

Abstract

The refereeing process can be conceived of as a mechanism for deciding whether or not to accept a paper based on information gathered from a number of referees, each of whom receives a noisy signal regarding the appropriateness of publication. The public target is to make the best possible decision on the basis of all the information held by the referees.

We compare two worlds. In one, all referees are driven only by the public motive--to accept appropriate papers. In the second, each referee is also driven by a private motive--to have his recommendation accepted. It is shown that in the first world, every mechanism will have a "bad" equilibrium, that is, one which does not achieve the public target. For the second world, we construct a mechanism whose unique equilibrium outcome does achieve the public target.

According to the mechanism we construct, one of the referees is assigned a special role, that of determining the subgroup whose members' votes, when combined with his own vote, will determine the decision by employing the majority rule. He makes his selection of the subgroup simultaneously with all other referees casting their votes whereas his own vote is cast only after hearing the outcome of the subgroup voting.

J.E.L. Classification Numbers: C72

Key Words: public motive, personal motive, implementation, eliciting opinions.