Optimization benchmark with the GNE package

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Contents

As usual, the **GNE** package is loaded via the `library` function. In the following, we assume that the line below has been called

```
library(GNE)
```

1 Introduction

Definition 1 (GNEP) *We define the generalized Nash equilibrium problem GNEP(N, θ_i, X_i) as the solutions $x^\star$ of the N sub-problems*

$$\forall i = 1, \dots, N, x_i^\star \textit{ solves } \min_{y_i} \quad \theta_i(y_i, x_{-i}^\star) \textit{ such that } x_i^\star \in X_i(x_{-i}^\star),$$

where $X_i(x_{-i})$ is the action space of player i given others player actions x_{-i}.

If we have parametrized action space $X_i(x_{-i}) = \{y_i, g_i(y_i, x_{-i}) \leq 0\}$, we denote the GNEP by GNEP(N, θ_i, g_i).

We denote by $X(x)$ the action set $X(x) = X_1(x_{-1}) \times \dots \times X_N(x_{-N})$. For standard NE, this set does not depend on x.

The following example seems very basic, but in fact it has particular features, one of them is to have four solutions, i.e. four GNEs. Let $N = 2$. The objective functions are defined as

$$\theta_1(x) = (x_1 - 2)^2(x_2 - 4)^4 textand \theta_2(x) = (x_2 - 3)^2(x_1)^4,$$

for $x \in \mathbb{R}^2$, while the constraint functions are given by

$$g_1(x) = x_1 + x_2 - 1 \leq 0 \text{ and } g_2(x) = 2x_1 + x_2 - 2 \leq 0.$$

Objective functions can be rewritten as $\theta_i(x) = (x_i - c_i)^2(x_{-i}d_i)^4$, with $c = (2, 3)$ and $d = (4, 0)$. First-order derivatives are

$$\nabla_j \theta_i(x) = 2(x_i - c_i)(x_{-i}d_i)^4 \delta_{ij} + 4(x_i - c_i)^2(x_{-i}d_i)^3(1 - \delta_{ij}),$$

and

$$\nabla_j g_1(x) = 1 \text{ and } \nabla_j g_2(x) = 2\delta_{j1} + \delta_{j2}.$$

Second-order derivatives are

$$\nabla_k \nabla_j \theta_i(x) = 2(x_{-i}d_i)^4 \delta_{ij}\delta_{ik} + 8(x_i - c_i)(x_{-i}d_i)^3 \delta_{ij}(1 - \delta_{ik})$$
$$+8(x_i - c_i)(x_{-i}d_i)^3(1 - \delta_{ij})\delta_{ik} + 12(x_i - c_i)^2(x_{-i}d_i)^2(1 - \delta_{ij})(1 - \delta_{ik}),$$

and

$$\nabla_k \nabla_j g_1(x) = \nabla_k \nabla_j g_2(x) = 0.$$

2 GNEP as a nonsmooth equation

2.1 Notation and definitions

From Facchinei et al. [2009], assuming differentiability and a constraint qualification hold, the first-order necessary conditions of player i's subproblem state there exists a Lagrangian multiplier $\lambda^i \in \mathbb{R}^{m_i}$ such that

$$\nabla_{x_i}\theta_i(x^\star) + \sum_{1 \leq j \leq m_i} \lambda_j^{i\star} \nabla_{x_i} g_j^i(x^\star) = 0 \qquad (\in \mathbb{R}^{n_i}).$$
$$0 \leq \lambda^{i\star}, \; -g^i(x^\star) \geq 0, \; g^i(x^\star)^T \lambda^{i\star} = 0 \qquad (\in \mathbb{R}^{m_i}).$$

Regrouping the N subproblems, we get the following system.

Definition 2 (eKKT) *For the N optimization subproblems for the functions $\theta_i : \mathbb{R}^n \mapsto \mathbb{R}$, with constraints $g_i : \mathbb{R}^n \mapsto \mathbb{R}^{m_i}$, the KKT conditions can be regrouped such that there exists $\lambda \in \mathbb{R}^m$ and*

$$\tilde{L}(x, \lambda) = 0 \textit{ and } 0 \leq \lambda \perp G(x) \leq 0,$$

where L and G are given by

$$\tilde{L}(x, \lambda) = \begin{pmatrix} \nabla_{x_1}\theta_1(x) + Jacg^1(x)^T\lambda^1 \\ \vdots \\ \nabla_{x_N}\theta_N(x) + Jacg^N(x)^T\lambda^N \end{pmatrix} \in \mathbb{R}^n \textit{ and } G(x) = \begin{pmatrix} g^1(x) \\ \vdots \\ g^N(x) \end{pmatrix} \in \mathbb{R}^m,$$

with $Jacg_i(x)^T\lambda_i = \sum_{1 \leq j \leq m_i} \lambda_j^i \nabla_{x_i} g_j^i(x)$. The extended KKT system is denoted by eKKT(N, θ_i, g_i).

Using complementarity function $\phi(a,b)$ (e.g. $\min(a,b)$), we get the following nonsmooth equation

$$\Phi(z) = \begin{pmatrix} \tilde{L}(x,\lambda) \\ \phi_.(-G(x),\lambda) \end{pmatrix} = 0,$$

where $\phi_.$ is the component-wise version of the function ϕ and $\tilde{L}$ is the Lagrangian function of the extended system. The generalized Jacobian is given in Appendix B.1.

2.2 A classic example

Returning to our example, we define the Φ as

$$\Phi(x) = \begin{pmatrix} 2(x_1-2)(x_2-4)^4 + \lambda_1 \\ 2(x_2-3)(x_1)^4 + \lambda_2 \\ \phi(\lambda_1, 1-x_1-x_2) \\ \phi(\lambda_2, 2-2x_1-x_2) \end{pmatrix},$$

where ϕ denotes a complementarity function. In R, we use

```
myarg <- list(C=c(2, 3), D=c(4,0))
dimx <- c(1, 1)
#Gr_x_j O_i(x)
grobj <- function(x, i, j, arg)
{
    dij <- 1*(i == j)
    other <- ifelse(i == 1, 2, 1)
    res <- 2*(x[i] - arg$C[i])*(x[other] - arg$D[i])^4*dij
    res + 4*(x[i] - arg$C[i])^2*(x[other] - arg$D[i])^3*(1-dij)
}

dimlam <- c(1, 1)
#g_i(x)
g <- function(x, i)
    ifelse(i == 1, sum(x[1:2]) - 1, 2*x[1]+x[2]-2)
#Gr_x_j g_i(x)
grg <- function(x, i, j)
    ifelse(i == 1, 1, 1 + 1*(i == j))
```

Note that the triple dot arguments ... is used to pass arguments to the complementarity function.

