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Presentation Title

Global Manipulation by Local Obfuscation

(with Fei Li and Mofei Zhao)

Abstract

We study information design in a regime change context. A continuum of agents simultaneously choose whether to attack the current regime and will succeed if and only if the mass of attackers outweighs the regime's strength. A designer manipulates information about the regime's strength to maintain the status quo. The optimal information structure exhibits local obfuscation, some agents receive a signal matching the true strength of the status quo, and others receive an elevated signal professing slightly higher strength. Public signals are strictly suboptimal, and in some cases where public signals become futile, local obfuscation guarantees the status quo's survival.

Keywords

Bayesian persuasion; coordination; information design; obfuscation; regime change

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