

2020 **ESA** Global Online Around-the-Clock Conference Program (Final)

September 10- 12, 2020

Economic Science Association

Last Revised 20:05:20 PDT, 2020.10.15

All time in PDT, Los Angeles Time (NY+3, France+9, China+15, and Melbourne+17)

Program Overview

Thursday, September 10, 2020

- **00:00-8:00am PDT (Los Angeles Time): EU Cycle 1**
 - **00:00-1:00: Plenary-- Jean-Robert Tyran, [Recording Link](#)**
 - Title: Civic Engagement, Democratic Choice, and the Accountable State
 - Host: Shirley Wang
 - 1:00-2:40: EU Sessions 1
 - 3:00-4:40: EU Sessions 2
 - 5:00-6:00: Social Event-- Topic Sessions
 - Paid vs. Hypothetical Decisions
 - Hosts: Pablo Branas, Diego Jorrat, Benjamin Prisse
 - 6:00-7:00: Social Events: Off-topic Sessions
 - Music Session-1
 - Hosts: Xianghong Shirley Wang, Te Bao, Zhenxing Huang, Yang Yang
 - 5:00-7:00: Hang-out!
 - Hosts: Ben Greiner & Graduate Student Helpers
 - 7:00-8:00: EXECUTIVE COMMITTEE MEETING (Committee Member Only)
- **8:00-16:00 PDT (Los Angeles Time): NA Cycle 1**
 - **8:00-9:00: Plenary-- George Loewenstein, [Recording Link](#)**
 - Title: Attention-based Utility
 - Host: Krista Saral
 - 9:00-10:40: NA Sessions 1
 - 11:00-12:40: NA Sessions 2
 - **13:00-14:00: Plenary-- Andrew Schotter, [Recording Link](#)**
 - Title: Advice, Social learning, and Intergenerational Games
 - Host: Yaroslav Rosokha
 - 14:00-15:00: Social Events: Topic Sessions
 - Experiments Flavored By Evolution
 - Hosts: Alessandra Cassar, Dan Friedman
 - 15:00-16:00: Social Events: Off-topic Sessions
 - Speed Networking
 - Hosts: Jennifer Pate
 - 15:00-16:00: Social Events: Topic Sessions
 - The Intersection of Teaching and Research Using Cloud-based Online Experiments
 - Hosts: Kelvin Wong (ASU), John Duffy (UC Irvine), Robert Gazzale (UToronto), Si-Yuan Kong, Walter Yuan
 - 14:00-16:00: Hang-out!
 - Hosts: Paul J. Healy & Graduate Student Helpers
- **16:00-11:59 PDT (Los Angeles Time): AP Cycle 1**
 - **16:00-17:00: Plenary-- Soo Hong Chew, [Recording Link](#)**
 - Title: Attention Utility: Theory and Evidence
 - Host: Agnieszka Tymula
 - 17:00-18:40: AP Sessions 1
 - 19:00-20:40: AP Sessions 2
 - 21:00-22:00: Social Events: Topic Sessions
 - Online Experiments during Pandemic
 - Hosts: Shuchen Zhao, Kristian Lopez Vargas, Brett Williams, Zhaoqi Wang
 - 22:00-23:00: Social Events: Off-topic Sessions
 - Music Session-2
 - Hosts: Xianghong Shirley Wang, Te Bao, Zhenxing Huang, Yang Yang
 - 21:00-23:00: Hang-out!
 - Hosts: Graduate Student Helpers
 - 23:00-23:59: Social Events: Topic Sessions
 - The Intersection of Teaching and Research Using Cloud-based Online Experiments
 - Hosts: Joseph Wang (NTU), Geo Li (XMU), Si-Yuan Kong

Friday, September 11, 2020

- **00:00-8:00am PDT (Los Angeles Time): EU Cycle 2**
 - 1:00-2:40: EU Sessions 3

- 3:00-4:40: EU Sessions 4
- 5:00-6:00: Social Events: Topic Sessions
 - Experiments as Community Engagement
 - Hosts: Sera Linardi, Jim Sullivan, Ragan Petrie
- **6:00-7:00: Plenary-- Roland Benabou, [Recording Link](#)**
 - Title: Eliciting Moral Preferences : Theory and Experiment
 - Marie-Claire Villeval
- 7:00-8:00: Members Meeting,
 - Summary: Business and Information for all ESA members -- please join the conversation! Newly elected officers, upcoming conference sites, social media innovations, mentoring, ESA's budget, ESA journals' impact will be announced, along with ideas to improve replicability, visibility and publication opportunities for your research.
- 6:00-8:00: Hang-out!
 - Hosts: Lenka Fiala & Graduate Student Helpers
- **8:00-16:00 PDT (Los Angeles Time): NA Cycle 2**
 - **8:00-9:00: Plenary-- Lise Vesterlund, [Recording Link](#)**
 - Title: The Effect of Task Assignment on Compensation and Negotiation
 - Host: Laura Gee
 - 9:00-10:40: NA Sessions 3
 - 11:00-12:40: NA Sessions 4
 - 13:00-14:00: Social Events: Topic Sessions
 - Experiments in Macroeconomics
 - Hosts: Jasmina Arifovic, Luba Petersen
 - 14:00-15:00: Social Events-- Off-topic
 - Game Night
 - Hosts: Jennifer Pate
 - 15:00-16:00: Social Events-- Off-topic
 - Thought-provoking Questions
 - Hosts: David Reiley
 - 14:00-16:00: Hang-out!
 - Hosts: Graduate Student Helpers
- **16:00-11:59 PDT (Los Angeles Time): AP Cycle 2**
 - **16:00-17:00: Plenary-- Lata Gangadharan, [Recording Link](#)**
 - Title: Improving Compliance with Regulations: Insights from Experiments
 - Host: Maria Recalde
 - 17:00-18:40: AP Sessions 3
 - 19:00-20:40: AP Sessions 4
 - 21:00-22:00: Social Events: Topic Sessions
 - Field experiments
 - Hosts: Katya Vasilaky, Michelle Brock
 - 22:00-23:00: Social Events-- Off-topic
 - Board Games-- SET
 - Hosts: David Reiley
 - 23:00-23:59: Social Events-- Off-topic
 - Board Games-- Codenames
 - Hosts: David Reiley
 - 21:00-23:00: Hang-out!
 - Hosts: Graduate Student Helpers

Saturday, September 12, 2020

- **00:00-8:00am PDT (Los Angeles Time): EU Cycle 3**
 - **00:00-1:00: Plenary-- Nagore Iriberry, [Recording Link](#)**
 - Title: Gender Differences in Peer Recognition by Economists
 - Host: Rosemarie Nagel
 - 1:00-2:40: EU Sessions 5
 - 3:00-4:40: EU Sessions 6
 - 6:00-8:00: Social Events-- Off-topic
 - **After-conference good-bye hang out**
 - Hosts: Graduate Student Helpers

ESA 2020 Global Around-the-Clock Conference Program Presentation Recordings

- Available at the [ESA Youtube Channel](#) after the conference.

