

Rodrigo A. Velez

Presentation Title

Empirical Strategy-proofness

(with Alexander L. Brown)

Abstract

We study incentives in dominant strategy mechanisms based on an empirical approach to the refinement of Nash equilibrium. We determine that behavior satisfying a monotonicity property, for which there is empirical support, can approximate a suboptimal Nash equilibrium in such a mechanism only when it violates a non-bossiness condition and information is not interior. Experimental and empirical evidence on these games supports our findings

Keywords

Behavioral mechanism design; empirical equilibrium; robust mechanism design; strategy-proofness.

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