Elements of the generalized Jacobian of Φ have the following form

$$\partial\Phi(x) = \left\{ \begin{pmatrix} 2(x_2-4)^4 & 8(x_1-2)(x_2-4)^3 & 1 & 0 \\ 8(x_2-3)(x_1)^3 & 2(x_1)^4 & 0 & 1 \\ -\phi'_b(\lambda_1, 1-x_1-x_2) & -\phi'_b(\lambda_1, 1-x_1-x_2) & \phi'_a(\lambda_1, 1-x_1-x_2) & 0 \\ -2\phi'_b(\lambda_2, 2-2x_1-x_2) & -\phi'_b(\lambda_2, 2-2x_1-x_2) & 0 & \phi'_a(\lambda_2, 2-2x_1-x_2) \end{pmatrix} \right\},$$

where ϕ'_a and ϕ'_b denote elements of the generalized gradient of the complementarity function. The corresponding R code is

```
#Gr_x_k Gr_x_j O_i(x)
heobj <- function(x, i, j, k, arg)
{
    dij <- 1*(i == j)
    dik <- 1*(i == k)
    other <- ifelse(i == 1, 2, 1)
    res <- 2*(x[other] - arg$D[i])^4*dij*dik
    res <- res + 8*(x[i] - arg$C[i])*(x[other] - arg$D[i])^3*dij*(1-dik)
    res <- res + 8*(x[i] - arg$C[i])*(x[other] - arg$D[i])^3*(1-dij)*dik
    res + 12*(x[i] - arg$C[i])^2*(x[other] - arg$D[i])^2*(1-dij)*(1-dik)
}
#Gr_x_k Gr_x_j g_i(x)
heg <- function(x, i, j, k) 0
```

2.3 Usage example

Therefore, to compute a generalized Nash equilibrium, we use

```
set.seed(1234)
z0 <- rexp(sum(dimx)+sum(dimlam))
GNE.nseq(z0, dimx, dimlam, grobj=grobj, myarg, heobj=heobj, myarg,
    constr=g, grconstr=grg, heconstr=heg,
    compl=phiFB, gcompla=GrAphiFB, gcomplb=GrBphiFB, method="Newton",
    control=list(trace=0))
```

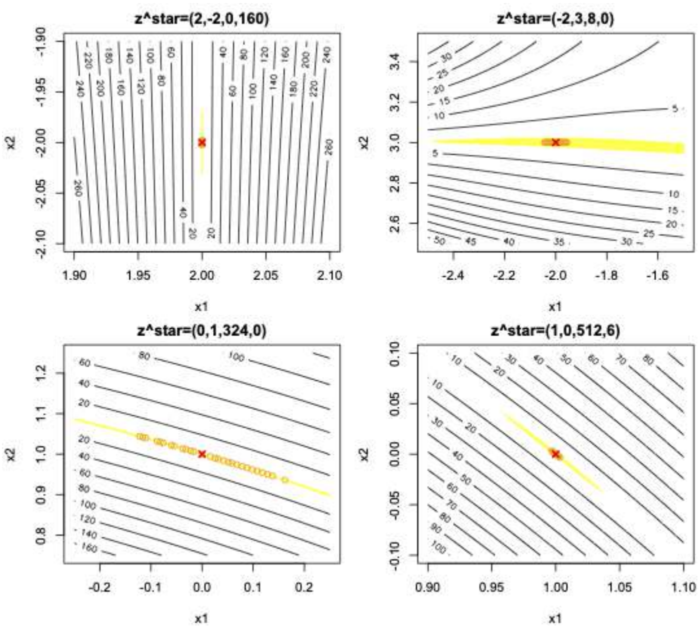
```
## GNE: 2 -1.999999 -5.226498e-17 79.99999
## with optimal norm 5.086687e-07
## after  25 iterations with exit code 1 .
## Output message: Function criterion near zero
## Function/grad/hessian calls: 28 25
## Optimal (vector) value: -5.226498e-17 0 0 5.086687e-07
```

Recalling that the true GNEs are

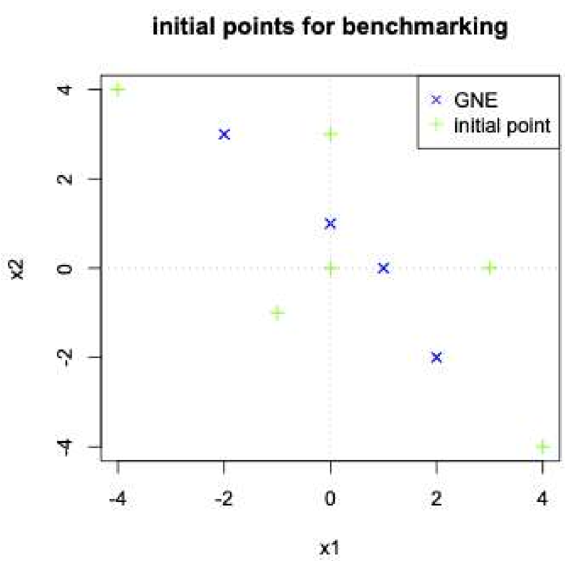
```
##   x1 x2 lam1 lam2
## 1  2 -2    0  160
## 2 -2  3    8    0
## 3  0  1  324    0
## 4  1  0  512    6
```

2.4 Localization of the GNEs

On figure 1a, we draw contour plots of the function $\frac{1}{2}||\Phi(z)||^2$ with respect to x_1 and x_2, given λ_1 and λ_2. The second figure 1b just plots the initial points and the 6 GNEs.



(a) The 4 GNEs



(b) The 6 initial points

Figure 1: Contour plots of the norm of Φ

2.5 Benchmark of the complementarity functions and the computation methods

Using the following function, we compare all the different methods with different initial points and different complementarity functions. We consider the following complementarity functions.

- $\phi_{Min}(a, b) = \min(a, b)$,
- $\phi_{FB}(a, b) = \sqrt{a^2 + b^2} - (a + b)$,
- $\phi_{Man}(a, b) = f(|a - b|) - f(a) - f(b)$ and $f(t) = t^3$,

- $\phi_{LT}(a,b) = (a^q + b^q)^{\frac{1}{q}} - (a+b)$ and $q = 4$,
- $\phi_{KK}(a,b) = (\sqrt{(a-b)^2 + 2\lambda ab} - (a+b))/(2-\lambda)$ and $\lambda = 3/2$.

Firstly, we define a function calling the benchmark function for the five complementarity functions under consideration.

```
wholebench <- function(z0)
{
  #min function
  resMin <- bench.GNE.nseq(z0, F, JacF, argPhi=list(phi=phiMin),
                            argjac=list(gphia= GrAphiMin, gphib= GrBphiMin), echo=FALSE)

  #FB function
  resFB <- bench.GNE.nseq(z0, F, JacF, argPhi=list(phi=phiFB),
                           argjac=list(gphia= GrAphiFB, gphib= GrBphiFB), echo=FALSE)

  #Mangasarian function
  resMan <- bench.GNE.nseq(z0, F, JacF, argPhi=list(phi=phiMan, f=function(t) t^3),
                         argjac=list(gphia= GrAphiMan, gphib= GrBphiMan, fprime=function(t) 3*t^2),
                         echo=FALSE, control=list(maxit=200))

  #LT function
  resLT <- bench.GNE.nseq(z0, F, JacF, argPhi=list(phi=phiLT, q=4),
                           argjac=list(gphia= GrAphiLT, gphib= GrBphiLT, q=4))

  #KK function
  resKK <- bench.GNE.nseq(z0, F, JacF, argPhi=list(phi=phiKK, lambda=3/2),
                           argjac=list(gphia= GrAphiKK, gphib= GrBphiKK, lambda=3/2))

  list(resMin=resMin, resFB=resFB, resMan=resMan, resLT=resLT, resKK=resKK)
}
```

Then the following call give us a list of result tables.

```
initialpt <- cbind(c(4, -4), c(-4, 4), c(3, 0), c(0, 3), c(-1, -1), c(0, 0))
mytablelist <- list()
for(i in 1: NCOL(initialpt))
{
    z0 <- c(initialpt[, i], 1, 1)
    mybench <- wholebench(z0)

    cat("z0", z0, "\n")

    mytable12 <- data.frame(method=mybench[[1]]$compres[, 1],
    round(
        cbind(mybench[[1]]$compres[,c(-1, -4)], mybench[[2]]$compres[,c(-1, -4)])
        , 3) )

    mytable35 <- data.frame(method=mybench[[1]]$compres[, 1],
    round(
        cbind(mybench[[3]]$compres[,c(-1, -4)], mybench[[5]]$compres[,c(-1, -4)])
        , 3) )

    mytablelist <- c(mytablelist, z0=list(z0), MINFB=list(mytable12), MANKK=list(mytable35))
}
```

Note that one result table given by the function `bench.GNE.nseq` reports the computation results for 10 methods given an initial point and a complementarity function. Below an example

```
z0 <- c(-4, 4, 1, 1)
bench.GNE.nseq(z0, F, JacF, argPhi=list(phi=phiMin),
               argjac=list(gphia= GrAphiMin, gphib= GrBphiMin), echo=FALSE)$compres
```

The following subsections report the computation for 4 complementarity functions, the Luo-Tseng being discarded due to non convergence. We also remove the final estimates z_n when the method has not converged, $||\Phi(z_n)||^2 \neq 0$. Tables are put in appendix, except the first one.