ESA 2020 Global Around-the-Clock Conference Program Details

Thursday, September 10, 0:00am - 1:00am PDT (Los Angeles Time)

Plenary Talk: Civic Engagement, Democratic Choice, and the Accountable State-- Jean-Robert Tyran. [Recording Link](#)

Support: [Andreas Orland](#)

Thursday, September 10, 1:00am - 2:40am PDT (Los Angeles Time)

Session 1, Beliefs 1. [Recording Link](#)

Support: [Andreas Orland](#)

- Kevin Trutmann, Universitat Basel: [The Effect of Investment Position on Belief Formation and Trading Behavior](#)
- Christoph Drobner, Technical University Munich: [Optimistic belief updating and ex-post rationalization of ego-relevant information](#)
- Adrian Caballero, Universidad Autonoma de Madrid: [Self-serving recall is not a sufficient cause of optimism: An experiment](#)
- Priyama Majumdar, Indian Institute of Management Bangalore: [The effect of exponential growth prediction bias on economic outlook: experimental evidence in the context of COVID-19](#)

Session 2, Bounded Rationality. [Recording Link](#)

Support: [Eldar Dadon](#)

- Eldad Yechiam, Technion: [Ecological focusers](#)
- Mosi Rosenboim, Ben Gurion University of the Negev: [Seeing the Forest or the Trees? Motivation Matters](#)
- Essi Kujansuu, European University Institute: [Choice Architecture and Transparency](#)

Session 3, Charitable Giving 1. [Recording Link](#)

Support: [Philip Melnikov](#)

- Johannes Diederich, Heidelberg University: [How to Design the Ask? Funding Units vs. Giving Money](#)
- Viviana Urueña, University of Goettingen: [It pays to be green: The role of persuasive communication to foster conservation](#)
- Julian Harke, WZB: [COVID-19 and pro-sociality: the effect of framing on charitable giving and preferences for local causes](#)
- Pol Campos-Mercade, Lund University: [Prosociality predicts health behaviors during the COVID-19 pandemic](#)

Session 4, Communication in Social Behavior. [Recording Link](#)

Support: [Haoran Yang](#)

- Stefano Papa, University of Campania, Vanvitelli: [Communication and in-group favoritism](#)
- Arjun Sengupta, Heidelberg University: [Promises and Reliance](#)
- Adam Zylbersztein, University of Lyon, GATE CNRS: [Nonverbal content and swift trust: An experiment on digital communication](#)
- Marco Kleine, Max Planck Institute for Innovation and Competition: [No Face, No Name, No Shame? Overcoming Barriers to Intra-Organizational Public Knowledge-Seeking](#)

Session 5, Coordination 1. [Recording Link](#)

Support: [Satarupa Mitra](#)

- Lan Yao, Shanghai University of Finance and Economics: [Organizational Buy-In: An Experimental Study](#)
- Ben Balmford, University of Exeter: [Achieving socially optimal effort while minimising monitoring costs](#)
- Sipu Li, London School of Economics and Political Science: [Payoff Asymmetry, Redistribution Option, and Coordination: Evidence from the Laboratory](#)
- Anders Poulsen, School of Economics, University of East Anglia: [The Effect of Time Pressure on Label Salience in Coordination Games Depends on the Asymmetry of Payoffs: Experimental Evidence](#)

Session 6, Norms and Morals 1. [Recording Link](#)

Support: [Monika Pompeo](#)

- Nikos Nikiforakis, New York University Abu Dhabi: [Predicting social tipping and norm change in controlled experiments](#)
- Noelia Rivera, Universidad Loyola Andalucía: [Overall, in-group and out-group overplacement in known and unknown tasks: No gender differences](#)
- Hande Erkut, WZB: [Moral repugnance and the role of agency](#)
- Zvonimir Basic, Max Planck Institute, Bonn: [Social Norms, Personal Norms and Image Concerns](#)

Session 7, Other-regarding Preferences 1. [Recording Link](#)

Support: [Manela Karunadasa](#)

- Nina Weber, King's College London: [Non-selfish behaviour: Are social preferences or social norms revealed in distribution decisions?](#)
- Kyeongtae Lee, University of Nottingham: [Distributional Preferences and Conditional Cooperation in Prisoner's Dilemmas](#)
- King King Li, Shenzhen Audencia Business School, Shenzhen University: [Does the COVID-19 Pandemic Affect People's Social and Economic Preferences? Evidence from China](#)
- Rafael Teixeira, University of Amsterdam: [Free, Fine and Fee: Crowding Out of Prosocial Behavior and Framing Effects in the Lab](#)

Session 8, Preferences 1. [Recording Link](#)

Support: [Laura Manukyan](#)

- Doron Cohen, Technion: [Over and Under Commitment to a Course of Action in Decisions from Experience](#)
- Eugenio Levi, Free University of Bozen-Bolzano: [Crowding-out the in-group bias: a possible paradox of populist policies?](#)
- Lina Lozano, Maastricht University: [Is There a Preference for Competition?](#)
- Vegard Sjurseike Wiborg, University of Oslo, Department of Economics: [Endogenous gender segregation](#)

Session 9, Experimental Methodology: Design, Tools and Practices. [Recording Link](#)

Support: [Max Lobeck](#)

- Duk Gyoo Kim, University of Mannheim: [Clustering Standard Errors at the 'Session' Level](#)
- Sebastian Cortes-Corrales, Faculty of Economics, University of Cambridge: [Testing Equilibrium Choices in Weighted Networks with Allocation Vectors](#)
- Maria del Pino Ramos Sosa, Universidad Loyola Andalucia: [Binary vs continuous sets of responses: Costs and benefits from the field](#)
- Helena Fornwagner, University of Innsbruck: [Gut-brain axis, microbiota and economic behavior](#)

Thursday, September 10, 3:00am - 4:40am PDT (Los Angeles Time)

Session 1, Field Experiments 1. [Recording Link](#)

Support: [Andreas Orland](#)

- Paola Tiranzone, Università degli studi di Bari: [Bargaining in a 'Pawn Shop': A field experiment to study WTA](#)
- Rainer Michael Rilke, WHU - Otto Beisheim School of Management: [Two Field Experiments on Self-Selection, Collaboration Intensity, and Team Performance](#)
- Christiane Schwieren, University of Heidelberg: [Norms of Cooperation in a Company](#)
- Jubo Yan, Nanyang Technological University: [Making Social Cost Salient: A Natural Field Experiment](#)

Session 2, Cognition. [Recording Link](#)

Support: [Eldar Dadon](#)

- Malte Baader, University of Nottingham: [Associate Thinking in Networks: A New Tool to Measure Creativity](#)
- Francisco Flores, Universität Kassel: [Impacts of Personal Initiative and Negotiations Training on Remote-Learning, Time-Use, and Mental Health of Ecuadorian High-School Students during the COVID-19 Quarantine](#)
- Fedor Golubev, Laboratory of Economic Behavior of the Center of Psycho-Economic Researches of SVRIA - branch of RANEPa: [THE INFORMATION-PROCESSING STYLES IN ADOPTION TO NEW INSTITUTIONS: INVESTIGATIONS WITH EYE-TRACKING TECHNOLOGY](#)
- Felipe Montealegre, Universidad Nacional de Colombia: [Do Negative Economic Shocks Affect Cognitive Function, Adherence to Social Norms and Loss Aversion?](#)

Session 3, Contests and Ranking. [Recording Link](#)

Support: [Philip Melnikov](#)

