Microeconomic Theory Workshop

Date: **May 17, 2019** Friday
Location: **Santral E1- 110**

14:00 – 14:30	**Jordi Massó** (Universitat Autònoma de Barcelona) *On strategy-proofness and semilattice single-peakedness* ABSTRACT We study social choice rules defined on the domain of semilattice single-peaked preferences. Semilattice single-peakedness has been identified as the necessary condition that a set of preferences must satisfy so that the set can be the domain of a strategy-proof, tops-only, anonymous and unanimous rule. We characterize the class of all such rules on that domain and show that they are deeply related to the supremum of the underlying semilattice structure.
14:30 – 15: 00	**Seçkin Özbilen** (İstanbul Bilgi University) *Core Stability: Some Domain Restrictions* ABSTRACT In this paper, we study hedonic coalition formation games in which every individual's preference depends only on the members of her coalition. We focus on core stability. We introduce three new domain restrictions, namely A-responsiveness, B-responsiveness, and G-singularity, which are sufficient for the existence of core stable coalition structures. Moreover, we show that core stable coalition structures still exist when we extend the domain of hedonic coalition formation games.
15:00 – 15:15	BREAK
15:15 – 15:45	**Jean Lainé** (Conservatoire National des Arts et Métiers) *A Note on Strategy-Proof Aggregation* ABSTRACT We characterize strategy-proof Arrowian aggregation rules where strategy-proofness is defined with respect to preferences over orders (hyper-preferences) that are linear orders. Hyper-preferences are generated from linear orders over alternatives by means of a preference extension. Based on this characterization, we show that some rules that are betweenness strategy-proof (Bossert and Sprumont (2014)) or Kemeny strategy-proof (Athanasoglou (2016)) become manipulable when all pairs of orders can be compared. Moreover, we show that an aggregation rule is strategy-proof for all hyper-preferences in a rich domain if and only if it is either constant or dictatorial

15:45 – 16:15	**Alper Nakkaş** (University of Texas at Arlington) *Aggregation Bias: An Axiomatic Approach* ABSTRACT This paper provides a theoretical framework for information sharing and aggregation via an axiomatic method. The axioms represent constraints that information aggregation dynamics impose on a decision maker. We show that responsiveness of the decision maker's assessment to provided evidence and a notion of procedural fairness together generate a family of two-parameter functions that represents a unique continuous solution. The parameters of the solution represent the decision maker's aggregation bias on different information sources. We apply this information aggregation mechanism to multiple scenarios from operations management and marketing literatures in which the decision makers need to make decisions after receiving partial information related to the nature of the decision environment through multiple sources. We demonstrate how aggregation bias affect the optimal decisions and empirically validate our findings.
16:15 – 16:30	BREAK
16:30 – 17:00	**Walter Trockel** (University of Bielefeld) *Duality of TU - games redefined* ABSTRACT We criticize some conceptual weaknesses in the recent literature on coalitional TU-games and propose, based on our critics, a new definition of dual TU games that coincides with the one in the literature on the class of super-additive games. We justify our new definition in three alternative ways: 1. Via an adequate definition of efficient payoff vectors. 2. Via a modification of the Bondareva - Shapley dualit. 3. Via an explicit consideration of "coalition building". Rather than imputations we base our analysis on a modification of aspirations.