

Rules and Commitment in Communication

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We introduce a simple sender-receiver framework that casts under the same umbrella a class of communication models that includes as special cases Cheap Talk (Crawford and Sobel, 1982), Disclosure (Grossman, 1981), and Bayesian Persuasion (Kamenica and Gentzkow, 2011). Within this framework, we generate novel comparative statics and offer a broader and unified perspective on these celebrated models. Our theory predicts that, as the sender's ability to commit to communication strategies increases, information transmitted should decrease if messages are verifiable (rules), but increase, if messages are unverifiable (no rules). In the limit, under full commitment, verifiability is irrelevant for the amount of information transmission. We bring these novel comparative statics to the laboratory. We find that, qualitatively, subjects respond to the degree of commitment in a manner that is consistent with the theory. However, we find important deviations from the theoretical benchmark. Commitment works best when messages are unverifiable. In particular, we find that subjects find it easier to lie about bad news than to hide good news, when equilibrium requires so.