2.6 Initial point $z_0 = (4, -4, 1, 1)$

We work on the initial point $z_0 = (4, -4, 1, 1)$, close the GNE $(2, -2, 0, 160)$. Clearly, we observe the Mangasarian complementarity function ϕ_{Man} does not converge except in the pure Newton method, for which the sequence converges to $(-2, 3, 8, 0)$ quite far from the initial point. So the `Man` sequence converged by a chance! For ϕ_{Min} function, when it converges, the GNEs found are $(2, -2, 0, 160)$ or $(1, 0, 512, 6)$. ϕ_{FB} and ϕ_{KK} associated sequences converge mostly to $(2, -2, 0, 160)$. In terms of function/Jacobian calls, ϕ_{FB} is significantly better when used with the Newton scheme.

	$\phi_{Min}(a,b) = \min(a,b)$							$\phi_{FB}(a,b) = \sqrt{a^2+b^2} - (a+b)$						
	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$
Newton - pure	5	5	1	0	512	6	0	6	6	2	-2	0	160	0
Newton - geom. LS	343	67	1	0	512	6	0	6	6	2	-2	0	160	0
Newton - quad. LS	292	100					2	6	6	2	-2	0	160	0
Newton - Powell TR	64	57	1	0	512	6	0	12	6	2	-2	0	160	0
Newton - Dbl. TR	63	58	1	0	512	6	0	12	6	2	-2	0	160	0
Broyden - pure	100	1					164	100	1					188
Broyden - geom. LS	403	6	1	0	512	6	0	1079	26					2
Broyden - quad. LS	291	6					1	467	3					1
Broyden - Powell TR	22	2	2	-2	0	160	0	114	2					1
Broyden - Dbl. TR	20	2	2	-2	0	160	0	115	2					1
	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$
Newton - pure	113	113	-2	3	8	0	0	48	48	0	1	325	0	0
Newton - geom. LS	203	25					33	727	100					2
Newton - quad. LS	91	27					37	85	39	2	-2	0	160	0
Newton - Powell TR	75	67					3	152	100	0	1	309	0	0
Newton - Dbl. TR	62	53					3	147	100	0	1	304	0	0
Broyden - pure	200	1					506	49	1	1	0	512	6	0
Broyden - geom. LS	167	6					82	29	3	2	-2	0	160	0
Broyden - quad. LS	86	5					78	20	3	2	-2	0	160	0
Broyden - Powell TR	215	14					3	28	2	2	-2	0	160	0
Broyden - Dbl. TR	246	15					3	29	2	2	-2	0	160	0
	$\phi_{Man}(a,b) = f(\|a-b\|) - f(a) - f(b)$ and $f(t) = t^3$							$\phi_{KK}(a,b) = (\sqrt{(a-b)^2 + 2\lambda ab} - (a+b))/(2-\lambda)$ and $\lambda = 3/2$						

Table 1: With initial point $z_0 = (4, -4, 1, 1)$ close to $(2, -2, 0, 160)$

2.7 Initial point $z_0 = (-4, 4, 1, 1)$

We work on the initial point $z_0 = (-4, 4, 1, 1)$, close the GNE $(-2, 3, 8, 0)$. Again, we observe the Mangasarian complementarity function ϕ_{Man} does not converge. All other sequences converge the closest GNE $(-2, 3, 8, 0)$. ϕ_{Min} sequence with Newton scheme is particularly good, then comes ϕ_{FB} and finally ϕ_{KK}.

2.8 Initial point $z_0 = (3, 0, 1, 1)$

We work on the initial point $z_0 = (3, 0, 1, 1)$ close to the GNE $(1, 0, 512, 6)$. As always, the `Man` sequence converges by chance with the pure Newton method to a GNE $(-2, 3, 8, 0)$. Otherwise the other sequences, namely `Min`, `FB` and `KK` converges to the expected GNE. As the previous subsection, Broyden updates of the Jacobian is less performant than the true Jacobian (i.e. Newton scheme). The convergence speed order is preserved.

2.9 Initial point $z_0 = (0, 3, 1, 1)$

We work on the initial point $z_0 = (0, 3, 1, 1)$ close to the GNE $(0, 1, 324, 0)$. As always, the `Man` sequence converges by chance with the pure Newton method to a GNE $(-2, 3, 8, 0)$. Others sequences have difficulty to converge the closest GNE. Local methods (i.e. pure) find the GNE $(0, 1, 324, 0)$, while global version converges to $(1, 0, 512, 6)$. It is logical any method will have difficulty to choose between these two GNEs, because they are close.

2.10 Initial point $z_0 = (-1, -1, 1, 1)$

We work on the initial point $z_0 = (-1, -1, 1, 1)$ equidistant to the GNEs $(0, 1, 324, 0)$ and $(1, 0, 512, 6)$. Despite being closer to these GNEs, the pure Newton version of the `Man` sequence converges unconditionally to the GNE $(-2, 3, 8, 0)$. All other sequences converges to the GNE $(0, 1, 324, 0)$ except for the Broyden version of the `KK` sequence, converging to the farthest GNEs. In terms of function calls, the Newton line search version of the `Min` sequence is the best, followed by the Newton trust region version of the `FB` sequence.

2.11 Initial point $z_0 = (0, 0, 1, 1)$

We work on the initial point $z_0 = (0, 0, 1, 1)$ equidistant to the GNEs $(0, 1, 324, 0)$ and $(1, 0, 512, 6)$. Both the `Man` and the `Min` sequences do not converge. The `Min` sequence diverges because the Jacobian at the initial point is exactly singular. Indeed, we have

```
z0 <- c(0, 0, 1, 1)
jacSSR(z0, dimx, dimlam, heobj=heobj, myarg, constr=g, grconstr=grg,
    heconstr=heg, gcompla=GrAphiMin, gcomplb=GrBphiMin)
```

```
##      [,1] [,2] [,3] [,4]
## [1,]  512 1024    1    0
## [2,]    0    0    0    2
## [3,]   -1   -1    1    0
## [4,]    0    0    0    1
```

For the `FB` and `KK` sequences, we do not have this problem.

```
jacSSR(z0, dimx, dimlam, heobj=heobj, myarg, constr=g, grconstr=grg,
    heconstr=heg, gcompla=GrAphiFB, gcomplb=GrBphiFB)
```

```
##             [,1]         [,2]       [,3]       [,4]
## [1,] 512.0000000 1024.0000000  1.0000000  0.0000000
## [2,]   0.0000000    0.0000000  0.0000000  2.0000000
## [3,]   0.2928932    0.2928932 -0.2928932  0.0000000
## [4,]   0.1055728    0.2111456  0.0000000 -0.5527864
```

```
jacSSR(z0, dimx, dimlam, heobj=heobj, myarg, constr=g, grconstr=grg,
    heconstr=heg, gcompla=GrAphiKK, gcomplb=GrBphiKK, argcompl=3/2)
```

```
##             [,1]         [,2]       [,3]       [,4]
## [1,] 512.0000000 1024.0000000  1.0000000  0.0000000
## [2,]   0.0000000    0.0000000  0.0000000  2.0000000
## [3,]   0.2679492    0.2679492 -0.2679492  0.0000000
## [4,]   0.1101776    0.2203553  0.0000000 -0.4881421
```

So the sequence converge to a GNE, either $(0, 1, 324, 0)$ or $(-2, 3, 8, 0)$. Again the `KK` sequence converges faster.

