

# Natural implementation in scholarship assignment problems when jurors have favorites

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## Abstract

We analyze the problem of a jury that must provide a ranking of contestants when the socially optimal ranking is common knowledge among jurors; however, the jurors may have groups of their friends among the contestants, and they may be biased in their favor. We propose a natural (finite, complete informational, and no simultaneous-move) mechanism that implements the socially optimal ranking in subgame perfect equilibria.

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*Keywords:* mechanism design; implementation theory; biased jurors; subgame perfect equilibrium.

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