

Contents

1	Introduction	1
1.1	Brief History of LP	2
1.2	From Practical Issue to LP Model	5
1.3	Illustrative Applications	8
1.4	Errors of Floating Point Arithmetic	12
1.5	The Standard LP Problem	15
1.6	Canonical Form of $Ax = b$	18

Part I Fundamentals

2	Geometry of the Feasible Region	27
2.1	Polyhedral Convex Set and the Feasible Region	28
2.2	Geometric Structure of the Feasible Region	36
2.3	Optimal Face and Vertex	49
2.3.1	Graphic Approach	51
2.4	Feasible Direction and Active Constraint	52
2.5	Heuristic Characteristic of Optimal Solution	56
3	Simplex Method	61
3.1	Simplex Tableau	61
3.2	Simplex Method: Tableau Form	63
3.3	Start-Up of the Simplex Method	71
3.4	Revised Simplex Tableau	78
3.5	Simplex Method	80
3.6	Degeneracy and Cycling	85
3.7	Finite Pivot Rule	88
3.8	Computational Complexity	95
3.9	On Features of the Simplex Method	98
4	Duality Principle and Dual Simplex Method	101
4.1	Dual LP Problem	101
4.2	Duality Theorems	104

4.3	Optimality Condition	107
4.4	Dual Simplex Method: Tableau Form	110
4.5	Dual Simplex Method	114
4.6	Economic Interpretation of Duality: Shadow Price	118
4.7	Notes	119
5	Implementation of the Simplex Method	123
5.1	Miscellaneous	123
5.2	Preprocessing: Scaling	125
5.3	LU Factorization of Basis	127
5.3.1	Use of LU Factorization	128
5.3.2	Sparse LU Factorization	131
5.4	Updating LU Factors	134
5.5	Crashing for Initial Basis	137
5.6	Harris Rule and Tolerance Expending	140
6	Sensitivity Analysis and Parametric LP	143
6.1	Change in Costs	144
6.2	Change in the Right-Hand Side	146
6.3	Change in Coefficient Matrix	148
6.3.1	Dropping a Variable	148
6.3.2	Adding a Variable	150
6.3.3	Dropping a Constraint	152
6.3.4	Adding a Constraint	154
6.3.5	Replacing a Row or Column	159
6.4	Parametric LP	162
6.4.1	Parameterized Cost	162
6.4.2	Parameterized Right-Hand Side	166
7	Variants of the Simplex Method	169
7.1	Primal-Dual Simplex Method	169
7.2	Self-Dual Parametric Simplex Method	175
7.3	General LP Problems	179
7.4	Generalized Simplex Method	180
7.4.1	Generalized Phase-I	187
7.5	Generalized Dual Simplex Method: Tableau Form	188
7.5.1	Generalized Dual Phase-I	192
7.6	Generalized Dual Simplex Method	193
7.7	Bound Flipping	201
8	Decomposition Method	205
8.1	D-W Decomposition	206
8.1.1	Generalization of D-W Decomposition	211
8.2	Start-Up of D-W Decomposition	211
8.3	Application of D-W Decomposition	212
8.4	Economic Interpretation of D-W Decomposition	218
8.5	Benders Decomposition	221

8.6	Application of Benders Decomposition	228
8.7	Primal Benders Decomposition	234
9	Interior-Point Method	239
9.1	Karmarkar Algorithm	240
9.1.1	Projective Transformation	241
9.1.2	Karmarkar Algorithm	242
9.1.3	Convergence	244
9.2	Affine Interior-Point Method	249
9.2.1	Formulation of the Algorithm	249
9.2.2	Convergence and Start-Up	252
9.3	Dual Affine Interior-Point Method	253
9.4	Path-Following Interior-Point Method	256
9.4.1	Primal-Dual Method	258
9.4.2	Infeasible Primal-Dual Method	262
9.4.3	Predictor-Corrector Primal-Dual Method	264
9.4.4	Homogeneous and Self-Dual Method	266
9.5	Notes	269
10	Integer Linear Programming (ILP)	275
10.1	Introduction	276
10.1.1	Graphic Approach	277
10.2	Branch-and-Bound Method	277
10.3	Cutting-Plane Method	285
10.4	Controlled-Branch Method	288
10.5	Controlled-Cut Method	293
 Part II Advanced Topics		
11	Pivot Rule	297
11.1	Partial Pricing	298
11.2	Steepest-Edge Rule	300
11.3	Approximate Steepest-Edge Rule	302
11.4	Largest-Distance Rule	304
11.5	Nested Rule	306
11.6	Nested Largest-Distance Rule	308
12	Dual Pivot Rule	311
12.1	Dual Steepest-Edge Rule	312
12.2	Approximate Dual Steepest-Edge Rule	315
12.3	Dual Largest-Distance Rule	317
12.4	Dual Nested Rule	318
13	Simplex Phase-I Method	321
13.1	Infeasibility-Sum Method	321
13.2	Single-Artificial-Variable Method	327

