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Don't blame me: A theory of politicians choosing policy advisors

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ABSTRACT

We present a model in which an imperfectly informed politician chooses between appointing an independent expert, whose advice is revealed to voters, and a loyal expert whose advice can be concealed from voters and who can therefore be blamed for a bad outcome. The politician is privately informed about which expert is more competent while Bayesian voters update beliefs about the expert's competence based on which expert is chosen and the outcome of the policy chosen by the politician. Voters are distributed such that some are biased toward a certain policy while others are not. We show that, under a majority voting rule, in equilibrium, the politician is unable to increase his chances of reelection by choosing the loyal expert and trying to shift the blame for a bad outcome on him.

"To err is human. To blame it on someone else is politics." - Hubert H Humphrey

1. Introduction

In his book "The Prince", Machiavelli famously advised princes to delegate decisions in order to be able to shift the blame for adverse outcomes of their policy to delegees. This principle was also later advanced by Herring (1940) and was further discussed in the early public choice literature by Fiorina (1982, 1986) who argued that by delegating power to regulatory agencies, legislators avoid or at least disguise their responsibility for the consequences of the decisions ultimately made. The same idea has been advanced in the context of international organizations. For example, Vaubel (1986) argued that the impositions of austerity measures by the International Monetary Fund serves to allow the involved governments to avoid imposing these unpopular measures by themselves.

This paper develops a political economy model to help understand the extent to which a political strategy of delegation to shifting blame may be effective via Bayesian voters.

While in principle, as Machiavelli suggests, the politician may decide whether to appoint an expert or a delegee in the first place, we are assuming that the mandate for such an appointment is exogenously

determined. This assumption seems to be in line with the political reality of various political systems. For instance, the number of ministers and officials which can be appointed is usually given, and the prime minister only decides who to appoint.

In particular, we consider a setting in which a politician needs to choose between two alternative policies, for example, the most effective environmental policy, in the face of uncertainty about which policy will be effective. The politician appoints an expert to advise her on the best policy to choose and then either follows or ignores his advice. She can choose between an independent expert with professional integrity, whose advice is transparent and is publicly and credibly revealed to voters, and a loyal expert whose advice is confidential and can be concealed from voters.¹ Both experts are sincere and therefore always recommend on the policy they view as the best. The politician is privately informed about which expert is more competent while voters know only that the independent expert is on average more qualified than the loyal expert. In order to pander to special interest voters, the politician may be motivated to appoint the loyal expert, even if he is less competent, in order to shift responsibility to him for bad outcomes. In particular, we assume there are two types of voters. One type is a special interest group which always prefers one of the policies regardless of its outcome. For example, this group may be ideologically opposed to any policy that addresses climate change. These voters will only vote for the

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¹ One interpretation is that, regardless of whether it is true or not, the loyal expert will always state that the politician followed his professional advice and therefore any pronouncement of his is not credible.

politician if she implements their preferred policy. The other voters vote on the basis of the outcome of the chosen policy. Specifically, they vote for the politician if she is perceived to have chosen the more competent adviser and the outcome is good. If the outcome is bad they vote for him only if they believe that the more competent adviser was appointed and that his advice was followed. These assumptions are consistent with evidence showing that voters punish politicians for bad outcomes (for instance see, [Wolfers 2002](#), [Achen and Bartels 2004](#) and [Gasper and Reeves 2011](#)). Furthermore, the behavior of the unbiased voters implies that they punish a politician for inappropriate appointments, since it may signal that she is either corrupt or incompetent. The identity of the chosen expert (whether loyal or independent) and the outcome of the policy is revealed to voters before they vote. If the loyal expert was chosen, his advice is not revealed, and, if the outcome is bad, he can be blamed for giving bad advice.

We show that, there always exists a Bayesian Perfect Equilibrium, in which the politician chooses the independent expert, and depending on model parameters, may or may not follow his advice. And, under some conditions, there exists another Bayesian Perfect Equilibrium, in which the politician randomizes between the experts, and ignores the loyal expert's advice. But in either equilibrium the option to appoint the loyal expert and blame him for giving bad advice does not increase the politician's chances of reelection. Thus in our model a politician's attempts to shift blame are not effective if voters are Bayesian.