2.12 Conclusions

In conclusion to this analysis with respect to initial point, the computation method and the complementarity function, we observe the strong difference in terms of convergence, firstly and in terms of convergence speed. Clearly the choice of the complementarity function is crucial, the Luo-Tseng and the Mangasarian are particularly inadequate in our example. Regarding the remaining three complementarity functions (the minimum, the Fisher-Burmeister and the Kanzow-Kleinmichel functions) generally converge irrespectively of the computation method. However, the `KK` sequences are particularly efficient and most of the time the Newton trust region method is the best in terms of function/Jacobian calls.

2.13 Special case of shared constraints with common multipliers

Let $h : \mathbb{R}^n \mapsto \mathbb{R}^{m_l}$ be a constraint function shared by all players. The total constraint function and the Lagrange multiplier for the ith player is

$$\tilde{g}^i(x) = \begin{pmatrix} g^i(x) \\ h(x) \end{pmatrix} \text{ and } \tilde{\lambda}^i = \begin{pmatrix} \lambda^i \\ \mu \end{pmatrix},$$

where $\mu \in \mathbb{R}^l$. This could fall within the previous framework, if we have not required the bottom part of $\tilde{\lambda}^i$ to be common among all players. The Lagrangian function of the ith player is given by

$$L^i(x, \lambda^i, \mu) = O_i(x) + \sum_{k=1}^{m_i} g^i_k(x)\lambda^i_k + \sum_{p=1}^{l} h_p(x)\mu_p.$$

Definition 3 (eKKTc) *For the N optimization subproblems for the functions $\theta_i : \mathbb{R}^n \mapsto \mathbb{R}$, with constraints $g_i : \mathbb{R}^n \mapsto \mathbb{R}^{m_i}$ and shared constraint $h : \mathbb{R}^n \mapsto \mathbb{R}^l$, the KKT conditions can be regrouped such that there exists $\lambda \in \mathbb{R}^m$ and*

$$\bar{L}(x, \lambda, \mu) = 0 \text{ and } 0 \leq \lambda, 0 \leq \mu \perp g(x) \leq 0,$$

where L and G are given by

$$\bar{L}(x,\lambda,\mu) = \begin{pmatrix} \nabla_{x_1} L^1(x,\lambda^1,\mu) \\ \vdots \\ \nabla_{x_I} L^I(x,\lambda^I,\mu) \end{pmatrix} \in \mathbb{R}^n \text{ and } g(x) = \begin{pmatrix} g^1(x) \\ \vdots \\ g^N(x) \\ h(x) \end{pmatrix} \in \mathbb{R}^m.$$

The extended KKT system is denoted by eKKTc(N, θ_i, g_i, h).

The generalized Jacobian is given in Appendix B.2.

3 Constrained-equation reformulation of the KKT system

This subsection aims to present methods specific to solve constrained (nonlinear) equations, first proposed by Dreves et al. [2011] in the GNEP context. The root function $H : \mathbb{R}^n \times \mathbb{R}^{2m} \mapsto \mathbb{R}^n \times \mathbb{R}^{2m}$ is defined as

$$H(x,\lambda,w) = \begin{pmatrix} \tilde{L}(x,\lambda) \\ g(x)+w \\ \lambda \circ w \end{pmatrix},$$

where the dimensions n, m correspond to the GNEP notation ($\lambda = (\lambda^1,\dots,\lambda^N)$) and $(a,\bar{\sigma})$ is given by $((0_n, \mathbb{1}_m), 1)$. The potential function is given by

$$p(u) = \zeta \log\left(||x||_2^2 + ||\lambda||_2^2 + ||w||_2^2\right) - \sum_{k=1}^m \log(\lambda_k) - \sum_{k=1}^m \log(w_k),$$

where $u = (x,\lambda,w) \in \mathbb{R}^n \times \mathbb{R}^m_+ \times \mathbb{R}^m_+$ and $\zeta > m$. The Jacobian is given in Appendix B.3.

When there is a constraint function h shared by all players, the root function is given by

$$\widetilde{H}(x,\tilde{\lambda},\tilde{w}) = \begin{pmatrix} \bar{L}(x,\tilde{\lambda}) \\ \tilde{g}(x)+\tilde{w} \\ \tilde{\lambda} \circ \tilde{w} \end{pmatrix}, \text{ with } \tilde{\lambda} = \begin{pmatrix} \lambda^1 \\ \vdots \\ \lambda^N \\ \mu \end{pmatrix}, \tilde{w} = \begin{pmatrix} w^1 \\ \vdots \\ w^N \\ y \end{pmatrix} \text{ and } \tilde{g}(x) = \begin{pmatrix} g^1(x) \\ \vdots \\ g^N(x) \\ h(x) \end{pmatrix}.$$

The Jacobian is given in Appendix B.4.

3.1 A classic example

Using the classic example presented above, we get

Therefore, to compute a generalized Nash equilibrium, we use

```
z0 <- 1+rexp(sum(dimx)+2*sum(dimlam))
GNE.ceq(z0, dimx, dimlam, grobj=grobj, myarg, heobj=heobj, myarg,
    constr=g, grconstr=grg, heconstr=heg,
    method="PR", control=list(trace=0))
```

```
## GNE: 1.741725 -0.6156581 235.2884 32.61971 0.0002134447 0.001281449
## with optimal norm 1.787033
## after  100 iterations with exit code 4 .
## Output message: Iteration limit exceeded
## Function/grad/hessian calls: 743 100
## Optimal (vector) value: 0.8399171 -1.308634 0.1262801 0.8690728 0.05022106 0.0418005
```

4 GNEP as a fixed point equation or a minimization problem

We present another reformulation of the GNEP, which was originally introduced in the context of standard Nash equilibrium problem. The fixed-point reformulation arise from two different problem: either using the Nikaido-Isoda (NI) function or the quasi-varational inequaltiy (QVI) problem. We present both here. We also present a reformulation of the GNEP through a minimization problem. The gap minimization reformulation is closed linked to the fixed-equation reformulation.

4.1 NI reformulation

We define the Nikaido-Isoda function as the function ψ from $\mathbb{R}^{2n}$ to $\mathbb{R}$ by

$$\psi(x,y) = \sum_{\nu=1}^{N} [\theta(x_\nu, x_{-\nu}) - \theta(y_\nu, x_{-\nu})]. \tag{1}$$

This function represents the unilateral player improvement of the objective function between actions x and y. Let $\hat{V}$ be the gap function

$$\hat{V}(x) = \sup_{y \in X(x)} \psi(x,y).$$

Theorem 3.2 of Facchinei and Kanzow [2009] shows the relation between GNEPs and the Nikaido-Isoda function. If objective functions θ_i are continuous, then $x^\star$ solves the GNEP if and only if $x^\star$ is a minimimum of $\hat{V}$ such that

$$\hat{V}(x) = 0 \text{ and } x \in X(x), \tag{2}$$

where the set $X(x) = \{y \in \mathbb{R}^n, \forall i, g^i(y_i, x_{-i}) \leq 0\}$ and $\hat{V}$ defined in (1). Furthermore, the function $\hat{V}$ is such that $\forall x \in X(x), \hat{V}(x) \geq 0$. There is no particular algorithm able to solve this problem for a general constrained set $X(x)$. But a simplification will occur in a special case: the jointly convex case.

