

IIMK/WPS/103/ECO/2012/06

**Perfection of the Jury Rule by
Rule-Reforming Voters**

Krishna K. Ladha¹

With no authority to change the constitution, a jury does the next best thing: it adopts the optimal rule given the constitution. At equilibrium, some jurors, called the rule reformers, vote independent of their information producing the second-best rule. The remaining jurors vote on the basis of their information enabling aggregation of the dispersed information. Arising from this asymmetric voting in a simultaneous jury game is an equivalence class of asymmetric strong Nash equilibria in pure strategies at which the information aggregation is at its best. Thus, the strategic act of rule reforming enables individual rationality to yield collective rationality. The coordination problem, as to which juror would play which role, can be solved by letting the jurors make a non-binding pre-play agreement specifying each juror's role; the agreement is self enforcing. The results hold for any voting rule, and any costs of erroneous conviction and acquittal.

For further details, including copies of working papers, please write to:

***Research, Conference & Publications Office,
IIM Kozhikode, IIMK Campus PO, Kozhikode 673 570, Kerala, India***

Phone: (91)0495 2809238

Email: rcp@iimk.ac.in

¹ Professor, Economics Area, Indian Institute of Management Kozhikode, IIMK Campus PO, Kozhikode– 673570, email: kkladha@iimk.ac.in