



Séminaire / Seminar

FEDERICO BOBBIO
SKEMA Business School & CIRRELT



SHARING WITH FRICTIONS: LIMITED TRANSFERS AND COSTLY INSPECTIONS

Abstract: The radio spectrum suitable for commercial wireless services is limited. A portion of the radio spectrum has been reserved for institutions using it for non-commercial purposes such as federal agencies, defense, public safety bodies and scientific institutions. In order to operate efficiently, these incumbents need clean spectrum access. However, commercial users also want access, and granting them access may materially interfere with the existing activity of the incumbents. Conventional market-based mechanisms for allocating scarce resources in this context are problematic. Allowing direct monetary transfers to and from public or scientific institutions risks distorting their non-commercial mission. Moreover, often only the incumbent knows the exact value of the interference it experiences, and, likewise, only commercial users can predict accurately the expected monetary outcome from sharing the resource. Thus, our problem is to determine the efficient allocation of resources in the presence of private information without the use of direct monetary transfers. The problem is not unique to spectrum. Other resources that governments hold in trust share the same feature. We propose a novel mechanism design formulation of the problem, characterize the optimal mechanism and describe some of its qualitative properties.

JEUDI / THURSDAY

20 août 2026, 11h00
August 20th 2026, 11:00

Pavillon André-Aisenstadt
Salle / Room 5441

Ouvert à tous / Open to all

Responsable / Organizer
Margarida Carvalho