4.2 QVI reformulation

Assuming the differentiability of objective functions, the GNEP can be reformulated as a QVI problem

$$\forall y \in X(x), (y-x)^T F(x) \geq 0, \text{ with } F(x) = \begin{pmatrix} \nabla_{x_1}\theta_1(x) \\ \vdots \\ \nabla_{x_N}\theta_N(x) \end{pmatrix}, \tag{3}$$

and a constrained set $X(x) = \{y \in \mathbb{R}^n, \forall i,\ g^i(y_i, x_{-i}) \leq 0\}$. The following theorem states the equivalence between the GNEP and the QVI, see Theorem 3.3 of Facchinei and Kanzow [2009].

Kubota and Fukushima [2010] propose to refomulate the QVI problem as a minimization of a (regularized) gap function. The regularized gap function of the QVI (3) is

$$V_{QVI}(x) = \sup_{y \in X(x)} \psi_{\alpha VI}(x,y),$$

where $\psi_{\alpha VI}$ is given by

$$\psi_{\alpha VI}(x,y) = \begin{pmatrix} \nabla_{x_1}\theta_1(x) \\ \vdots \\ \nabla_{x_N}\theta_N(x) \end{pmatrix}^T (x-y) - \frac{\alpha}{2}||x-y||^2, \tag{4}$$

for a regularization parameter $\alpha > 0$. Note that the minimisation problem appearing in the definition of V_{QVI} is a quadratic problem. The theorem of Kubota and Fukushima [2010] given below shows the equivalence a minimizer of V_{QVI} and the GNEP.

For each $x \in X(x)$, the regularized gap function V_{QVI} is non-negative $V_{QVI}(x) \geq 0$. If objective functions are continuous, then $x^\star$ solves the GNEP if and only if $x^\star$ is a minimum of V_{QVI} such that

$$V_{QVI}(x^\star) = 0 \text{ and } x^\star \in X(x^\star). \tag{5}$$

4.3 The jointly convex case

In this subsection, we present reformulations for a subclass of GNEP called jointly convex case. Firstly, the jointly convex setting requires that the constraint function is common to all players $g^1 = \cdots = g^N = g$. Then, we assume, there exists a closed convex subset $X \subset \mathbb{R}^n$ such that for all player i,

$$\{y_i \in \mathbb{R}^{n_i}, g(y_i, x_{-i}) \leq 0\} = \{y_i \in \mathbb{R}^{n_i}, (y_i, x_{-i}) \in X\}.$$

In our context parametrized context, the jointly convex setting requires that the constraint function is common to all players $g^1 = \cdots = g^N = g$ and

$$X = \{x \in \mathbb{R}^n, \forall i = 1, \dots, N,\ g(x_i, x_{-i}) \leq 0\} \tag{6}$$

is convex.

We consider the following example based on the previous example. Let $N = 2$. The objective functions are defined as

$$\theta_1(x) = (x_1 - 2)^2(x_2 - 4)^4 \text{ and } \theta_2(x) = (x_2 - 3)^2(x_1)^4,$$

for $x \in \mathbb{R}^2$, while the constraint function $g(x) = (g_1(x), g_2(x))$ is given by

$$g_1(x) = x_1 + x_2 - 1 \leq 0 \text{ and } g_2(x) = 2x_1 + x_2 - 2 \leq 0.$$

Objective functions can be rewritten as $\theta_i(x) = (x_i - c_i)^2(x_{-i} - d_i)^4$, with $c = (2, 3)$ and $d = (4, 0)$. First-order and second-order derivatives are given in the introduction.

$$\nabla_j g_1(x) = 1 \text{ and } \nabla_j g_2(x) = 2\delta_{j1} + \delta_{j2}.$$

```
#O_i(x)
obj <- function(x, i, arg)
  (x[i] - arg$C[i])^2*(x[-i] - arg$D[i])^4
#g(x)
gtot <- function(x)
  sum(x[1:2]) - 1
#Gr_x_j g(x)
jacgtot <- function(x)
    cbind(1, 1)

z0 <- rexp(sum(dimx))

GNE.fpeq(z0, dimx, obj, myarg, grobj, myarg, heobj, myarg, gtot, NULL,
         jacgtot, NULL, silent=TRUE, control.outer=list(maxit=10),
         problem="NIR", merit="NI")
```

```
## GNE: 1.91041 -0.9104103
## with optimal norm 1.372768e-07
## after  iterations with exit code 1 .
## Output message:
## Outer Function/grad/hessian calls: 5 3
## Inner Function/grad/hessian calls: 2604 388
```

```
GNE.fpeq(z0, dimx, obj, myarg, grobj, myarg, heobj, myarg, gtot, NULL,
         jacgtot, NULL, silent=TRUE, control.outer=list(maxit=10),
         problem="VIR", merit="VI")
```

```
## GNE: -134.7119 135.7119
## with optimal norm 7.205928e+22
## after  iterations with exit code 6 .
## Output message:
## Outer Function/grad/hessian calls: 19 10
## Inner Function/grad/hessian calls: 454 148
```

4.4 NIF formulation for the jointly convex case

In the jointly convex case, the gap function becomes

$$V_{\alpha NI}(x) = \max_{y \in X} \psi_{\alpha NI}(x, y).$$

Since $y \mapsto \psi_{\alpha NI}(x, y)$ is strictly concave as long as objective functions θ_i are player-convex, the supremum is replaced by the maximum. Using two regularization parameters $0 < \alpha < \beta$, the constrained minimization problem can be further simplified to the unconstrained problem

$$\min_{x \in \mathbb{R}^n} V_{\alpha NI}(x) - V_{\beta NI}(x), \tag{7}$$

see von Heusinger and Kanzow [2009].

Furthermore, a generalized equilibrium also solves a fixed-point equation, see Property 3.4 of von Heusinger and Kanzow [2009]. Assuming θ_i and g are C^1 functions and g is convex and θ_i player-convex. $x^\star$ is a normalized equilibrium if and only if $x^\star$ is a fixed-point of the function

$$x \mapsto y_{NI}(x) = \arg\max_{y \in X} \psi_{\alpha NI}(x, y). \tag{8}$$

where X is defined in (6) and $\psi_{\alpha NI}$ called the regularized Nikaido-Isoda function is defined as

$$\psi_{\alpha NI}(x,y) = \sum_{\nu=1}^{N} [\theta_\nu(x_\nu, x_{-\nu}) - \theta_\nu(y_\nu, x_{-\nu})] - \frac{\alpha}{2}||x-y||^2, \tag{9}$$

for a regularization parameter $\alpha > 0$.

4.5 QVI formulation for the jointly convex case

The regularized gap function also simplifies and becomes

$$V_{\alpha VI}(x) = \sup_{y\in X} \psi_{\alpha VI}(x,y),$$

where $\psi_{\alpha VI}$ is in (4). Constrained equation (5) simplifies to a nonlinear equation $V_{\alpha VI}(x^\star) = 0$ and $x^\star \in X$. Using two regularization parameters $0 < \alpha < \beta$, $x^\star$ is the global minimum of the unconstrained minimization problem

$$\min_{x\in\mathbb{R}^n} V_{\alpha VI}(x) - V_{\beta VI}(x). \tag{10}$$

Furthermore, the VI reformulation leads to a fixed-point problem as shown in the following proposition. Assuming that θ_i and g are C^1 functions, g is convex and θ_i player-convex, then $x^\star$ solves the VI ($V_{\alpha VI}(x^\star) = 0$ and $x^\star \in X$) if and only if $x^\star$ is a fixed point of the function

$$x \mapsto y_{VI}(x) = \arg\max_{y\in X} \psi_{\alpha VI}(x,y). \tag{11}$$

where X is defined in (6) and $\psi_{\alpha VI}$ is defined in (4).