- Wenbo Zou, University of California, Davis: [On the hidden costs of providing rankings information to boost performance: An Experimental Investigation](#)
- Karen Hauge, Ragnar Frisch Centre for Economic Research: [Culture and gender differences in willingness to compete](#)
- Ayse Gul Mermer, University of Amsterdam, CREED: [Effort Provision and Optimal Prize Structure in Contests with Loss-Averse Players](#)
- Arthur Schram, CREED: [Gender performance under rivalry and ranking: A comprehensive experimental analysis of effects and mechanisms](#)
- Florian Hett, Johannes Gutenberg-Universität Mainz: [Pushing Through or Slacking Off? Heterogeneity in the Reaction to Rank Feedback](#)

Session 4, Beliefs 2. [Recording Link](#)

Support: [Haoran Yang](#)

- Alice Solda, Heidelberg University: [Confidence, demand for information and belief updating](#)
- Yaron Lahav, Ben-Gurion University of the Negev: [Wishful Betting](#)
- Margaret Samahita, University College Dublin: [Pessimism and Overcommitment](#)
- Alexia Gaudeul, Georg-August-Universität Göttingen: [Overconfidence and the willingness to pay for advice](#)

Session 5, Charitable Giving 2. [Recording Link](#)

Support: [Satarupa Mitra](#)

- Ana Garcia-Hernandez, Berlin Social Science Center (WZB): [DOES POLITICAL VOICE CHANGE WOMEN'S PROSOCIALITY?: EVIDENCE FROM A LAB IN THE FIELD EXPERIMENT IN UGANDA](#)
- Katharina Momen, University of Innsbruck: [Information Avoidance and Self-Interest in Markets, Dictatorship, and Democracy](#)
- Lilia Zhurakhovska, University of Duisburg-Essen: ['I'm paid - would you donate to me?' Experts' beliefs vs. Field Experimental Data](#)
- Abigail Hurwitz, The Hebrew University of Jerusalem: [Is One Plus One Always Two? Insuring Longevity Risk While Having Multiple Savings Accounts](#)

Session 6, Finance 1. [Recording Link](#)

Support: [Monika Pompeo](#)

- Oana Peia, University College Dublin: [Financial Contagion and the Wealth Effect: An Experimental Study](#)
- Angelo Ventrone, University of Salerno: [Information in Asset Market Experiment](#)
- Todd Kaplan, University of Exeter: [Manipulation and \(mis\)trust in prediction markets](#)
- Rocco Caferra, University of Bari: [A network approach to identify financial market efficiency: evidence from a laboratory analysis](#)

Session 7, Gender and Individual Differences 1. [Recording Link](#)

Support: [Manela Karunadasa](#)

- Chi Trieu, Dusseldorf Institute for Competition Economics: [Uncertainty, group identity and outcomes of affirmative action](#)
- Huaiping Yuan, University of Amsterdam: [Public Speaking Aversion](#)
- Felix Mauersberger, University of Bonn: [No Man Is an Island: Male Names Engender More Competitive Mimicry Than Female or Neutral Names](#)

Session 8, Other-regarding Preferences 2. [Recording Link](#)

Support: [Laura Manukyan](#)

- Max Lobeck, Paris School of Economics: [Principal's Distributive Preferences and the Incentivization of Agents](#)
- Florian Schneider, University of Zurich: [Moral Values, Consumption and Identity Signaling](#)
- HUANREN ZHANG, University of Southern Denmark: [Inequality, Loss Aversion, and Cooperation](#)

Session 9, Preferences 2. [Recording Link](#)

Support: [Max Lobeck](#)

- Benjamin Prisse, Loyola University: [Eliciting Time-Preferences with Continuous MPL](#)
- Antonio Alfonso, Loyola Andalucia: [Natural experiment: Exposure to the Covid-19 pandemic and generosity](#)

Session 10, Risk 1. [Recording Link](#)

Support: [Monika Pompeo](#)

- Tobin Hanspal, Charles University, Institute of Economic Studies, Prague: [Risk Taking during a Global Crisis: Evidence from Wuhan](#)
- Morgane Plantier, Laboratoire de Sciences Actuarielle et Financiere (SAF): [Individual trade-off between insurance and self-protection: An experimental study](#)
- Svenja Hippel, University of Wurzburg: [\(Dis-\)Appearance of Cyclical Choices: An Experimental Test of Intransitive Theories for Choice under Risk](#)
- Tomas Jagelka, University of Bonn - Institute for Applied Microeconomics: [Separating True Preferences from Noise and Endogenous Effort](#)

Thursday, September 10, 5:00am - 6:00am PDT (Los Angeles Time)

Social Event, Topic Session: Paid vs. Hypothetical Decisions. [Recording Link](#)

Support: [Eldar Dadon](#)

- Pablo Branas, Diego Jorrat, Benjamin Prisse, Loyola University: [Paid vs. Hypothetical Decisions](#)

Thursday, September 10, 6:00am - 7:00am PDT (Los Angeles Time)

Social Event, Off-topic Session: Music Session-1. [Recording Link](#)

Support: [Philip Melnikov](#)

- Xianghong Shirley Wang, Te Bao, Zhenxing Huang, Yang Yang, Renmin University: [Music Session-1](#)

Thursday, September 10, 5:00am - 7:00am PDT (Los Angeles Time)

Social Event, Hang-out! --1. [Recording Link](#)

Support: [Haoran Yang](#)

- Ben Greiner & Graduate Student Helpers, Vienna University of Economics and Business: [Hang-out!](#)

Thursday, September 10, 7:00am - 8:00am PDT (Los Angeles Time)

Executive Committee Meeting (Committee Member Only). [Recording Link](#)

Support: [Satarupa Mitra](#)

Thursday, September 10, 8:00am - 9:00am PDT (Los Angeles Time)

Plenary Talk: Attention-based Utility-- George Loewenstein. [Recording Link](#)

Support: [Duan Liu](#)

Thursday, September 10, 9:00am - 10:40am PDT (Los Angeles Time)

Session 1, Bargaining. [Recording Link](#)

Support: [Hanh Tong](#)

- Andres Gago, Universidad Torcuato Di Tella: [Confrontation Costs in Negotiations: Bargaining Under the Veil of a Screen](#)
- Caleb Cox, Virginia Commonwealth University: [Communication in Multilateral Bargaining with Joint Production](#)
- Daniela Puzzello, Indiana University: [Bargaining Under Liquidity Constraints: Nash vs. Kalai in the Laboratory](#)
- Tingting Ding, Shanghai University of Finance and Economics: [Is Waiting the Hardest Part? Laboratory Evidence on How News Affects Bargaining and the Market for Lemons](#)

Session 2, Beliefs 3. [Recording Link](#)

Support: [Matthew Gomies](#)

- Guglielmo Briscese, The University of Chicago: [How political identity affects perceptions of reality and support for government policy: evidence from three survey experiments](#)
- Michael Thaler, Harvard University: [The Limits of Motivated Reasoning When Self-Image Is Not at Stake](#)
- Sevgi Yuksel, UC Santa Barbara: [Social Exchange of Motivated Beliefs](#)
- Silvio Ravaoli, Columbia University: [The Status Quo and Beliefs Polarization of Inattentive Agents](#)

Session 3, Charitable Giving 3. [Recording Link](#)

