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### **COLIBRI FOCUS WORKSHOP**

### **Strategic Communication**

16th & 17th of February 2023



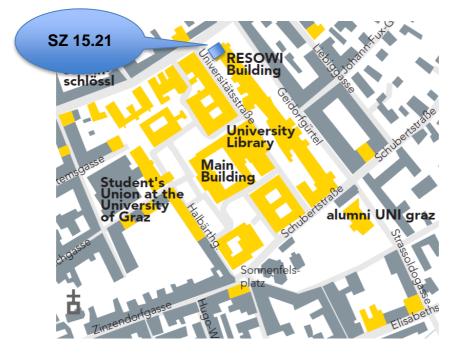


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### Location



University of Graz

### SZ 15.21 RESOWI Center Universitätsplatz 15A / II, 8010 Graz





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### Schedule

### Thursday, February 16

09:00 - 10:00	Sidartha Gordon Effective Communication in Cheap-Talk Games
10:15 - 11:15	Stéphan Sémirat Envy Driven Dynamics in Single Peaked, Single Crossing Cheap Talk Games
11:30 - 12:30	Jan-Henrik Steg Robust Equilibria in Binary Cheap Talk Games
14:30 - 15:30	- Lunch Andres Salamanca <i>Biased Mediators in Conflict Resolution</i>

- Coffee Break -

16:00 - 17:00 Inga Deimen Informal Communication in the Employment Relationship

- Dinner -





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### Friday, February 17

- 09:00 10:00 Andy Zapechelnyuk Constructive vs Toxic Argumentation in Debates
- 10:15 11:15 Ming Li

Mandatory Disclosure of Conflicts of Interest: Good News or Bad News?

11:30 - 12:30 Elias Tsakas Belief Identification with State-Dependent Utilities

- Lunch -

14:30 - 15:30 Sophie Kreutzkamp

Endogenous Information Acquisition in Cheap-Talk Games

- Coffee Break -

16:00 - 17:00 Denis Shishkin Perfect Bayesian Persuasion

- Dinner -



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### List of speakers and abstracts

Inga Deimen (U of Arizona)

https://ingadeimen.weebly.com/

Title: Informal communication in the employment relationship (with Andreas Blume)

Sidartha Gordon (U Paris - Dauphine)

https://sites.google.com/site/sidarthagordon/

Title: Effective Communication in Cheap-Talk Games (with Navin Kartik, Melody Peiyu Lo, Wojciech Olszewski, and Joel Sobel)

Abstract: This paper presents arguments based on weak dominance and learning for selecting informative equilibria in a model of cheap-talk communication where players must use monotonic strategies. Under a standard regularity condition, only one equilibrium survives iterated deletion of interim dominated strategies. Under the same condition, we establish that best-response dynamics converges to this outcome.

Sophie Kreutzkamp (U of Bonn)

https://sites.google.com/view/sophiekreutzkamp

Title: Endogenous Information Acquisition in Cheap-Talk Games Abstract: This paper studies costly information acquisition and transmission. An expert communicates with a decision-maker about a state of nature by sending a cheap-talk message. In efficient equilibria, the expert generally reveals all acquired information to the decision-maker. I show the existence of efficient equilibria under general conditions. For the class of posterior separable cost structures, I derive properties of efficient experiments. Under posterior-mean preferences, any cheaptalk problem is solved by a convex combination of two bi-pooling policies. The best bi-pooling policies are characterized for the uniform-quadratic case. Contrary to existing cheap-talk models, monotone partitions are not always optimal. Link: https://drive.google.com/file/d/1\_LIRCbi8FdWAGdGq3p6\_DxeOC4Z5LjL8/view

We work for omorrow



Ming Li (Condordia U)

https://www.concordia.ca/faculty/ming-li.html

Title: Mandatory disclosure of conflicts of interest: Good news or bad news? (with Ting Liu)

Abstract: We investigate the welfare effect of disclosure of conflict of interest when an expert advises a decision maker. In a model with verifiable information and uncertainty about the expert's conflict of interest and the informedness of the expert, we show that disclosure of the expert's bias is counterproductive when the magnitude of the expert's bias is not too large and the likelihood of the expert being informed is low. Moreover, the harm of disclosing the expert's conflict of interest is more significant when there is a larger uncertainty about the nature of the expert's conflict of interests.

Link: https://www.dropbox.com/s/infzpn7tbwppjo8/MandatoryDisclosure.pdf

#### Andres Salamanca (U Ca Foscari Venice)

https://sites.google.com/site/asalamancalugo/

Title: Biased Mediators in Conflict Resolution.