5 List of examples

5.1 Example of Facchinei et al. [2007]

We consider a two-player game defined by

$$O_1(x) = (x_1-1)^2 \text{ and } O_2(x) = (x_2 - 1/2)^2,$$

with a shared constraint function

$$g(x) = x_1 + x_2 - 1 \leq 0.$$

Solutions are given by $(\alpha, 1-\alpha)$ with $\alpha \in [1/2, 1]$ with Lagrange multipliers given by $\lambda_1 = 2-2\alpha$ and $\lambda_2 = 2\alpha-1$. But there is a unique normalized equilibrium for which $\lambda_1 = \lambda_2 = 1/2$. The nonsmooth reformulation of the KKT system uses the following terms

$$\nabla_1 O_1(x) = 2(x_1-1), \nabla_2 O_2(x) = 2(x_2 - 1/2), \text{ and } \nabla_1 g(x) = \nabla_2 g(x) = 1.$$

and

$$\nabla_i^2 O_i(x) = 2, \nabla_j \nabla_k O_i(x) = 0, \text{ and } \nabla_j \nabla_k g(x) = 0.$$

5.2 The Duopoly game from Krawczyk and Uryasev [2000]

We consider a two-player game defined by

$$O_i(x) = -(d - \lambda - \rho(x_1 + x_2))x_i,$$

with

$$g_i(x) = -x_i \leq 0,$$

where $d = 20$, $\lambda = 4$, $\rho = 1$. Derivatives are given by

$$\nabla_j O_i(x) = -(-\rho x_i + (d - \lambda - \rho(x_1+x_2))\delta_{ij}) \text{ and } \nabla_j g_i(x) = -\delta_{ij},$$

and

$$\nabla_k \nabla_j O_i(x) = -(-\rho\delta_{ik} - \rho\delta_{ij}) \text{ and } \nabla_k \nabla_j g_i(x) = 0.$$

There is a unique solution given by $x^\star = (d-\lambda)/(3\rho)$.

5.3 The River basin pollution game from Krawczyk and Uryasev [2000]

We consider a two-player game defined by

$$O_i(x) = -(d_1 - d_2(x_1 + x_2 + x_3) - c_{1i} - c_{2i}x_i)x_i,$$

and

$$g(x) = \begin{pmatrix} \sum_{l=1}^{3} u_{l1}e_l x_l - K_1 \\ \sum_{l=1}^{3} u_{l2}e_l x_l - K_2 \end{pmatrix}.$$

Derivatives are given by

$$\nabla_j O_i(x) = -(-d_2 - c_{2i}\delta_{ij})x_i - (d_1 - d_2(x_1 + x_2 + x_3) - c_{1i} - c_{2i}x_i)\delta_{ij} \text{ and } \nabla_j g(x) = \begin{pmatrix} u_{j1}e_j \\ u_{j2}e_j \end{pmatrix},$$

and

$$\nabla_k \nabla_j O_i(x) = -(-d_2\delta_{ik} - d_2\delta_{ij} - 2c_{2i}\delta_{ij}\delta_{ik}) \text{ and } \nabla_k \nabla_j g(x) = \begin{pmatrix} 0 & 0 \\ 0 & 0 \end{pmatrix}.$$

A Tables for the nonsmooth reformulation

	$\phi_{Min}(a,b) = \min(a,b)$							$\phi_{FB}(a,b) = \sqrt{a^2+b^2} - (a+b)$						
	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$
Newton - pure	7	7	-2	3	8	0	0	9	9	-2	3	8	0	0
Newton - geom. LS	7	7	-2	3	8	0	0	10	9	-2	3	8	0	0
Newton - quad. LS	7	7	-2	3	8	0	0	11	10	-2	3	8	0	0
Newton - Powell TR	8	7	-2	3	8	0	0	13	10	-2	3	8	0	0
Newton - Dbl. TR	8	7	-2	3	8	0	0	13	10	-2	3	8	0	0
Broyden - pure	35	1	-2	3	8	0	0	35	1	-2	3	8	0	0
Broyden - geom. LS	30	3	-2	3	8	0	0	39	4	-2	3	8	0	0
Broyden - quad. LS	26	3	-2	3	8	0	0	30	4	-2	3	8	0	0
Broyden - Powell TR	169	6					1	26	2	-2	3	8	0	0
Broyden - Dbl. TR	182	6					1	28	2	-2	3	8	0	0
	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$
Newton - pure	200	200					53	11	11	-2	3	8	0	0
Newton - geom. LS	66	10					4	11	10	-2	3	8	0	0
Newton - quad. LS	25	9					3	19	14	-2	3	8	0	0
Newton - Powell TR	47	40					3	10	10	-2	3	8	0	0
Newton - Dbl. TR	44	36					3	10	10	-2	3	8	0	0
Broyden - pure	200	1					73	39	1	-2	3	8	0	0
Broyden - geom. LS	1045	25					3	75	3	-2	3	8	0	0
Broyden - quad. LS	253	11					4	42	3	-2	3	8	0	0
Broyden - Powell TR	156	12					3	33	3	-2	3	8	0	0
Broyden - Dbl. TR	108	8					3	36	2	-2	3	8	0	0
	$\phi_{Man}(a,b) = f(\|a-b\|) - f(a) - f(b)$ and $f(t) = t^3$							$\phi_{KK}(a,b) = (\sqrt{(a-b)^2 + 2\lambda ab} - (a+b))/(2-\lambda)$ and $\lambda = 3/2$						

Table 2: With initial point $z_0 = (-4, 4, 1, 1)$ close to $(-2, 3, 8, 0)$

	$\phi_{Min}(a,b) = \min(a,b)$							$\phi_{FB}(a,b) = \sqrt{a^2+b^2} - (a+b)$						
	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$
Newton - pure	22	22	0	1	325	0	0	21	21	2	-2	0	160	0
Newton - geom. LS	25	24	0	1	325	0	0	25	24	0	1	325	0	0
Newton - quad. LS	13	9	2	-2	0	160	0	197	100	0	1	345	0	0
Newton - Powell TR	26	24	0	1	325	0	0	12	8	1	0	512	6	0
Newton - Dbl. TR	26	24	0	1	325	0	0	13	9	1	0	512	6	0
Broyden - pure	6	1					2e+25	100	1					4
Broyden - geom. LS	58	3	1	0	512	6	0	639	4					12
Broyden - quad. LS	389	3	1	0	512	6	0	187	3	1	0	512	6	0
Broyden - Powell TR	164	2	0	1	376	0	0	133	2					1
Broyden - Dbl. TR	144	3	0	1	343	0	0	138	2					1
	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$
Newton - pure	76	76	-2	3	8	0	0	66	66	-2	3	8	0	0
Newton - geom. LS	176	17					50	45	17	2	-2	0	160	0
Newton - quad. LS	1121	200					113	130	45	2	-2	0	160	0
Newton - Powell TR	72	61					3	38	25	2	-2	0	160	0
Newton - Dbl. TR	64	55					3	41	26	2	-2	0	160	0
Broyden - pure	200	1					5.9e6	85	1					393
Broyden - geom. LS	349	9					64	806	3					3
Broyden - quad. LS	123	9					58	202	3	1	0	512	6	0
Broyden - Powell TR	101	6	-2	3	8	0	0	121	4	1	0	512	6	0
Broyden - Dbl. TR	180	14					3	157	6	2	-2	0	160	0
	$\phi_{Man}(a,b) = f(\|a-b\|) - f(a) - f(b)$ and $f(t) = t^3$							$\phi_{KK}(a,b) = (\sqrt{(a-b)^2 + 2\lambda ab} - (a+b))/(2-\lambda)$ and $\lambda = 3/2$						