Support: [Valon Vitaku](#)

- Christian Alcocer, Xavierian University: [On the Experimental Identification of Altruism in Normal-Form Games](#)
- Luis Avalos Trujillo, University of California, Davis: [Donations and Expectations](#)
- Joshua Tasoff, Claremont Graduate University: [Eating To Save The Planet: Evidence from a Randomized Control Trial Using High-Quality Food Purchase Data](#)
- Piruz Saboury, Texas A&M University: [The Effect of Seed Money and Matching Gifts in Fundraising: A Lab Experiment](#)

Session 4, Contests 1. [Recording Link](#)

Support: [Shanshan Zhang](#)

- Daniel Stephenson, Virginia Commonwealth University: [Competition and Convergence in Complementary Contests](#)
- Elaine Rhee, University of Arizona: [Is Gender Difference in Competitive Behavior History Dependent?](#)
- Jian Song, George Mason University: [Costly Waiting in Dynamic Contests: Theory and Experiment](#)
- Roman Sheremeta, Case Western Reserve University: [Testing Conflict Theory in the Field: A Field Experiment in Swimming Pools](#)

Session 5, Evolutionary Models in Games. [Recording Link](#)

Support: [Mouli Modak](#)

- Alexander Brown, Texas A&M University: [Characterizing persistent disequilibrium dynamics: Imitation or optimization?](#)
- Erhao Xie, Bank of Canada: [Monetary Payoff and Utility Function in Adaptive Learning Models](#)
- Zhijian Wang, Experimental Social Science Laboratory, Zhejiang University: [Strategy Space Collapse: Experiment and Theory](#)

Session 6, Gender 1. [Recording Link](#)

Support: [Swechha Chada](#)

- Danila Serra, Texas A&M University: [Influencing youths' aspirations and gender attitudes through role models: Evidence from Somali schools](#)
- Jose Alberto Guerra Universidad de los Andes, Universidad de los Andes: [Valuing personal safety and the gender earnings gap](#)
- Prachi Jain, Loyola Marymount University: [Do women choke under pressure? The effect of stakes on the gender gap in competition](#)
- Priyoma Mustafi, University of Pittsburgh: [Using social recognition to disrupt gender norms in volunteering in low promotability tasks](#)

Session 7, Markets 1. [Recording Link](#)

Support: [Duan Liu](#)

- Sheen S Levine, University of Texas, Dallas, and Columbia University, New York: [The Development of Strategic Cognition](#)
- Radosveta Ivanova-Stenzel, Technische Universität Berlin: [Are Strategies anchored?](#)
- Tobias Brevik, Florida State University: [Understanding Investor Behavior and Mitigating Biases](#)
- King King Li, Shenzhen Audencia Business School, Shenzhen University: [Can Experimentally Elicited Preferences Predict Actual Portfolio Choice?](#)

Session 8, Methodology 1. [Recording Link](#)

Support: [Shan Gui](#)

- Marta Serra-Garcia, UCSD: [Demand for COVID-19 Antibody Testing, and Why it Should Be Free](#)
- Laura Gee, Tufts University: [The effect of observation and deception in field experiments: Evidence from a two-sided audit study](#)

Session 9, Voting. [Recording Link](#)

Support: [Daniel Gomez-Vasquez](#)

- Andrea Robbett, Middlebury College: [Responsible Majorities? Partisan Composition and Expressive Voting](#)
- Jared Barton, California State University, Channel Islands: [Movin' on up? A Survey Experiment on Mobility Enhancing Policies](#)
- Radovan Vadovic, Carleton University: [Conformism of Minorities](#)

Thursday, September 10, 11:00am - 12:40pm PDT (Los Angeles Time)

Session 1, Bounded Rationality and Coordination. [Recording Link](#)

Support: [Hanh Tong](#)

- Bing Jiang, Virginia Military Institute: [Premium to be Angry: An Experiment on the Role of Emotion in Coordination](#)
- Camilo Gomez, Universidad Nacional de Colombia: [Cognitive Load, Group Thinking and the Beauty Contest](#)
- Rosemarie Nagel, ICREA-UPF-BGSE: [Shifting Level 0 in Modified Beauty Contest Games](#)
- Shuchen Zhao, University of California, Santa Cruz: [Coordination Games in Continuous Time](#)

Session 2, Charitable Giving 4. [Recording Link](#)

Support: [Matthew Gomies](#)

- Jonathan Oxley, Florida State University: [Examining Donor Preference for Charity Religious Affiliation](#)
- Nishita Sinha, Texas A&M University: [Is it my Donation or Theirs? Testing Motives for Charitable Giving under Cause-Marketing](#)
- Peter Moffatt, University of East Anglia: [A Kuhn-Tucker Model for behaviour in Dictator Games](#)
- Tabare Capitan, University of Wyoming: ['Hiding behind the small cake' in an Online Dictator Game: The way you hide matters!](#)

Session 3, Decision Theory 1. [Recording Link](#)

Support: [Valon Vitaku](#)

- David Freeman, Simon Fraser University: [Revealing Choice Bracketing](#)
- Felipe Augusto de Araujo, Lehigh University: [Unawareness and Risk Taking: The Role of Context](#)
- PAUL FELDMAN, JHU: [Reference-Dependent Mixing Under Losses: An Experimental Study of Randomization](#)
- Yoram Halevy, University of Toronto: [Hard-to-Interpret Signals](#)

Session 4, Field Experiments 2. [Recording Link](#)

Support: [Shanshan Zhang](#)

- Juan-Camilo Cardenas, Universidad de Los Andes: [Field games as triggers of water saving: an intervention in three rural water systems](#)
- Kaywana Raeburn, Union College: [Determinants of Food Consumption Choices: Experimental Evidence from St. Kitts](#)
- Maya Haran Rosen, Hebrew University of Jerusalem: [Investigating the introduction of a regulatory fintech advancement designed to reduce limited attention regarding inactive saving accounts - data, survey, and field experiment](#)
- Pallavi Shukla, Johns Hopkins University: [Trouble with Zero: The Limits of Subsidizing Technology Adoption](#)

Session 5, Gender 2. [Recording Link](#)

Support: [Ksenia Popenko](#)

- Christine Exley, Stanford University: [The gender gap in self-promotion](#)
- Muchin Bazan, Virginia Tech: [Women in Engineering: The Role of Role Models](#)
- Shakun Mago, University of Richmond: [Anchor or Asset? Reporting External Obligations in Negotiations](#)
- Xiaomin Bian, Ohio state university: [Gender Manipulation](#)

Session 6, Group Behavior 1. [Recording Link](#)

Support: [Swechha Chada](#)

- Alistair Munro, National Graduate Institute for Policy Studies: [Married by the Rev. Bayes? An experiment on communication within married couples.](#)
- Guidon Fenig, University of Ottawa: [Procrastination in Teams](#)
- Marissa Lepper, University of Pittsburgh: [Claiming Credit: Gender, Memory, and Social Norms](#)
- Moumita Roy, George Mason University: [First belong, then lead: An experimental analysis of the role of group identity in leadership effectiveness](#)

Session 7, Bounded Rationality and Learning 1. [Recording Link](#)

Support: [Duan Liu](#)