The paper proceeds as follows. In the remainder of this section, we review relevant literature. In [Section 2](#) we set out the model and [Section 3](#) establishes Bayesian Perfect Equilibria. [Section 4](#) concludes.

1.1. Literature review

The economics literature proposes several explanations for why decisions are delegated. The delegate might be better informed, or more skilled (e.g. [Bolton and Dewatripont, 2005](#)). Delegation might also serve as a commitment device ([Schelling, 1960](#); [Fershtman and Judd, 1987](#); [Fershtman and Gneezy, 2001](#)) or as incentive provision ([Aghion and Tirole, 1997](#)). As the above cited references show, the political science literature focuses on blame shifting as a reason for delegation.

The idea that delegation may be useful in shifting responsibility has received experimental justification. [Bartling and Fischbacher \(2012\)](#) conducted a lab experiment of a dictator game with a delegee, and two receivers who can choose to punish either the dictator or the delegee after one of them decides how to allocate the monetary endowment. They conclude that responsibility attribution can be effectively shifted. Their result was extended by [Oexl and Grossman \(2013\)](#) who shows that the result holds even when an equal allocation is impossible if the decision is delegated. In other experiments, [Garofalo and Rott \(2018\)](#) show that the degree of punishment also depends in the way a decision is communicated to the receiver, and [Coffman \(2011\)](#) shows that, in a context of charity giving, in addition to the case in which punishment is used, responsibility attribution is also shifted for rewards. [James et al. \(2016\)](#) conducted an online field experiment showing that delegating street maintenance to a unit inside the government reduced the blame attributed to the local politicians for poor street maintenance. We complement this literature, by showing that a decision maker may not be able to effectively shift responsibility to a delegee if voters are Bayesian.

Our model is also related to the large literature on Bayesian agency models and government accountability, which among others, includes: [Hölmstrom \(1979\)](#), [Coate and Morris \(1995\)](#), [Leaver \(2009\)](#), [Maskin and Tirole \(2004\)](#), [Acemoglu et al. \(2013\)](#), [Dal Bó et al. \(2017\)](#), [Galasso and Nannicini \(2011\)](#), [Battaglini and Harstad \(2020\)](#) and [Herrera et al.](#)

(2020) and shares some of the elements commonly used in some existing models. However, to the best of our knowledge, we are the first to study the “shifting the blame” principle together with the loyalist-competence tradeoff in the context of a Bayesian political economy model.²

2. The model

There are two possible states of the world, 0 and 1, and a politician whose aim is to be reelected. The politician must choose between two possible policies, 0 and 1, whose effects on her chances of being reelected may depend on the state of the world. Specifically, there is a unit mass of voters with opposing preferences.³ For the proportion $1 - \Phi$ of voters, termed unbiased, the preferred policy is the one which matches the state of the world. In particular, they prefer policy 1 over policy 0 in state 1 and prefer policy 0 over policy 1 in state 0. Accordingly, for these voters, the outcome in which the policy matches the state is considered the good outcome and the outcome in which it does not is considered the bad outcome. The proportion Φ of voters, termed biased, prefer policy 0 whatever the state of the world. Φ is unknown to the politician and is described by a random variable with a cdf $F(\Phi)$ which is continuous and strictly increasing over the unit interval. The state of the world is unknown at the time the politician chooses the policy but is publicly revealed after the policy is chosen.

The politician can hire an expert to advise her about which policy to choose. There are two experts, a loyal expert and an independent expert. The independent expert is more qualified than the loyal expert on average. Specifically, it is common knowledge that the independent expert knows the state of the world correctly with probability p (meaning that with probability p his policy recommendation matches the actual state of the world, and with a probability $1-p$ it does not match). Likewise, the probability that the loyal expert knows the state is a random variable $p' \in \{\underline{p}, \bar{p}\}$ with the corresponding probabilities q and $1-q$, where $\frac{1}{2} < \underline{p} < p < \bar{p} \leq 1$ and $Ep' = qp' + (1-q)\bar{p} < p$.⁴ The politician is privately informed about p' and we assume that she always chooses one of the experts.

