

CREST - GENES

Cours doctoraux 2025 – 2026

TOPICS IN POLITICAL ECONOMY

INFORMATION AGGREGATION BY VOTING AND COSTLY POLITICAL INFLUENCE

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SCHEDULE	Monday	24 March 2024 31 March 2024	From 10:15 to 13:15	Room 2045
	Tuesday	25 March 2024 01 April 2024	From 10:15 to 13:15	Room 2045

Topics

1. Information aggregation by voting

Consider a group of like-minded voters who wish to make a correct decision, but who might disagree on which the correct decision is due to private information. These common value voters wish their pieces of (possibly conflicting) information to be efficiently aggregated. But can they achieve their goal by means of simple voting procedures? How do alternative electoral systems perform with respect to information aggregation? Can we use novel mechanisms with richer action spaces, inspired by recent technological advances spaces (e.g. continuous voting liquid democracy etc.), to improve democratic outcomes?

2. Costly political influence

Many political issues generate fierce political competition between opposing interest groups. Supporters on each side take costly actions to promote their preferred alternative, and the likelihood that each alternative is collectively chosen increases in the total backing it receives. How does the collective choice depend on the profile of preferences, the cost of supportive actions, and the inequality in resources? Under what conditions will collective decisions align with majoritarian principles or with the utilitarian welfare optimum? Can we describe the class of social choice rules that this tug-of-war political process ends up implementing?

Moreover, allowing voters to trade votes for money may generate either negative or positive externalities: A voter is harmed (benefited) if voters she agrees with end up with reduced (increased) voting power. However, the plausibility of each kind of externality crucially depends on the electoral rule in place (i.e. on the way votes are aggregated into a political outcome). Focusing on a private-values setting with two alternatives we present existing formal and experimental results.

Format, pre-requisites and audience

Students need to have followed courses in Microeconomic theory, and Game theory.

Evaluation

Class participation (20%), Presentation of scientific paper (80%)

References

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Tsakas, Nikolas, and Dimitrios Xefteris. "Information aggregation with runoff voting." *Journal of Economic Theory* 191 (2021a): 105130.

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