“Committees and Status Quo Bias: Structural Evidence from a Randomized Field Experiment”

Abstract

When members of a committee have incentives to agree with each other, they over-weight public information; this can generate status quo bias. We test this hypothesis using a novel field experiment --- a large debate tournament with random assignment of judges to committees --- and find that judges with greater desire to coordinate are more likely to vote for teams with better past records. To understand the magnitude and implications of these estimated effects, we then estimate with the same data using a structural approach. We develop a model in which committee members with incentives to cooperate receive noisy signals of candidate quality. In doing so, we develop new methods to allow for correlated unobservable and for dynamic incentives in discrete Bayesian games --- both of which, we show, are important for understanding the observed behaviour. Our results confirm that public information can cause committees to coordinate on weaker candidates.