- Emanuel Vespa, University of California, San Diego: [Mental Models and Learning: The Case of Base-Rate Neglect](#)
- Russell Golman, Carnegie Mellon University: [The Dual Accumulator Model of Strategic Deliberation and Decision Making](#)
- Noemi Peter, University of Groningen: [Reference points and information preferences: experimental evidence](#)
- Sotiris Georganas, City U London: [The Expert and The Charlatan: an Experimental Study in Economic Advice](#)

Session 8, Markets 2. [Recording Link](#)

Support: [Shan Gui](#)

- Cesar Martinelli, George Mason University: [Assignment Markets: Theory and Experiments](#)
- Philip Solimine, Florida State: [Product Quality and Reputation in Experimental Markets](#)
- Brett Williams, University of California, Santa Cruz: [Expanding Information and Intelligence in a Simulated Edgeworth Box Double Auction](#)
- Weiwei Zheng, George Mason University: [Competition with Indivisibilities and Few Traders](#)

Session 9, Other-regarding Preferences. [Recording Link](#)

Support: [Daniel Gomez-Vasquez](#)

- Braxton Gately, University of Arkansas: [Well, At Least I Tried: Partial Willful Ignorance, Information Acquisition, and Social Preferences](#)
- Elena Pikulina, UBC: [Preferences for Non-Interference in Pay.](#)
- Paul Cheung, University of Maryland: [Guilt Moderation](#)
- Sandro Ambuehl, University of Toronto: [The Will of the People: How do Individuals Aggregate Ordinal Preferences?](#)

Session 10, Repeated Games 1. [Recording Link](#)

Support: [Mouli Modak](#)

- Andrew Kloosterman, University of Virginia: [Cooperation to the Fullest Extent Possible? An Infinitely Repeated Games Experiment](#)
- Anujit Chakraborty, University Of California, Davis: [Cooperation in Finitely Repeated Prisoner's Dilemma](#)
- Yaroslav Rosokha, Purdue University: [Cooperation in Queuing Systems](#)

Thursday, September 10, 1:00pm - 2:00pm PDT (Los Angeles Time)

Plenary Talk: Advice, Social learning, and Intergenerational Games-- Andrew Schotter. [Recording Link](#)

Support: [Swechha Chada](#)

Thursday, September 10, 2:00pm - 3:00pm PDT (Los Angeles Time)

Social Event, Topic Session: Experiments Flavored By Evolution. [Recording Link](#)

Support: [Shan Gui](#)

- Alessandra Cassar, Dan Friedman, the University of San Francisco: [Experiments Flavored By Evolution](#)

Thursday, September 10, 3:00pm - 4:00pm PDT (Los Angeles Time)

Social Event, Off-topic Session: Speed Networking. [Recording Link](#)

Support: [Nishita Sinha](#)

- Jennifer Pate, Loyola Marymount University: [Speed Networking](#)

Social Event, Topic Session: The Intersection of Teaching and Research Using Cloud-based Online Experiments-1. [Recording Link](#)

Support: [Ksenia Popenko](#)

- Kelvin Wong (ASU), John Duffy (UC Irvine), Robert Gazzale (UToronto), Si-Yuan Kong, Walter Yuan, MobLab: [The Intersection of Teaching and Research Using Cloud-based Online Experiments](#)

Thursday, September 10, 2:00pm - 4:00pm PDT (Los Angeles Time)

Social Event, Hang-out! --2. [Recording Link](#)

Support: [Luis Avalos-Trujillo](#)

- Paul J. Healy & Graduate Student Helpers, OSU: [Hang-out!](#)

Thursday, September 10, 4:00pm - 5:00pm PDT (Los Angeles Time)

Plenary Talk: Attention Utility: Theory and Evidence-- Soo Hong Chew. [Recording Link](#)

Support: [Lan Zhou](#)

Thursday, September 10, 5:00pm - 6:40pm PDT (Los Angeles Time)

Session 1, Auctions 1. [Recording Link](#)

Support: [Lan Zhou](#)

- Yunlong Wang, CAS: [Snipings in Soft-close Online Auctions](#)
- Antonio Rosato, University of Technology Sydney: [A Novel Experimental Test of Truthful Bidding in Second-Price Auctions with Real Objects](#)
- Bingling Gong, East China Normal University: [Comparing Three Hybrid Auction-Lottery Mechanisms - Theory and Experiments](#)

Session 2, Bounded Rationality and Learning 2. [Recording Link](#)

Support: [Wendan Zhang](#)

- Marcus Roel, Beijing Normal University: [The faster you run, the further you fall behind: Incomplete adaptation of reference points](#)
- Alex Berger, University of Sydney: [Controlling Uncertainty: The Illusion of Control in decision making under risk and ambiguity.](#)
- Shuwen Li, Shanghai Jiao Tong University: [Observing Parents' Punishment Promotes Norm Obedience among Children](#)

Session 3, Gender. [Recording Link](#)

Support: [Shuya He](#)

- Xu Jiang, Renmin University of China: [Leaders with Responsibility or Authority: Women Underrepresentation and Efficiency Loss](#)
- Xiaofei (Sophie) Pan, Bryant University: [The Effect of Task Choice and Task Assignment on the Gender Earnings Gap: An Experimental Study.](#)
- Nishtha Sharma, University of California Irvine: [Gender Differences in response to opportunity for symmetry in dynamic contests](#)
- Maria Recalde, University of Melbourne: [Overriding in teams: The role of beliefs, social image, and gender](#)

Session 4, Learning from Others. [Recording Link](#)

Support: [Bhagya Gunawardena](#)

- Ben Grodeck, Monash University: [Insurance Advice as a Signalling Device in Markets: Evidence from a Lab Experiment](#)

- Yunwen He, Tsinghua University: [Stuck in the Wisdom of Crowds: Majority Rule or Maximum Confidence?](#)
- Ayse Gul Mermer, University of Amsterdam, CREED: [Does Communication Help to Coordinate on Early Adoption of New Technologies?](#)

Session 5, Public Goods 1. [Recording Link](#)

Support: [Anning Xie](#)

- ANNING XIE, Renmin University of China: [Public Exposure and Default Behavior in Public Good Lending](#)
- Yali Dong, Beijing Normal University: [The evolution of institutional reward](#)
- Li Tao, Nanjing University of Science and Technology: [The Endowment Effect of the Personal Account Amount of Public Maintenance Funds--Evidence from a field experimentation](#)

Session 6, Behavioral Finance 1. [Recording Link](#)

Support: [Chen Xiduo](#)

- Mei Gao, Zhejiang University: [Fund manager performance incentives and asset bubbles? An experimental study](#)
- Yu Gao, Peking University: [The misery of spending down the nest egg](#)
- Priyadarshi Banerjee, Indian Statistical Institute: [Peer effects on complex financial decisions](#)

Thursday, September 10, 7:00pm - 8:40pm PDT (Los Angeles Time)

Session 1, Field Experiments 3. [Recording Link](#)

Support: [Lan Zhou](#)

- David Ong, Jinan University-University of Birmingham Joint Institute: [Predicting choice averse and choice loving behavior in a field experiment with actual shoppers](#)
- Songfa ZHONG, National University of Singapore: [Poverty Reduction Policy Enhances Economic Rationality](#)
- ZHIXIN DAI, RENMIN UNIVERSITY OF CHINA: [Frequent Reminders? A Natural Field Experiment with Taxpayers](#)
- Ming Jiang, University of Michigan: [Can Economic Preferences Explain Driving Behavior? Evidence from a Lab-in-the-Field Experiment](#)