13.3	The Most-Obtuse-Angle Column Rule	332
13.4	Perturbation of Reduced Costs	336
14	Dual Simplex Phase-I Method	341
14.1	Dual Infeasibility-Sum Method	341
14.2	Dual Single-Artificial-Variable Method	345
14.3	The Most-Obtuse-Angle Row Rule	351
14.4	Perturbation of the Right-Hand Side	354
15	Reduced Simplex Method	357
15.1	Derivation	357
15.2	Reduced Simplex Method	363
15.3	Reduced Phase-I: Single-Artificial-Variable	367
15.4	Dual Reduced Simplex Method	370
15.5	Dual Reduced Phase-I: The Most-Obtuse-Angle	378
15.6	Notes	384
16	Improved Reduced Simplex Method	387
16.1	Variation of the Reduce Simplex Method	387
16.2	Phase-I for Improved Reduced Simplex Method	391
16.3	Dual Improved Reduced Simplex Method	394
16.4	Phase-I for the Dual Improved Reduced Simplex Method	398
16.5	Bisection Reduced Simplex Method	402
17	D-Reduced Simplex Method	409
17.1	D-Reduced Simplex Tableau	409
17.2	Dual D-Reduced Simplex Method	412
17.3	Dual D-Reduced Phase-I	418
17.4	Dual D-Reduced Phase-I: Single-Artificial-Variable	421
17.5	D-Reduced Simplex Method	424
17.6	D-Reduced Phase-I: The Most-Obtuse-Angle	431
17.7	Dual Bisection D-Reduced Simplex Method	435
18	Criss-Cross Simplex Method	441
18.1	Most-Obtuse-Angle Criss-Cross Method	442
18.2	Perturbation Simplex Method	445
18.3	Criss-Cross Reduced Simplex Method	449
18.4	Perturbation Reduced Simplex Method	453
18.5	Mixed Two-Phase Method	457
19	Generalizing Reduced Simplex Method	461
19.1	Generalized Reduced Simplex Method	461
19.2	Generalized Reduced Phase-I	469
19.3	Generalized Reduced Phase-I: Single-Artificial-Variable	476
19.4	Generalized Dual Reduced Simplex Method	482
19.5	Generalized Dual Reduced Phase-I	486
19.6	Generalized Dual D-Reduced Simplex Method	490

20	Deficient-Basis Method	503
20.1	Deficient-Basis and Tableau	503
20.2	Deficient-Basis Method: Tableau Form	505
20.3	Deficient-Basis Method	509
20.4	Phase-I: Single-Artificial-Variable	514
20.5	On Implementation	519
20.5.1	Initial Basis	519
20.5.2	LU Updating in Rank-Increasing Iteration	520
20.6	Deficient-Basis Reduced Method	521
20.6.1	Starting-Up	528
20.7	Phase-I: The Most-Obtuse-Angle Column Rule	529
21	Dual Deficient-Basis Method	535
21.1	Dual Deficient-Basis Method: Tableau Form	535
21.2	Dual Deficient-Basis Method	540
21.3	Dual Deficient-Basis D-Reduced Method: Tableau Form	544
21.4	Dual Deficient-Basis D-Reduced Method	553
21.5	Deficient-Basis D-Reduced Gradient Method: Tableau Form	556
21.6	Deficient-Basis D-Reduced Gradient Method	567
21.7	Notes	568
22	Face Method	571
22.1	Face Method Using Cholesky Factorization	572
22.1.1	The Steepest Downhill	572
22.1.2	Updating Solution	574
22.1.3	Face Contraction	575
22.1.4	Optimality Test	578
22.1.5	Face Expansion	579
22.1.6	Face Algorithm	580
22.2	Face Phase-I: Single-Artificial-Variable	583
22.3	Generalizing the Face Method	586
22.4	Affine Face Method	588
22.5	Notes	591
23	Dual Face Method	595
23.1	Dual Face Method Using Cholesky Factorization	595
23.1.1	The Steepest Uphill	596
23.1.2	Updating Dual Solution	598
23.1.3	Dual Face Contraction	599
23.1.4	Optimality Test	600
23.1.5	Dual Face Expansion	601
23.1.6	Dual Face Algorithm	602
23.2	Dual Face Phase-I	604
23.3	Dual Face Method Using Gauss-Jordan Elimination	608
23.4	Variant of the Dual Face Algorithm	618

24	Pivotal Interior-Point Method	623
24.1	Pivotal Affine Interior-Point Method	623
24.2	Pivotal Affine Face Interior-Point Method	628
24.3	Pivotal D-Reduced Gradient Interior-Point Method	631
24.4	Feasible-Point Simplex Method	639
24.4.1	Column Pivot Rule and Optimality Condition	640
24.4.2	Search Direction	641
24.4.3	Stepsize and Row Pivot Rule.....	642
24.4.4	Formulation of the Algorithm.....	643
24.4.5	Phase-1 and Purification.....	645
24.4.6	Computational Results	645
25	Special Topics	647
25.1	Special Forms of the LP Problem	647
25.1.1	Reduced Problem	648
25.1.2	D-Reduced Problem	649
25.1.3	Dual Elimination	649
25.1.4	Reduced Dual Elimination	655
25.2	Intercepting of Optimal Set and Bilevel LP.....	656
25.3	Pricing Scheme	660
25.4	Relaxation Principle.....	664
25.4.1	Illustrative Application: Partial Pricing.....	665
25.5	Local Duality	668
25.6	Decomposition Principle.....	670
25.6.1	Subprograms and Algorithms	670
25.6.2	The Basic Idea: “arena contest”.....	673
25.6.3	Practical Remarks	675
25.6.4	Illustration on the Standard LP Problem	676
25.6.5	Illustration on the Bounded-Variable LP Problem	679
25.6.6	Illustration on the ILP Problem	680
25.7	ILP: Based on the Reduced Simplex Framework	682
Appendix A	MPS File	697
Appendix B	Test LP Problems	703
Appendix C	Empirical Evaluation of Nested Pricing	709
Appendix D	Empirical Evaluation of Face Methods	727
Appendix E	Empirical Evaluation of the Feasible-Point Simplex Method	733
References		737