Abstract: One of the most important and disputed questions within the fields of international relations and conflict studies concerns the issue of mediator impartiality. Should mediators be biased—supportive of one but not both of the main disputants—or should mediators always be impartial? This paper contributes to this debate by studying the effectiveness of mediation with regard to the role of mediator bias in a game-theoretic model of cheap talk. This study shows that the institutional design of a mediation process is affected by two factors: the relative degree of conflict and the incentives to misrepresent private information. We find that a necessary (but not always sufficient) condition for the success of any mediation process is a sufficiently low likelihood of a misrepresentation problem. If in addition, the relative degree of conflict is low enough, mediation is effective and the institutional design of a mediation process is the same regardless of the bias. Otherwise, the design will be quite different depending on the direction of the bias. Link: https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=4165730





### Stephan Semirat (U Grenoble Alpes) https://ssemirat.github.io/index.html

Title: Envy driven dynamics in single peaked, single crossing cheap talk games Abstract : We study pure perfect Bayesian equilibria (PBE) in Sender-Receiver games with finitely many types for the Sender. Such equilibria are characterized by incentive compatible (IC) partitions of the Sender's types, in which an optimal action for the Receiver is associated with every cell of the partition and types do not envy each other. In the case of ordered types, real valued actions and single-peaked, single-crossing utility functions, we construct sequences of partitions by making recursive use of the possible envy of some Sender's types. A sequence may cycle if it is initialized at an arbitrary partition. However, when initialized at the fully separating partition, every sequence converges to a unique IC partition. The achieved partition survives many selection criteria for cheap talk games.

### Denis Shishkin (UCSD)

#### https://denisshishkin.com/

Title: Perfect Bayesian Persuasion (with Elliot Lipnowski and Doron Ravid) Abstract: A sender commits to an experiment to persuade a receiver. Accounting for the sender's experiment-choice incentives, and not presupposing a receiver tiebreaking rule when indifferent, we characterize when the sender's equilibrium payoff is unique and so coincides with her "Bayesian persuasion" value. A sufficient condition is that every action which is receiver-optimal at some belief over a set of states is uniquely optimal at some other such belief—a generic property for finite models. We similarly show the equilibrium sender payoff is typically unique in ordered models. In an extension, we show uniqueness generates robustness to imperfect sender commitment.

Link: https://denisshishkin.com/papers/perfect\_bayesian\_persuasion.pdf

Jan-Henrik Steg (U of Graz)

#### https://homepage.uni-graz.at/de/jan-henrik.steg

Title: Robust equilibria in binary cheap talk games (with Elshan Garashli, Michael Greinecker, and Christoph Kuzmics)

Abstract: We study the robustness of equilibria in cheap talk communication games with transparent motives and a binary state space. While most equilibria are not robust against relaxing the assumption of state-independent sender preferences, and many equilibrium sender payoffs cannot be attained in a robust equilibrium, there is always a robust equilibrium among all sender-optimal equilibria. This strengthens the empirical plausibility of such equilibria.

Link: <u>https://static.uni-graz.at/fileadmin/\_Persoenliche\_Webseite/steg\_jan-henrik/robustcheaptalk.pdf</u>





#### Elias Tsakas (Maastricht U) http://www.elias-tsakas.com/home.html

Title: Belief identification with state-dependent utilities

Abstract: It is well known that individual beliefs cannot be identified using traditional choice data, unless we impose the practically restrictive and conceptually awkward assumption that utilities are state-independent. In this paper, we propose a novel methodology that solves this long-standing identification problem in a simple way, using a variant of the strategy method. Our method relies on the concept of a suitable proxy. The crucial property is that the agent does not have any stakes in the proxy conditional on the realization of the original state space. Then, instead of trying to identify directly the agent's beliefs about the state space, we elicit her conditional beliefs about the proxy given each state realization. The latter can be easily done with existing elicitation tools and without worrying about the identification problem. It turns out that this is enough to uniquely identify the agent's beliefs. We present different classes of proxies that one can reasonably use, and we show that it is almost always possible to find one which is easy to implement. Such flexibility makes our method, not only theoretically-sound, but also empirically appealing. We also show how our new method allows us to provide a novel well-founded definition of a utility function over states. Last but not least, it also allows us to cleanly identify motivated beliefs, freed from confounding distortions caused by the identification problem.

Link: http://www.elias-tsakas.com/Research/Papers/IdentificationBeliefs.htm

### Andy Zapechelnyuk (U of Edinburgh)

#### https://www.zapechelnyuk.com/

Title: Constructive vs Toxic Argumentation in Debates (joint with Tymofiy Mylovanov) Abstract: Two debating parties choose information disclosure strategies sequentially. The second mover can either reveal more information (constructive argumentation) or obfuscate the first mover's information (toxic argumentation). We show that debates with constructive argumentation never reveal less, and sometimes reveal strictly more information than debates with toxic argumentation. When the parties are risk neutral, or when they have zero-sum preferences, constructive debates reveal the state, while toxic debates are completely uninformative about the state. Under the assumption on preferences that, loosely speaking, correspond to autocratic regimes, constructive debates reveal the state, whereas under the assumption on preferences that correspond to democratic regimes, toxic debates are completely uninformative.

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# Additional guests from outside U of Graz

Michael Greinecker (ENS Paris-Saclay) https://www.michaelgreinecker.com/

Carl Heese (U of Vienna) https://carlheese.github.io/

Qianjun Lyu (U of Bonn) https://www.qianjunlyu.com/

Daniel Rehsmann (U of Vienna and U of Klagenfurt) https://bda.univie.ac.at/team/details/user/rehsmannd90/inum/1850/backpid/85445/