After consulting the chosen expert, the politician implements policy 0 or 1. If the politician chooses the loyal expert, his recommendation remains confidential. If she chooses the independent expert, his recommendation is publicly revealed (e.g., the expert announces his advice on the media). Then the policy choice and the state of the world are revealed. Then, applying Bayes' rule, unbiased voters update their beliefs about p' , where the expected value of the posterior of p' is defined as: p'_p .

We assume that voters punish the politician for a bad outcome and reward her for a good outcome.⁵ Specifically, for biased voters who only care about which policy is chosen, a bad “outcome” is choosing policy 1 and a good outcome is choosing policy 0. Therefore they vote for the politician only if she chooses policy 0, regardless its real world effect. Unbiased voters, by contrast, punish the politician either if she is perceived to have chosen the less competent advisor (the one with the lowest probability of knowing the true state), or if she is held to be responsible for a negative outcome as a result of not having followed a

² Studies of the loyalist-competence tradeoff in political appointments in the political science literature include [Heclo \(1975\)](#), [Weko \(1995\)](#) and [Hollibaugh \(2018\)](#).

³ Similarly, [Dal Bó and Di Tella \(2003\)](#) and [Acemoglu et al., \(2013\)](#) consider a setting in which one group of voters may have a conflict of interest with the rest of the public.

⁴ Note that we assume that $\frac{1}{2} < \underline{p}$ implying that even an incompetent expert is still an expert and therefore his prediction is more accurate than a coin flip.

⁵ Since there is a continuum of voters, the probability that an individual vote is decisive is zero. Therefore, voters' behavior is not strategic but is rather motivated by the desire to punish or reward the politician for past outcomes.

competent advisor's advice. Thus, if the loyal expert was chosen, they do not vote for the politician if $p' < p$, and if the independent expert was chosen they do not vote for her if $p < p'$. Otherwise, their voting behavior is as follows. They vote for the politician with probability 1 if the outcome is good. If the outcome is bad, then they vote for her with the probability with which the politician is perceived to have followed the expert's advice. That is, if the politician is believed to have followed the expert's advice with probability π , they vote for her with probability π . Since there is a continuum of voters, if this probability is π , then by the law of large numbers, for any given realization of $\emptyset$ a portion of $\pi(1 - \emptyset)$ unbiased voters will vote for the politician in this case.

The politician is elected if she gets at least half the votes.

The sequence of events is summarized below.

- 1 The politician chooses an expert (loyal or independent).
- 2 The expert recommends policy 0 or policy 1. If the independent expert was chosen his advice is revealed. If the loyal expert was chosen it is not revealed.
- 3 The politician implements a policy (0 or 1).
- 4 Nature determines the outcome (good or bad).
- 5 Voters observe the outcome and vote.

3. Equilibria

The politician's goal is to be reelected. Since this is a game of asymmetric information the appropriate solution concept is Bayesian Perfect Equilibrium. A Bayesian Perfect Equilibrium is a strategy for the politician that determines for each value of p' , a choice of expert, and for each choice of expert and each given advice, a choice of policy such that given the voter's beliefs the politician cannot increase her probability of being elected by any other strategy and such that voters' beliefs are consistent with the politician's strategy.

3.1. Certain $\emptyset$ (a benchmark)

First it is useful to discuss the case in which $\emptyset$ is known with certainty, in which case there is a trivial solution in which the politician is always elected. Specifically, if $\emptyset < 0.5$ the politician always chooses the best expert (i.e., chooses the loyal expert iff $p' = \bar{p}$), and follows his advice. If $\emptyset > 0.5$ the politician chooses an expert at random and whatever his advice chooses policy 0.

