Social Media and Misleading Information in a Democracy A Mechanism Design Approach

ABSTRACT

In this paper, we present a resource allocation mechanism for the problem of incentivizing filtering among a finite number of strategic social media platforms. We consider the presence of a strategic government and private knowledge of how misinformation affects the users of the social media platforms. Our proposed mechanism incentivizes social media platforms to filter misleading information efficiently, and thus indirectly prevents the spread of fake news. In particular, we design an economically inspired mechanism that strongly implements all generalized Nash equilibria for efficient filtering of misleading information in the induced game. We show that our mechanism is individually rational, budget balanced, while it has at least one equilibrium. Finally, we show that for quasi-concave utilities and constraints, our mechanism admits a generalized Nash equilibrium and implements a Pareto efficient solution.

**EXISTING SYSTEM**

social media in particular, has generated extraordinary concern, in large part because of its potential effects on public opinion, political polarization, and ultimately democratic decision making. Recently, however, a handful of papers have argued that both the prevalence and consumption of “fake news” per se is extremely low compared with other types of news and news-relevant content. Although neither prevalence nor consumption is a direct measure of influence, this work suggests that proper understanding of misinformation and its effects requires a much broader view of the problem, encompassing biased and misleading—but not necessarily factually incorrect—information that is routinely produced or amplified by mainstream news organizations. In this paper, we propose an ambitious collective research agenda to measure the origins, nature, and prevalence of misinformation, broadly construed, as well as its impact on democracy. We also sketch out some illustrative examples of completed, ongoing, or planned research projects that contribute to this agenda.

Disadvantages

1) The system doesn’t have facility to train and test on large number of numbers.

2) The system doesn’t facility for analyzing the Nash-implementation.

**PROPOSED SYSTEM**

To tackle this growing phenomenon of misinformation, in this paper, we consider a finite group of social media platforms, whose users represent the citizens in a democracy, and a democratic government. Every post in the platforms is associated with a parameter that captures its informativeness, which can take values between two extremes: (i) completely factual and (ii) complete misinformation. In our framework, posts that exhibit misinformation can lead to a decrease in trust on common knowledge among the users [9]–[12]. In addition, social media platforms are considered to have the technologies to *filter*, or label, posts that intend to sacrifice trust on common knowledge. Thus, the government seeks to incentivize the social media platforms to use these technologies and filter any misinformation included in the posts.

In our framework, we consider that the government is also a strategic player, whose utility increases as the trust of the users of social media platforms on common knowledge increases. Consequently, increasing filtering of misinformation by the social media platforms increases the utility of the government. Thus the government is willing to make an investment to incentivize the social media platforms to filter misinformation.

In our approach, we use mechanism design to distribute this investment among the platforms optimally, and in return, implement an optimal level of filtering. Mechanism design was developed for the implementation of system-wide optimal solutions to problems involving multiple rational players with conflicting interests, each with private information about preferences [17]. Note that this approach is different from traditional approaches to decentralized control with private information [18]–[21] because the players are not a part of the same time, but in fact, have private and competitive utilities. The fact that Mechanism design optimizes the behaviour of competing players has led to broad applications spanning different fields including economics, politics, wireless networks, social networks, internet advertising, spectrum and bandwidth trading, logistics, supply chain, management, grid computing, and resource allocation problems in decentralized systems [22]–[28].

**Advantages**

1. feasible,
2. budget balanced,
3. Individual rational, and
4. strongly implementable at the equilibria of the induced game. We prove the existence of at least one generalized Nash equilibrium and show that or mechanism induces a Pareto efficient equilibrium.

**SYSTEM REQUIREMENTS**

➢ **H/W System Configuration:-**

➢ Processor - Pentium –IV

➢ RAM - 4 GB (min)

➢ Hard Disk - 20 GB

➢ Key Board - Standard Windows Keyboard

➢ Mouse - Two or Three Button Mouse

➢ Monitor - SVGA

**SOFTWARE REQUIREMENTS:**

* **Operating system :** Windows 7 Ultimate.
* **Coding Language :** Python.
* **Front-End :** Python.
* **Back-End :** Django-ORM
* **Designing :** Html, css, javascript.
* **Data Base :** MySQL (WAMP Server).