Table 3: With initial point $z_0 = (3, 0, 1, 1)$ close to $(1, 0, 512, 6)$

	$\phi_{Min}(a,b) = \min(a,b)$							$\phi_{FB}(a,b) = \sqrt{a^2+b^2} - (a+b)$						
	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$
Newton - pure	22	22	0	1	325	0	0	5	5	1	0	512	6	0
Newton - geom. LS	522	82	1	0	512	6	0	779	100					1
Newton - quad. LS	300	100					2	366	100					1
Newton - Powell TR	88	67	1	0	512	6	0	94	73	1	0	512	6	0
Newton - Dbl. TR	102	80	1	0	512	6	0	87	80	0	1	323	0	0
Broyden - pure	8	1					2e+20	100	1					617
Broyden - geom. LS	746	3					3	844	3					1
Broyden - quad. LS	312	3					3	345	3					1
Broyden - Powell TR	169	4					1	40	2	-2	3	8	0	0
Broyden - Dbl. TR	158	1					2	35	2	-2	3	8	0	0
	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$
Newton - pure	136	136	-2	3	8	0	0	24	24	0	1	325	0	0
Newton - geom. LS	156	14					14	762	100					2
Newton - quad. LS	33	8					14	358	100					1
Newton - Powell TR	31	25					3	90	72	1	0	512	6	0
Newton - Dbl. TR	35	29					3	89	76	1	0	512	6	0
Broyden - pure	30	1					9e+33	18	1					4e+21
Broyden - geom. LS	327	10					13	659	4					1
Broyden - quad. LS	139	10					13	326	3					1
Broyden - Powell TR	175	14					3	35	2	-2	3	8	0	0
Broyden - Dbl. TR	130	11					3	53	2	-2	3	8	0	0
	$\phi_{Man}(a,b) = f(\|a-b\|) - f(a) - f(b)$ and $f(t) = t^3$							$\phi_{KK}(a,b) = (\sqrt{(a-b)^2 + 2\lambda ab} - (a+b))/(2-\lambda)$ and $\lambda = 3/2$						

Table 4: With initial point $z_0 = (0, 3, 1, 1)$ close to $(0, 1, 324, 0)$

	$\phi_{Min}(a,b) = \min(a,b)$							$\phi_{FB}(a,b) = \sqrt{a^2+b^2} - (a+b)$						
	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$
Newton - pure	21	21	0	1	323	0	0	9	9	0	1	324	0	0
Newton - geom. LS	21	21	0	1	323	0	0	194	52	0	1	323	0	0
Newton - quad. LS	21	21	0	1	323	0	0	154	68	0	1	323	0	0
Newton - Powell TR	84	70	0	1	323	0	0	32	30	0	1	323	0	0
Newton - Dbl. TR	78	70	0	1	323	0	0	32	30	0	1	323	0	0
Broyden - pure	100	1	0	1	307	0	0	37	1					408
Broyden - geom. LS	49	3	0	1	323	0	0	407	6	1	0	512	6	0
Broyden - quad. LS	56	4	0	1	302	0	0	324	6					1
Broyden - Powell TR	169	5					1	183	4					1
Broyden - Dbl. TR	172	5					1	191	4					1
	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$
Newton - pure	59	59	-2	3	8	0	0	18	18	0	1	323	0	0
Newton - geom. LS	67	11					5	170	48	0	1	323	0	0
Newton - quad. LS	42	14					5	132	60	0	1	323	0	0
Newton - Powell TR	55	49					3	87	72	1	0	512	6	0
Newton - Dbl. TR	46	40					3	87	79	0	1	323	0	0
Broyden - pure	200	1					6	100	1					168
Broyden - geom. LS	836	14					5	50	4	-2	3	8	0	0
Broyden - quad. LS	89	9					3	43	3	-2	3	8	0	0
Broyden - Powell TR	113	10					3	146	6	2	-2	0	160	0
Broyden - Dbl. TR	98	7					3	136	7	2	-2	0	160	0
	$\phi_{Man}(a,b) = f(\|a-b\|) - f(a) - f(b)$ and $f(t) = t^3$							$\phi_{KK}(a,b) = (\sqrt{(a-b)^2 + 2\lambda ab} - (a+b))/(2-\lambda)$ and $\lambda = 3/2$						

Table 5: With initial point $z_0 = (-1, -1, 1, 1)$

	$\phi_{Min}(a,b) = \min(a,b)$							$\phi_{FB}(a,b) = \sqrt{a^2+b^2} - (a+b)$						
	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$
Newton - pure	0	1					1023	10	10	-2	3	8	0	0
Newton - geom. LS	0	1					1023	9	8	-2	3	8	0	0
Newton - quad. LS	0	1					1023	10	9	-2	3	8	0	0
Newton - Powell TR	0	1					1023	140	100					1
Newton - Dbl. TR	0	1					1023	150	94	0	1	324	0	0
Broyden - pure	0	1					1023	100	1					1
Broyden - geom. LS	0	1					1023	21	2	-2	3	8	0	0
Broyden - quad. LS	0	1					1023	16	2	-2	3	8	0	0
Broyden - Powell TR	0	1					1023	40	2	-2	3	8	0	0
Broyden - Dbl. TR	0	1					1023	133	1					2
	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$	fctcall	jaccall	x_1	x_2	λ_1	λ_2	$\|\|\Phi(z)\|\|$
Newton - pure	200	200					39	43	43	0	1	325	0	0
Newton - geom. LS	91	11					6	32	26	0	1	325	0	0
Newton - quad. LS	25	9					6	77	46	0	1	325	0	0
Newton - Powell TR	43	39					3	70	52	0	1	325	0	0
Newton - Dbl. TR	42	39					3	137	100	0	1	333	0	0
Broyden - pure	200	1					489	35	1	-2	3	8	0	0
Broyden - geom. LS	276	7					3	274	8	0	1	325	0	0
Broyden - quad. LS	124	6					3	253	7	0	1	352	0	0
Broyden - Powell TR	135	12					3	157	3					2
Broyden - Dbl. TR	169	13					3	163	2					1
	$\phi_{Man}(a,b) = f(\|a-b\|) - f(a) - f(b)$ and $f(t) = t^3$							$\phi_{KK}(a,b) = (\sqrt{(a-b)^2 + 2\lambda ab} - (a+b))/(2-\lambda)$ and $\lambda = 3/2$						

Table 6: With initial point $z_0 = (0, 0, 1, 1)$

B Appendix for the nonsmooth reformulation

B.1 Semismooth reformulation – General case

The generalized Jacobian of the complementarity formulation has the following form

$$J(z) = \left(\begin{array}{ccc|ccc}
\mathrm{Jac}_{x_1} L_1(x,\lambda^1) & \dots & \mathrm{Jac}_{x_N} L_1(x,\lambda^1) & \mathrm{Jac}_{x_1} g^1(x)^T & & 0 \\
\vdots & & \vdots & & \ddots & \\
\mathrm{Jac}_{x_1} L_N(x,\lambda^N) & \dots & \mathrm{Jac}_{x_N} L_N(x,\lambda^N) & 0 & & \mathrm{Jac}_{x_N} g^N(x)^T \\
\hline
-D_1^a(x,\lambda^1)\mathrm{Jac}_{x_1} g^1(x) & \dots & -D_1^a(x,\lambda^1)\mathrm{Jac}_{x_N} g^1(x) & D_1^b(x,\lambda^1) & & 0 \\
\vdots & & \vdots & & \ddots & \\
-D_N^a(x,\lambda^N)\mathrm{Jac}_{x_1} g^N(x) & \dots & -D_N^a(x,\lambda^N)\mathrm{Jac}_{x_N} g^N(x) & 0 & & D_N^b(x,\lambda^N)
\end{array}\right).$$