Session 2, Gifts and Giving. [Recording Link](#)

Support: [Wendan Zhang](#)

- Tracy Xiao Liu, Tsinghua University: [Gift Contagion in Online Groups: Evidence from WeChat Red Packets](#)
- Nina Xue, Monash University: [Belief elicitation in the presence of self-signaling: does it matter who and how you ask?](#)
- Yi-Shan Lee, Chinese University of Hong Kong: [Debunking Is No Cure: Disinformation Changes Hearts and Minds](#)

Session 3, Lies and Deception 1. [Recording Link](#)

Support: [Shuya He](#)

- Shuguang Jiang, Zhejiang University of Finance & Economics: [The Tragedy of Misbehavior](#)
- Juanjuan Meng, Peking University: [What's in a Face? An Experiment on Facial Information and Loan Approval Decision](#)
- Jinglan (Caroline) Zhang, UC Santa Barbara: [Lying for Efficiency or Fairness?](#)
- Shanshan Huang, Nanjing University of Finance and Economics: [Rumor, information disclosure and food market fraud](#)

Session 4, Punishment. [Recording Link](#)

Support: [Bhagya Gunawardena](#)

- Jaimie Lien, The Chinese University of Hong Kong: [Getting Benched When You Give the Least: An Effective Mechanism for Public Good Provision](#)
- Doruk Iris, Sogang University: [Representation, Peer Pressure, and Punishment in Repeated Public Goods Game](#)
- Fadong Chen, Zhejiang University: [Calculated Punishment](#)
- Landry Fanou, Wageningen University: [Not my job: automatic and interpersonal punishment in a public goods game in rural Uganda](#)

Session 5, Risk and Uncertainty 1. [Recording Link](#)

Support: [Anning Xie](#)

- Daniel John Zizzo, University of Queensland: [Socially Embedded Risk Taking](#)
- Xueting Wang, The University of Sydney: [Increased risk taking, not loss tolerance, drives adolescents' propensity to gamble more under peer observation](#)
- Satarupa Mitra, Indian Institute of Management, Bangalore India: [Risk Attitude and Risk Preference: An Experimental Investigation](#)
- Andreas Ortmann, UNSW: [On the consistency of latent risk preferences across contexts](#)

Session 6, Work and Labour Markets 1. [Recording Link](#)

Support: [Chen Xiduo](#)

- Yuxin Su, Claremont Graduate University: [How can Prosocial Incentive Keep Motivating Workers? Use Self-Chosen Goal as a Tool](#)
- Jingyi Meng, Nankai University: [Reference-Dependence in Students' Exam Performance and Effort Provision](#)
- Simin He, Shanghai University of Finance and Economics: [Dominated Contracts in Team Production](#)
- Maoliang Ye, Southern University of Science and Technology: [Team Incentive and Choice: A Laboratory Real Effort Experiment](#)

Thursday, September 10, 9:00pm - 10:00pm PDT (Los Angeles Time)

Social Event, Topic Session: Online Experiments during Pandemic. [Recording Link](#)

Support: [Wendan Zhang](#)

- Shuchen Zhao, Kristian Lopez Vargas, Brett Williams, Zhaoqi Wang, UCSC: [Online Experiments during Pandemic](#)

Thursday, September 10, 10:00pm - 11:00pm PDT (Los Angeles Time)

Social Event, Off-topic Session: Music Session-2. [Recording Link](#)

Support: [Shuya He](#)

- Xianghong Shirley Wang, Te Bao, Zhenxing Huang, Yang Yang, Renmin University: [Music Session-2](#)

Thursday, September 10, 11:00pm - 0:00am PDT (Los Angeles Time)

Social Event, Topic Session: The Intersection of Teaching and Research Using Cloud-based Online Experiments-2. [Recording Link](#)

Support: [Anning Xie](#)

- Joseph Wang (NTU), Geo Li (XMU), Si-Yuan Kong, MobLab: [The Intersection of Teaching and Research Using Cloud-based Online Experiments](#)

Thursday, September 10, 9:00pm - 11:00pm PDT (Los Angeles Time)

Social Event, Hang-out! --3. [Recording Link](#)

Support: [Bhagya Gunawardena](#)

- Graduate Student Helpers, : [Hang-out!](#)

Friday, September 11, 1:00am - 2:40am PDT (Los Angeles Time)

Session 1, Experimental Methodology: Lab, Field and External Validity. [Recording Link](#)

Support: [Monika Pompeo](#)

- Daniel Navarro-Martinez, Pompeu Fabra University: [Bridging the gap between the lab and the field: Dictator games and donations](#)
- Jantsje Mol, Vrije Universiteit Amsterdam: [After the virtual flood: risk perceptions and flood preparedness after virtual reality risk communication](#)
- Joanna Rachubik, University of Warsaw: [What do lab experiments tell us about the real world? The case of lotteries with extreme payoffs](#)

Session 2, Field Experiments 4. [Recording Link](#)

Support: [Philip Melnikov](#)

- Christian Zihlmann, University of Fribourg (CH): [The Adverse Effects of Monitoring: A Field Experiment](#)
- Daniel Salicath, University of Cologne: [Information intervention to promote safe water consumption: An RCT in areas affected by groundwater arsenic in India](#)
- duan su, beijing jiaotong university: [Promoting Parking Behavior of Shared Bicycles with Social Norm Information: a Field Experiment](#)
- Elisabeth Gsottbauer, University of Innsbruck: [Discrimination and Immigration: Field Experimental Evidence](#)

Session 3, Finance 2. [Recording Link](#)

Support: [Eldar Dadon](#)

- Yilong Xu, University of Heidelberg: [Does mining fuel bubbles? An experimental study on cryptocurrency markets](#)
- Wladislaw Mill, University of Jena: [MyPortfolio: The IKEA Effect in Financial Investment Decisions](#)
- Wolfgang Luhan, University of Portsmouth: [What you want and what I get: Responsibility, accountability, and the seduction of limited liability on financial markets](#)
- Tibor Neugebauer, University of Luxembourg: [Communication in experimental asset markets: Does it matter?](#)

Session 4, Gender and Individual Differences 2. [Recording Link](#)

Support: [Laura Manukyan](#)

- Milos Fisar, Vienna University of Economics and Business: [Riding the cycle: hormonal determinants and behavioural decision?making](#)
- Boon Han Koh, University of East Anglia: [Attribution Biases, Gender, and Financial Compensation](#)
- Astrid Hopfensitz, Toulouse School of Economics: [On the inefficiency of household risk sharing: the role of inequality](#)
- Lenka Fiala, Tilburg University: [Statistical Role Models in Stereotyped Contexts: Experimental Evidence](#)

Session 5, Group Behavior 2. [Recording Link](#)

Support: [Manela Karunadasa](#)

