

CENTRE FOR STUDIES IN SOCIAL SCIENCES, Calcutta
R 1 BAISHNABGHATA PATULI,
KOLKATA 700094

ECONOMICS STUDY GROUP SEMINAR

Bharat Goyal
Indian Institute of Management

shall present

"Contests with Foot-Soldiers "
(by Bharat Goyal and Arijit Sen)

Abstract: In many real-world contests (e.g., elections), contestants engage foot-soldiers (e.g. unemployed youth) to fight for them. We study a class of such contests where a significant part of foot-soldier compensation is contingent upon a contestant winning the contest, and foot-soldiers are (partially) mercenary in that higher compensation offers induce them to switch allegiance. In our model, two contestants – a favourite and an underdog – recruit foot soldiers by offering contingent (and non-contingent) compensations in cash or kind. In equilibrium, contingent compensations force potential foot-soldiers to choose their allegiance on the basis of predicted winners – and that often enables the favourite to extend her lead. Sometimes the underdog is doubly disadvantaged – her total compensation bill is no less than the favourite's while she manages to attract a smaller army of foot-soldiers and thus falls farther behind in the race. In some cases, the availability of unemployed youth to act as foot soldiers in contests can cause everyone in the economy (except the foot-soldiers) to lose.

Date: Monday, 20th March, 2017, 3-5 pm
Venue: CSSSC's Seminar Room, Patuli Campus

Dr. Tushar Nandi
(Seminar Sub-Committee)

All are welcome to attend.