3.2. Uncertain $\emptyset$

Now suppose $\emptyset$ is uncertain as described above. We observe that now it cannot be an equilibrium for the politician to always choose the best expert and follow his advice. If this were the case, the politician would deviate, always choose the loyal expert and implement policy 0. This would ensure the votes of the biased voters. And since unbiased voters would not observe which policy was recommended, they would be unaware of the deviation and also vote for him.

The proposition below establishes the Bayesian Perfect Equilibria when $\emptyset$ is uncertain. In the first equilibrium the politician does not avail herself of the option of hiring the loyal expert. Rather, she always

chooses the independent expert but only follows his advice if the expected number of biased voters is sufficiently small. In the other equilibrium, she randomizes between hiring the loyal and the independent expert. But hiring the loyal expert doesn't increase the probability of being elected. Thus, at least in this model, when faced with Bayesian voters, following Machiavelli's advice is of no avail to the politician.

Let $p'_{p^*} \equiv \frac{1}{2(1-F^{-1}(pF(1/2)))}$ and $p'_{p^{**}} \equiv \frac{1}{2(1-F^{-1}(1-F(1/2)))}$ where $F^{-1} : [0, 1] \rightarrow [0, 1]$ is the inverse function of F . Then:

Proposition 1. *There are two types of Bayesian Perfect Equilibria:*

- a *The politician chooses the independent expert. If $F(1/2) > \frac{1}{1+p}$ then she follows his advice; otherwise she chooses policy 0.*
- b *If $F(1/2) > \frac{1}{1+p}$ and $p \leq p'_{p^{**}} \leq \bar{p}$, then there is a continuum of equilibria in which the politician chooses the loyal expert with probability $g > 0$ when $p' = \bar{p}$ and probability $g \frac{1-q}{q} \left(\frac{\bar{p} - p'_{p^{**}}}{p'_{p^{**}} - \bar{p}} \right)$ when $p' = \underline{p}$. She implements policy 0 when the loyal expert is chosen and follows the independent expert's advice when chosen; If $F(1/2) < \frac{1}{1+p}$ and $p \leq p'_{p^*} \leq \bar{p}$, then there is a continuum of equilibria in which the politician chooses the loyal expert with probability $g > 0$ when $p' = \bar{p}$ and a probability $g \frac{1-q}{q} \left(\frac{\bar{p} - p'_{p^*}}{p'_{p^*} - \bar{p}} \right)$ when $p' = \underline{p}$, and implements policy 0 whichever expert is chosen.⁶*

The proof appears in the appendix. Quite intuitively [Proposition 1](#) states that in both equilibria the politician follows the independent expert's advice only when there is a sufficiently high probability that the median voter is unbiased, where the threshold probability decreases with the expert's competence (i.e., the probability that the expert knows the true state).

Note that the loyal expert is chosen only in an equilibrium in which the politician randomizes between choosing the loyal and independent expert, and when chosen his advice is ignored. This implies that the option of appointing the loyal expert neither increases the politician's chances to be elected nor the probability of a good outcome. Note that equilibrium b is characterized by a continuum of equilibrium probabilities with which the loyal expert may be chosen. Thus this equilibrium is consistent with political environments in which political appointees are typically loyal and those in which they are not.

4. Conclusions

It has been argued that politicians can shift the blame for implementing bad policies to government officials. Our analysis suggests that this may not be possible if voters punish the politician for appointing incompetent officials.

Declaration of Competing Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

Appendix

Proof for Proposition 1. The proof consists of two steps and applies standard backward induction: in the first step we consider the equilibrium policy given that an expert has been chosen, and in the second we complete the proof.

⁶ Note that in the knife-edge case in which $F(1/2) = \frac{1}{1+p}$ the politician is indifferent between the two decision rules appear in [Proposition 1a](#), and $p'_{p^*} = p'_{p^{**}}$. Therefore, the two equilibria in [Proposition 1b](#) coincide.

The two lemmas below present the equilibria policy given that an expert has been chosen: [Lemma 1](#) for the independent expert and [Lemma 2](#) for the loyal one.