- Martina Vecchi, European University Institute: [Groups and Socially Responsible Production: An Experiment with Farmers](#)
- Katja Rebecca Tilkes, RWTH Aachen University: [Effects on Cooperation Behavior of the Monitoring and of the Extension of Temporary Group Members: Evidence from a Public Good Game](#)
- Janis Cloos, Clausthal University of Technology: [Combating Climate Change: Is the Option to Exploit a Public Good a Barrier for Reaching Critical Thresholds? Experimental Evidence](#)
- Lisa Lenz, University of Cologne: [A Theory of Strategic Group Formation](#)

Session 6, Industrial Organization. [Recording Link](#)

Support: [Dominik Bruckner](#)

- Keyu Wu, University of Zurich: [Obfuscation in Competitive Markets](#)
- Michel Tolksdorf, Technische Universität Berlin: [We Value Your Privacy: Behavior-Based Pricing Under Endogenous Privacy](#)
- Jana Friedrichsen, HU Berlin: [Choosing between explicit cartel formation and tacit collusion - An experiment](#)

Session 7, Information in Games. [Recording Link](#)

Support: [Max Lobeck](#)

- Salvatore Nunnari, Bocconi University, Department of Economics: [Looking Into Crystal Balls: A Laboratory Experiment on Reputational Cheap Talk](#)
- Stefano Pisanti, Humboldt University: [Information avoidance with respect to intentions](#)
- Johannes Lohse, University of Birmingham: [Absolute groupishness and the demand for information](#)

Session 8, Labor Market 1. [Recording Link](#)

Support: [Andreas Orland](#)

- Simone Hackl, WU- Vienna University of Economics and Business: [Does a stereotype benefit women in the labor market: An experiment on perseverance](#)
- RITWIK BANERJEE, Indian Institute of Management Bangalore: [Do workers discriminate against their out-group employers? Evidence from an online platform economy.](#)
- Eli Mograbi, Tel Aviv University: [Intermittent Incentives to Encourage Exercising in the Long Run](#)
- Nickolas Gagnon, Maastricht University: [The Effect of Unfair Chances and Gender Discrimination on Labor Supply.](#)

Session 9, Risk 2. [Recording Link](#)

Support: [Satarupa Mitra](#)

- Donata Bessey, Yonsei University: [Comparing two risk measures to predict Alameda Seven health behaviors and health outcomes](#)
- M. Kathleen Ngangoue, New York: [The Common-Probability Auction Puzzle](#)
- Steve Heinke, University of Basel: [This time is different: On similarity and risk taking after experienced gains and losses](#)
- Diego Jorrot, Universidad Loyola Andalucia: [To Pay or Not to Pay: Measuring Risk Preferences in Lab and Field](#)

Friday, September 11, 3:00am - 4:40am PDT (Los Angeles Time)

Session 1, Ambiguity. [Recording Link](#)

Support: [Monika Pompeo](#)

- Christoph Becker, Heidelberg University: [Reverse Bayesianism: Evidence on Behaviour and Beliefs in Light of Unforeseen Events](#)
- Alexander Neverov, Institute of PsychoEconomic Researches: [AMBIGUITY, RISK ATTITUDE AND THE PREFERENCES IN ECONOMIC BEHAVIOR ARE RELATED OR INDEPENDENT?](#)
- Alessandro Cascavilla, University of Bari: [Three doors anomaly, 'should I stay or should I go': an artefactual field experiment](#)
- J Michelle Brock, European Bank for Reconstruction and Development: [Uncertainty Preferences and the Effect of Good News Among Necessity vs. Opportunity Entrepreneurs](#)

Session 2, Field Experiments 5. [Recording Link](#)

Support: [Philip Melnikov](#)

- Gizem Turna Cebeci, Istanbul Bilgi University: [FINANCIAL BIAS MAP AND THE ROLE OF FINANCIAL LITERACY](#)
- Merav Malcman, Ben-Gurion University of the Negev: [The Effect of Gifts on Tips in Restaurants](#)
- Tobias Werner, DICE, University of Dueseldorf: [Volunteering at the Workplace under Incomplete Information: Team Size Does Not Matter](#)

Session 3, Finance 3. [Recording Link](#)

Support: [Eldar Dadon](#)

- Antonia Grohmann, Aarhus University: [The Effect of Social Comparison on Debt Taking: Experimental Evidence](#)
- Christoph Huber, University of Innsbruck: [Market shocks and professionals' investment behavior - Evidence from the COVID-19 crash](#)
- Martin Angerer, University of Liechtenstein: [Losing funds, or losing face? Reputation and accountability in the credit rating industry.](#)
- Gonul Dogan, University of Cologne: [Pyramid schemes](#)

Session 4, Labor Market 2. [Recording Link](#)

Support: [Laura Manukyan](#)

- Nikos Nikiforakis, New York University Abu Dhabi: [Evidence of a motherhood gap in the willingness to compete for pay.](#)
- Peter Werner, Maastricht University: [On common evaluation standards and the acceptance of wage differences](#)
- Marc Kaufmann, Central European University: [Narrow Bracketing in Effort Choices](#)
- Anisa Shyti, IE Business School: [The Priceless Entrepreneur: A Behavioral Account on Attitudes Toward Ambiguity.](#)

Session 5, Lies and Deception 2. [Recording Link](#)

Support: [Manela Karunadasa](#)

- Daniel Parra, WZB Berlin Social Science Center: [Observability and Lying](#)

- Matej Lorko, Macquarie Graduate School of Management: [Hidden inefficiency: Strategic inflation of project schedules](#)
- Lutfi Rahimi, University of Exeter: [Bribing - how far will you go to get your way?](#)
- Susanna Grundmann, University of Cologne: [Do just deserts and competition shape patterns of cheating?](#)

Session 6, Norms and Morals 2. [Recording Link](#)

Support: [Dominik Bruckner](#)

- elisabetta leni, University of Essex: [Do Monetary Penalties Discourage School Absenteeism Behavior?](#)
- Danae Arroyos-Calvera, University of Warwick: [Unpacking moral wiggle room: self-image, social social-image, and self-selection](#)
- ERNESTO MESA-VAZQUEZ, UNIVERSITY OF VALENCIA: [Standard vs Random dictator games: The effect of role uncertainty on generosity](#)
- Sabrina Plass, University Paderborn: [Does a whistleblowing policy translate into more whistleblowing behavior when considering ostracism? An experimental Study](#)

Session 7, Norms and Morals in Markets. [Recording Link](#)

Support: [Max Lobeck](#)

- Anett John, CREST Paris: [Flexible Microcredit: Effects on Loan Repayment and Social Pressure](#)
- Cornelia Strauss, Behavioral and Institutional Economics: [Monetary Policy, Efficiency Wages and Employment: Experimental Evidence on a Missing Link](#)
- Andreas Ziegler, University of Amsterdam: [Morals in multi-unit markets](#)
- Sili Zhang, University of Zurich: [What Money Can Buy: How Markets Promote and Transmit Values](#)

Session 8, Other-regarding Preferences 3. [Recording Link](#)

Support: [Andreas Orland](#)

- Katarina ?ellarova, Masaryk University, Brno, Czech Republic: [Strategic versus in-group motivations for a bystander to intervene](#)
- Matthias Greiff, Clausthal University of Technology: [Spillovers From Incentive-Schemes on Distributional Preferences and Expectations](#)
- Ismael Rodriguez-Lara, Universidad de Granada: [When rich do \(not\) trust the \(new\) rich: Experimental evidence on the effects of positive random shocks in the trust game](#)
- Yadi Yang, Tilburg University: [Shifting the reward for kind delegation](#)

