

## **Economics Seminar, Indian Statistical Institute, New Delhi.**

**SPEAKERS:** Saptarshi P. Ghosh (University of Birmingham)

**TITLE:** Professional Advice from Randomly Transparent Committees

**TIME:** 11:30-1:00

**DAY & DATE:** Friday, 16th September

**PLACE:** Seminar Room 2

### **Abstract:**

This paper studies voting behaviour of careerist experts in a secret committee where voting profiles get 'leaked' to the public with an exogenously given probability. We focus on truthful (or informative) voting and the social welfare from committee decisions. We show that for informative voting, it is necessary and sufficient to have both random transparency and the unanimity voting rule provided that the common prior is not too informative and the transparency probability is intermediate. We then show that no committee that maximises social welfare can enforce informative voting, that is, informative voting and welfare-maximisation are mutually exclusive properties. Moreover, within the class of unanimous committees, randomness of transparency is never socially desirable. We then show that with a low prior (the case where expert committees are most valuable to the society), a committee using the majority rule and operating with full transparency is better for the society than any unanimous committee.

<http://www.isid.ac.in/~pu/seminar.html>