



INDIANA UNIVERSITY BLOOMINGTON OSTROM WORKSHOP

COLLOQUIUM SERIES

Rick Harbaugh

Associate Professor of Business Economics, Kelley School of Business, Indiana University

Monday, November 9, 2020: 12:00 – 1:00 pm EST

Virtual via Zoom: [Click here for link to Zoom meeting](#)



Subversive Conversations

People need to share information to decide on their best plan of action, but they may also need to conceal information from other parties who have different interests. For instance, scientists need to exchange knowledge to understand an issue, but revealing too much to a skeptical public might undermine their policy recommendations. And activists need to share information to coordinate their plans, but do not want their communications to arouse the suspicion of authorities. To gain insight into such situations, we consider two players with common interests exchanging information to make a decision. Their communication is scrutinized by an observer with different interests who may object to the decision. We show how the players can use an unencrypted back and forth conversation to reveal enough information to determine their best decision, but not enough information for the observer to determine that they should oppose the decision.

[Rick Harbaugh](#) is the Waller Professor of Economics at IU's Kelley School. His research analyzes strategic communication -- how a firm can prove its products are high quality, how a manager can demonstrate her ability, or how an expert can persuade the public. He finds that costless, unverifiable "cheap talk" is a more powerful communication tool than one might think, while costly "signaling" and verifiable "disclosure" are less reliable communication tools than often believed.

Ostrom Workshop
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Due to the COVID-19 pandemic, all Ostrom workshop presentations will be virtual until further notice. Join instantly using the link above. For questions, contact Allison Sturgeon (sturgeon@iu.edu)