Lemma 1. *Suppose that the independent expert was chosen. If $F(1/2) > \frac{1}{1+p}$ and $p \geq p'_p$, then the politician follows his advice with certainty; otherwise she chooses 0 with certainty.⁷*

Proof of Lemma 1. First note that if the politician does not choose the best expert, then she will win iff she chooses 0 and the biased voters form a majority which will happen with a probability of $1 - F(1/2)$.

Suppose that the politician chooses the independent expert and that this expert is the best (i.e., $p \geq p'_p$). If he recommends 0, then the politician will win with certainty iff she chooses 0 and therefore then the politician always chooses 0. If he recommends 1 and the politician chooses 1, then she will win iff the unbiased voters form a majority which will happen with a probability of $F(1/2)$. If instead she chooses 0, then she will win when the outcome is good, or when the outcome is bad and the biased voters form a majority. Therefore, she will win with a probability of:

$$\begin{aligned} & 1 - p + p(1 - F(1/2)) \\ &= 1 - pF(1/2) \\ &> 1 - F(1/2) \end{aligned} \quad (1)$$

Note that

$$\begin{aligned} F(1/2) &\geq 1 - pF(1/2) \\ &\Leftrightarrow \\ F(1/2) &\geq \frac{1}{1+p}. \text{ QED} \end{aligned} \quad (2)$$

Lemma 2. *Suppose that the loyal expert has been chosen. Then the politician chooses 0.*

Proof of Lemma 2. Recall that if the loyal expert has been chosen and $p'_p < p$, then the politician's dominant strategy is to choose 0. In the reminder of the proof we assume that the politician chooses the loyal expert and that $p'_p \geq p$.

In equilibrium the politician neither always follows the expert's advice nor never follows the expert's advice. To see this, consider the following: if she always follows the expert's advice, then she is chosen with certainty only when choosing 0 and therefore she will choose 0 with certainty, a contradiction. If she never follows the expert's advice and the expert recommends 0, then she will win with a probability: $(1-p')F(1/2)$, which is the joint probability that the outcome will be good and the unbiased voters form a majority. While if she deviates and chooses 0, then she wins with a probability: $p' + (1-p')(1 - F(1/2))$, which is the probability of either a good outcome, or a bad outcome and a majority of biased voters. Since $p' > 1/2$, $p' + (1-p')(1 - F(1/2)) > (1-p')F(1/2)$,

and, therefore, the politician will choose 0 after the expert recommend 0, a contradiction.

Next, in equilibrium the politician will never randomize between 0 and 1. In the next few paragraphs, we first prove that she will not randomize after the expert recommends 0.

Suppose that $p' = \bar{p}$ and that the loyal expert recommended 0. If then the politician randomizes between 0 and 1, this implies that her winning probability is independent of her policy choice (0 or 1). Her winning probability when choosing 1 is then:

$$(1 - \bar{p})F\left(\frac{1}{2}\right) + \bar{p} \max\left\{F\left(\frac{2c-1}{2c}\right), 0\right\}. \quad (3)$$

The first term in the preceding formula is the probability that the outcome is good and that unbiased voters form a majority. The second expression is the probability that the outcome is bad and that the number of unbiased voters who believe that the politician followed the expert's advice form a majority, where $c < 1$ is the posterior probability that the politician followed the expert's advice when the outcome is bad and the politician chose 1.⁸ The politician's winning probability when choosing 0 is:

$$\bar{p} + (1 - \bar{p})\left(1 - \max\left\{F\left(\frac{1-2z}{2(1-z)}\right), 0\right\}\right). \quad (4)$$

The first term is the probability that the outcome is good. The second term is the probability that the outcome is bad and that biased voters together with the number of unbiased voters who believe that the politician followed the expert's advice form a majority, where z is the posterior probability that the politician followed the expert's advice when the outcome is bad and the politician chooses 0.⁹

The fact that the politician randomizes then implies:

$$(1 - \bar{p})F\left(\frac{1}{2}\right) + \bar{p} \max\left\{F\left(\frac{2c-1}{2c}\right), 0\right\} = \bar{p} + (1 - \bar{p})\left(1 - \max\left\{F\left(\frac{1-2z}{2(1-z)}\right), 0\right\}\right). \quad (5)$$

