the study and application of supernetworks and serves as a resource on networks ranging from transportation and logistics, including supply chains, and the Internet, to a spectrum of economic networks.

**The Applications of Supernetworks Include:** decision-making, optimization, and game theory; supply chain management; critical infrastructure from transportation to electric power networks; financial networks; knowledge and social networks; energy, the environment, and sustainability; cybersecurity; Future Internet Architectures; risk management; network vulnerability, resiliency, and performance metrics; humanitarian logistics and healthcare.

Announcements and Notes	Photos of Center Activities	Photos of Network Innovators	Friends of the Center	Course Lectures	Fulbright Lectures	UMass Amherst INFORMS Student Chapter
Professor Anna Nagurney's Blog	Network Classics	Doctoral Dissertations	Conferences	Journals	Societies	Archive

**Announcements and Notes from the Center Director**

**Professor Anna Nagurney**

Updated: December 26, 2018

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Research, Education, Networks, and the World: A Female Professor Speaks


Sustaining the Supply Chain

**Mathematical Moments Podcast**

It's often a challenge to get from Point A to Point B in a normal way. But what if you could get there in a way that's more sustainable? This podcast explores the challenges of sustainable supply chain management and the role of mathematics in solving these problems.

PBS VIDEO

**America Revealed**




**Competing on Supply Chain Quality**

New Books

**Dynamics of Disaster—Key Concepts, Models, Algorithms, and Insights**


New Books

**Photos of Center Activities**



**The Braess Paradox Translation**

**Information Photos**



**Publications**

On a Paradox of Traffic Flowing

Environmental Impact Assessment of Transportation Networks with Degradable Links in an Era of Climate Change

Anna Nagurney, Qing Qiang, and Laurence A. Nagurney

For more information, see: <http://supernet.isenberg.umass.edu>