The diagonal matrices D_i^a and D_i^b are given by

$$D_i^a(x,\lambda^i) = \mathrm{diag}[a^i(x,\lambda^i)] \text{ and } D_i^b(x,\lambda^i) = \mathrm{diag}[b^i(x,\lambda^i)],$$

with $a^i(x,\lambda^i), b^i(x,\lambda^i) \in \mathbb{R}^{m_i}$ defined as

$$(a_j^i(x,\lambda_j^i), b_j^i(x,\lambda_j^i)) = \begin{cases} \left(\phi'_a(-g_j^i(x),\lambda_j^i), \phi'_b(-g_j^i(x),\lambda_j^i)\right) & \text{if } (-g_j^i(x),\lambda_j^i) \neq (0,0), \\ (\xi_{ij},\zeta_{ij}) & \text{if } (-g_j^i(x),\lambda_j^i) = (0,0), \end{cases}$$

where ϕ'_a (resp. ϕ'_b) denotes the derivative of ϕ with respect to the first (second) argument a (b) and $(\xi_{ij},\zeta_{ij}) \in \bar{B}(p_\phi, c_\phi)$, the closed ball at p_ϕ of radius c_ϕ.

B.2 Semismooth reformulation – Shared constraint case

The generalized Jacobian of the complementarity formulation has the following form $J(z) =$

$$\left(\begin{array}{ccc|ccc|c}
\mathrm{Jac}_{x_1} L_1(x,\lambda^1,\mu) & \dots & \mathrm{Jac}_{x_N} L_1(x,\lambda^1,\mu) & \mathrm{Jac}_{x_1} g^1(x)^T & & 0 & \mathrm{Jac}_{x_1} h(x)^T \\
\vdots & & \vdots & & \ddots & & \vdots \\
\mathrm{Jac}_{x_1} L_N(x,\lambda^N,\mu) & \dots & \mathrm{Jac}_{x_N} L_N(x,\lambda^N,\mu) & 0 & & \mathrm{Jac}_{x_N} g^N(x)^T & \mathrm{Jac}_{x_N} h(x)^T \\
\hline
-D_1^a(x,\lambda^1)\mathrm{Jac}_{x_1} g^1(x) & \dots & -D_1^a(x,\lambda^1)\mathrm{Jac}_{x_N} g^1(x) & D_1^b(x,\lambda^1) & & 0 & 0 \\
\vdots & & \vdots & & \ddots & & \vdots \\
-D_N^a(x,\lambda^N)\mathrm{Jac}_{x_1} g^N(x) & \dots & -D_N^a(x,\lambda^N)\mathrm{Jac}_{x_N} g^N(x) & 0 & & D_N^b(x,\lambda^N) & 0 \\
\hline
-D_h^a(x,\mu)\mathrm{Jac}_{x_1} h(x) & \dots & -D_h^a(x,\mu)\mathrm{Jac}_{x_N} h(x) & 0 & \dots & 0 & D_h^b(x,\mu)
\end{array}\right).$$

The diagonal matrices D_a and D_b are given by

$$D_h^a(x,\mu) = \mathrm{diag}[\tilde{a}(x,\mu)] \text{ and } D_h^b(x,\mu) = \mathrm{diag}[\tilde{b}(x,\mu)],$$

with $\tilde{a}(x,\mu), \tilde{b}(x,\mu) \in \mathbb{R}^l$ defined as

$$(\tilde{a}_j(x,\mu), \tilde{b}_j(x,\mu)) = \begin{cases} (\phi_a'(-h_j(x),\mu_j), \phi_b'(-h_j(x),\mu_j)) & \text{if } (-h_j(x),\mu_j) \neq (0,0), \\ (\tilde{\xi}_j, \tilde{\zeta}_j) & \text{if } (-h_j(x),\mu_j) = (0,0), \end{cases}$$

where $(\tilde{\xi}_j, \tilde{\zeta}_j) \in \bar{B}(p_\phi, c_\phi)$.

B.3 Semismooth reformulation – General case

For the line-search, the gradient ∇p is given by

$$\nabla p(x,\lambda,w) = \begin{pmatrix} \frac{2\zeta}{||x||_2^2+||\lambda||_2^2+||w||_2^2} x \\ \frac{2\zeta}{||x||_2^2+||\lambda||_2^2+||w||_2^2} \lambda - \lambda^{-1} \\ \frac{2\zeta}{||x||_2^2+||\lambda||_2^2+||w||_2^2} w - w^{-1} \end{pmatrix},$$

where λ and w have positive components and terms λ^{-1} and w^{-1} correspond to the component-wise inverse vector. Compared to the semismooth reformulation, the root function H is now C^1. The Jacobian is given by

$$\mathrm{Jac}\, H(x,\lambda,w) = \begin{pmatrix} \mathrm{Jac}_x \tilde{L}(x,\lambda) & \mathrm{diag}\left[\left(\nabla_{x_i} g^i(x)\right)_i\right] & 0 \\ \mathrm{Jac}_x g(x) & 0 & I \\ 0 & \mathrm{diag}[w] & \mathrm{diag}[\lambda] \end{pmatrix}.$$

As reported in Dreves et al. [2011], the computation of the direction $d_k = (d_{x,k}, d_{\lambda,k}, d_{w,k})$ can be simplified due to the special structure of the above Jacobian matrix. The system reduces to a linear system of n equations to find $d_{x,k}$ and the $2m$ components $d_{\lambda,k}, d_{w,k}$ are simple linear algebra. Using the classic chain rule, the gradient of the merit function is given by

$$\nabla\psi(x,\lambda,w) = \mathrm{Jac}\, H(x,\lambda,w)^T \nabla p(H(x,\lambda,w)).$$

Again the computation of this gradient can be simplified due to the sparse structure of $\mathrm{Jac}\, H$.

B.4 Semismooth reformulation – Shared constraint case

The Jacobian is given by

$$\mathrm{Jac}\, \widetilde{H}(x,\tilde{\lambda},\tilde{w}) = \begin{pmatrix} \mathrm{Jac}_x \bar{L}(x,\tilde{\lambda}) & \mathrm{Jac}_{\tilde{\lambda}} \bar{L}(x,\tilde{\lambda}) & 0 \\ \mathrm{Jac}_x \tilde{g}(x) & 0 & I \\ 0 & \mathrm{diag}[\tilde{w}] & \mathrm{diag}[\tilde{\lambda}] \end{pmatrix},$$

where

$$\mathrm{Jac}_{\tilde{\lambda}} \bar{L}(x,\tilde{\lambda}) = \begin{pmatrix} \nabla_{x_1} g^1(x) & 0 & & \nabla_{x_1} h(x) \\ 0 & \ddots & 0 & \vdots \\ & 0 & \nabla_{x_N} g^N(x) & \nabla_{x_N} h(x) \end{pmatrix},$$

and

$$\mathrm{Jac}_x \tilde{g}(x) = \begin{pmatrix} \mathrm{Jac}_x \tilde{g}^1(x) \\ \dots \\ \mathrm{Jac}_x \tilde{g}^N(x) \\ \mathrm{Jac}_x \tilde{h}(x) \end{pmatrix}.$$

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