Note that since $c < 1$, $F(\frac{1}{2}) > F(\frac{2c-1}{2c})$. Therefore equality (5) requires that, $F(\frac{1}{2}) > 1 - \max\{F(\frac{1-2z}{2(1-z)}), 0\}$, otherwise the RHS is larger than the LHS. This implies that $F(\frac{1-2z}{2(1-z)}) > 0$, or else the RHS is equal to 1. This also implies that, if the expert recommends 1 instead of 0 (i.e., $\bar{p}$ and $1-\bar{p}$ switch places in

⁷ Note that if $F(1/2) = \frac{1}{1+p}$ and $p \geq p'_p$ then the politician is indifferent between the two alternatives.

⁸ Recall that by the law of large numbers, the portion of unbiased voters who vote for the politician when the outcome is bad is given by: $(1 - \varnothing)c$, which implies that when the outcome is bad, a majority is formed if $(1 - \varnothing)c \geq 0.5 \Leftrightarrow \varnothing \leq \frac{2c-1}{2c}$. Note that if $c < 1/2$, then $\varnothing + (1 - \varnothing)c < 0.5$ for all $\varnothing$.

⁹ Note that a majority is formed if $\varnothing + (1 - \varnothing)z \geq 0.5 \Leftrightarrow \varnothing \geq \frac{1-2z}{2(1-z)}$. Note if $z \geq 1/2$, then $\varnothing + (1 - \varnothing)z \geq 0.5$ for all $\varnothing$.

(5)), the LHS of (5) increases and the RHS decreases which implies that it is then optimal for the politician to choose 1 with certainty. By the same argument this is also the case when $p' = \underline{p}$ (regardless of the expert's advice). To summarize, then, except for the case, in which $p' = \bar{p}$ and the loyal expert recommended 0, the politician will choose 1 with certainty. But then when the politician chooses 0, voters learn that 0 is what the expert recommended and that she followed the expert's advice. But then $z = 1$ and thus $F(\frac{1-2z}{2(1-z)}) < 0$, a contradiction.

Now we show that the politician does not randomize if $p' = \underline{p}$ and the loyal expert recommends 0. Suppose to the contrary that in this case she does randomize. Then, (5) can be rewritten as:

$$(5') \left(1 - \underline{p}\right)F\left(\frac{1}{2}\right) + \underline{p}\max\left\{F\left(\frac{2c-1}{2c}\right), 0\right\} = \underline{p} + \left(1 - p\underline{p}\right)\left(1 - \max\left\{F\left(\frac{1-2z}{2(1-z)}\right), 0\right\}\right).$$

By the same reasoning as above, the politician will choose 1 with certainty when the expert recommends 1. And she will follow the expert's advice when $p' = \bar{p}$. Thus, again, when the politician chooses 0, voters learn that she followed the expert's advice and therefore $z = 1$ and thus $F(\frac{1-2z}{2(1-z)}) < 0$, a contradiction.

In the following paragraphs, we prove that the politician will not randomize after the expert recommends 1.

Suppose to the contrary that the politician does randomize in this case when $p' = \bar{p}$. Then, (5) can be rewritten as:

$$(5'') \bar{p}F\left(\frac{1}{2}\right) + (1 - \bar{p})\max\left\{F\left(\frac{2c-1}{2c}\right), 0\right\} = 1 - \bar{p} + \bar{p}\left(1 - \max\left\{F\left(\frac{1-2z}{2(1-z)}\right), 0\right\}\right).$$

If the expert recommends 0 instead of 1, the RHS increases and the LHS decreases and therefore then the politician will choose 0. By the same reasoning she will always choose 0 when $p' = \underline{p}$.

Now suppose that $p' = \underline{p}$ and the expert recommends 1. Suppose that then the politician randomizes between 0 and 1. Then, (5) can be rewritten as:

$$(5''') \underline{p}F\left(\frac{1}{2}\right) + (1 - \underline{p})\max\left\{F\left(\frac{2c-1}{2c}\right), 0\right\} = 1 - \underline{p} + \underline{p}\left(1 - \max\left\{F\left(\frac{1-2z}{2(1-z)}\right), 0\right\}\right).$$

Then by the same reasoning as above, if the expert recommends on 0 instead of 1, the politician will choose 0, and will always follow the expert advice when $p' = \bar{p}$.

Thus, if the politician chooses 1, voters learn that she followed the expert's advice and therefore $c = 1$. Therefore, by (5') and (5''), if the expert recommends 1, the politician will win with a probability of $F(1/2)$, and if he recommends 0, she will win with a probability larger than $F(1/2)$ but smaller than 1.¹⁰ We now show that this implies that it is optimal for the politician to choose the independent expert. By the proof of Lemma 1, if the politician chooses the independent expert, she will win with a probability of at least $F(1/2)$ when the expert recommends 1 and win with certainty when the expert recommends 0. Recall that before an expert is chosen, the probability that she will recommend 0 or 1 is $1/2$ regardless of his type and therefore the politician's winning probability is higher when choosing the independent expert, implying that the loyal expert is not chosen, a contradiction.¹¹

Finally, we note that in equilibrium, the politician will not choose the loyal expert and then choose policy 1 with certainty. This is because if the expert recommends 0, it is optimal for the politician to follow his advice. This is because then the probability of a good outcome is higher if she follows his advice than if she does not. And if the outcome turns out to be good, she wins with certainty (only if she chooses 0) while if the outcome is bad and she chooses 1 she loses with certainty.¹²

The above implies that, given that the loyal expert has been chosen, in equilibrium the politician will choose policy 0.¹³ QED

Now we proceed to the second step of the proof to establish the Bayesian Perfect Equilibria.

First, we establish the equilibrium given in Proposition 1a. Note that since $Ep' < p$, there always exists an equilibrium in which the politician chooses the independent expert with certainty and a policy according to the decision rule in Lemma 1. This is because then $p'_p = Ep' < p$, and, therefore, if the politician deviates and instead chooses the loyal expert and 0, only biased voters will vote for her, in which case she wins iff they form a majority, which happens with probability $1 - F(1/2)$.¹⁴ The politician's winning probability when choosing the independent expert and 0 with certainty is:

$$1/2 + 1/2(1 - pF(1/2)), \quad (6)$$

which is the probability that the expert recommends 0 (i.e., $1/2$), in which case she wins with certainty, plus the joint probability that the expert recommends 1 and she wins (see (1) above). Note that (6) is greater than $1 - F(1/2)$, and, by Lemma 1, if the politician chooses the independent expert and chooses to follow his advice then her winning probability is greater than that given by (6). This also implies that there does not exist an equilibrium in which the politician chooses the loyal expert with certainty since then $p'_p = Ep' < p$ and the politician will optimally deviate and choose the independent expert.

In the following we establish the equilibria in mixed strategies described in Proposition 1b.

Suppose that $F(1/2) < \frac{1}{1-p}$. Then by Lemma 1, if the politician chooses the independent expert and $p'_p \leq p$, the winning probability is given by (6). If instead she chooses the loyal expert and 0, and $p'_p \geq p$, then the winning probability is given by:

¹⁰ To see this, by contrast suppose that the winning probability is equal to 1. This implies that she will win with certainty when the outcome is bad, which implies that the RHS of (5'') and (5''') also equal to 1 and therefore larger than the LHS, a contradiction.

¹¹ Note that the same argument applies to a case in which the politician follows the loyal expert's advice if he is of a certain type (i.e., either $\underline{p}$ or $\bar{p}$) and otherwise chooses 0.

¹² Specifically, if the politician chooses policy 1, the probability that each voter will vote for her is $1 - p' < 0.5$ and therefore by the law of large numbers the portion of voters who vote for her will be $(1 - \emptyset)(1 - p')$ which is smaller than half for all $\emptyset$.

¹³ Note that an "off-equilibrium" belief that support this choice is that $p'_p < p$ when the politician chooses the loyal expert and policy 1.

¹⁴ Note that in principle, any off-equilibrium beliefs, in which $p'_p < p$ if choosing 1 support this equilibrium.

$$1/2 + 1/2 \left(1 - F \left(1 - \frac{1}{2p_p'} \right) \right), \quad (7)$$

which is the probability that the outcome is good, in which case she wins with certainty, plus the probability that the outcome is bad and she wins.¹⁵

Note that (6) is equal to (7) when:

$$p_p' = \frac{1}{2(1 - F^{-1}(pF(1/2)))} \equiv p_{p^*}'. \quad (8)$$

Note that by Bayes' rule, after the loyal expert is chosen:

$$p_p' = \frac{tq}{tq + g(1-q)} \bar{p}' + \frac{g(1-q)}{tq + g(1-q)} \bar{p}', \quad (9)$$

where t and g are the probabilities that the politician chooses the loyal expert given that $p' = \underline{p}'$ and $p' = \bar{p}'$, correspondingly. Substituting $p_p' = p_{p^*}'$ in (9) results in:

$$\frac{t}{g} = \frac{1-q}{q} \left(\frac{\bar{p}' - p_{p^*}'}{p_{p^*}' - \underline{p}'} \right). \quad (10)$$

Note that since $p_{p^*}' \geq p$, $\frac{1-q}{q} \left(\frac{\bar{p}' - p_{p^*}'}{p_{p^*}' - \underline{p}'} \right) < 1$.

Furthermore, by Bayes' rule after the independent expert is chosen:

$$\begin{aligned} p_p' &= \frac{(1-t)q}{(1-t)q + (1-g)(1-q)} \bar{p}' + \frac{(1-g)(1-q)}{(1-t)q + (1-g)(1-q)} \bar{p}' \\ &= \frac{p - (tq \underline{p}' + g(1-q) \bar{p}')}{1 - (tq + g(1-q))}, \end{aligned} \quad (11)$$

where

$$\begin{aligned} \frac{p - (tq \underline{p}' + g(1-q) \bar{p}')}{1 - (tq + g(1-q))} &\leq p \\ \Leftrightarrow \\ p &\leq \frac{tq \underline{p}' + g(1-q) \bar{p}'}{tq + g(1-q)}. \end{aligned} \quad (12)$$

Therefore, by (9), iff $p_p' \geq p$ after the loyal expert is chosen, then $p_p' \leq p$ after the independent expert is chosen.

Now suppose that $F(1/2) > \frac{1}{1+p}$. Then by Lemma 1, if the politician chooses the independent expert and $p_p' \leq p$, then she always follows his advice and therefore the winning probability is given by:

$$1/2 + 1/2 F(1/2), \quad (13)$$

which is the probability that the expert recommends 0, in which case she wins with certainty, plus the probability that the expert recommends 1 and the unbiased voters form a majority.

Note that (13) is equal to (7) when:

$$p_p' = \frac{1}{2(1 - F^{-1}(1 - F(1/2)))} \equiv p_{p^*}', \quad (14)$$

which by Bayes' rule is obtained when:

$$\frac{t}{g} = \frac{1-q}{q} \left(\frac{\bar{p}' - p_{p^*}'}{p_{p^*}' - \underline{p}'} \right). \quad (15)$$

Recall that in an equilibrium in which the loyal expert is chosen with a positive probability, p_p' cannot be smaller than p after the loyal expert is chosen, since then none of the unbiased voters will vote for the politician when she chooses the loyal expert. Therefore as shown above she optimally deviates and chooses the independent expert, and it is impossible that p_p' is larger than $\bar{p}'$, since by definition $p_p' \in [\underline{p}', \bar{p}']$. QED

¹⁵ Recall that by the law of large numbers, the portion of unbiased voters who vote for the politician when the outcome is bad is given by: $(1 - \varnothing)(1 - p_p')$, which implies that when the outcome is bad, a majority is formed if $\varnothing + (1 - \varnothing)(1 - p_p') \geq 0.5 \Leftrightarrow \varnothing \geq 1 - \frac{1}{2p_p'}$.

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