Session 9, Auctions 2. [Recording Link](#)

Support: [Satarupa Mitra](#)

- Sander Onderstal, University of Amsterdam: [Cheap-talk Communication in Procurement Auctions: Theory and Experiment](#)
- Matthew Walker, Durham University Business School, UK: [Trade Contingencies in Renegotiable Procurement Contracts](#)
- Lidia Vidal Melia, Universitat Jaume I: [Dynamic Incentives to Invest in an Advanced Abatement Technology: An Experimental Investigation of the Effect of Commitment Timing to an Environmental Policy](#)
- Lidia Vidal Melia, Universitat Jaume I: [An experimental analysis of the effects of imperfect compliance on technology adoption](#)

Friday, September 11, 5:00am - 6:00am PDT (Los Angeles Time)

Social Event, Topic Session: Experiments as Community Engagement. [Recording Link](#)

Support: [Dominik Bruckner](#)

- Sera Linardi, Jim Sullivan, Ragan Petrie, the University of Pittsburgh: [Experiments as Community Engagement](#)

Friday, September 11, 6:00am - 7:00am PDT (Los Angeles Time)

Plenary Talk: Eliciting Moral Preferences : Theory and Experiment-- Roland Benabou. [Recording Link](#)

Support: [Monika Pompeo](#)

Friday, September 11, 6:00am - 8:00am PDT (Los Angeles Time)

Social Event, Hang-out! --4. [Recording Link](#)

Support: [Max Lobeck](#)

- Lenka Fiala & Graduate Student Helpers, Tilburg University: [Hang-out!](#)

Friday, September 11, 7:00am - 8:00am PDT (Los Angeles Time)

Members Meeting. [Recording Link](#)

Support: [Andreas Orland](#)

Friday, September 11, 8:00am - 9:00am PDT (Los Angeles Time)

Plenary Talk: The Effect of Task Assignment on Compensation and Negotiation-- Lise Vesterlund. [Recording Link](#)

Support: [Shanshan Zhang](#)

Friday, September 11, 9:00am - 10:40am PDT (Los Angeles Time)

Session 1, Beliefs 4. [Recording Link](#)

Support: [Shan Gui](#)

- Jonathan Woon, University of Pittsburgh: [Online Belief Elicitation](#)
- King King Li, Shenzhen Audencia Business School, Shenzhen University: [A Theory of False Memory Preference: Evidence from a Field Experiment with Investors](#)
- Lucas Reddinger, UCSB: [Temptation: Immediacy and Certainty](#)
- Zhaoyi Wang, Economics Department, University of California, Santa Cruz: [Bayesian or Non-Bayesian Updater? Evidence from Lab Experiment](#)

Session 2, Contests 2. [Recording Link](#)

Support: [Duan Liu](#)

- Vasudha Chopra, The University of Tennessee: [Heterogeneous group contests with incomplete information](#)
- Christopher Brown, Purdue University: [Contests with Network Externalities: Theory and Experiment](#)
- Yan Chen, The University of Michigan: [Virtual Teams for the Modern Workforce: A Field Experiment](#)
- Yilin Zhuo, UCLA: [The Cooperative Consequences of Contests](#)

Session 3, Decision Theory and Covid-19. [Recording Link](#)

Support: [Hanh Tong](#)

- Irene Mussio, McMaster University: [Changes in higher order risk attitudes during a pandemic: the impact of rapid increases in health background risk on financial decisions](#)
- Martin Abel, Middlebury College: [Socially Optimal Mistakes? Debiasing COVID-19 Mortality Risk Perceptions and Prosocial Behavior](#)
- Laura Razzolini, University of Alabama: [Uncovering the effects of COVID-19 on stress, well-being, and economic decision-making](#)
- Qiujiu Zheng, University of Alaska Anchorage: [Altruism and social distance: An online dictator game in China during COVID-19 outbreak](#)

Session 4, Gender 3. [Recording Link](#)

Support: [Luis Avalos-Trujillo](#)

- Danila Serra, Texas A&M University: [Gender and leadership in organizations: promotions, demotions and angry workers](#)
- Elif Demiral, Austin Peay State University / HKS: [Competitiveness and Employability](#)
- Rachel Landsman, Bucknell University: [Shame on Me: Emotions and Gender Differences in Taking with Earned Endowments](#)
- Mary Rigdon, Rutgers University: [Option to Cooperate Increases Women's Competitiveness and Closes the Gender Gap](#)

Session 5, Health. [Recording Link](#)

Support: [Valon Vitaku](#)

- Enrique Fatas, University of Pennsylvania: [Trust in Science as the New Norm: Confinement Compliance in a Cross Country Survey Experiment](#)
- Mallory Avery, University of Pittsburgh: [Why Don't We Sleep Enough? A Field Experiment Among College Students](#)
- Paola Villa-Paro, Research Center of the Universidad del Pacifico (CIUP): [Voice Messages and Early Immunization: A Field Experiment](#)
- Sera Linardi, University of Pittsburgh: [To Mask or Not To Mask: an experiment on government messaging in 12 states during COVID-19](#)

Session 6, Bounded Rationality and Learning 3. [Recording Link](#)

Support: [Shanshan Zhang](#)

- Glenn Dutcher, Ohio University: [Learning by doing what? A critical analysis of knowledge transfer in the creative domain.](#)
- John Duffy, University of California, Irvine: [Liquidity constraints and buffer stock savings: Theory and experimental evidence](#)
- O'Sub Kwon, Ohio State University: [Strategic Experimentation with Uniform Bandit: An Experimental Study](#)
- Pellumb Reshidi, Princeton University: [Sequential Learning in the Lab](#)

Session 7, Markets 3. [Recording Link](#)

Support: [Mouli Modak](#)

- Cary Deck, University of Alabama: [News Vending in a Near-Continuous Time Environment](#)
- Krit Phankitnirundorn, University of Hawaii: [Experimental Commodity Markets with Storage](#)
- Luke Lindsay, University of Exeter: [Comparing sealed-bid and clock multi-unit reverse auctions](#)
- Siyu Wang, Wichita State University: [Determining When to Set the Price of Co-creation Products in the Freelance Market: Theory and Experiment](#)

Session 8, Methodology 2. [Recording Link](#)

Support: [Swechha Chada](#)

- Daniel Woods, Purdue University: [Power Analysis and Payoff Hills: Using QRE Simulations to Guide Experimental Design](#)
- James Bland, The University of Toledo: [Bayesian Inference for Response Equilibrium in Normal-Form Games](#)
- James Bland, The University of Toledo: [Some Properties of the Empirical Payoff Quantal Response Equilibrium Estimator](#)
- Kevin McCabe, George Mason University: [mTree Microeconomic Systems for simulations and experiments](#)

Session 9, Public Goods & Common Pool Resources. [Recording Link](#)

Support: [Matthew Gomies](#)

- Anna Abatayo, Bocconi University: [Socially Responsible Behavior of Heterogeneous Individuals During the COVID-19 Pandemic](#)
- Brock Stoddard, Appalachian State University: [The effect of short-term users in a common pool resource environment](#)
- Peter Katuscak, RWTH Aachen University: [What Drives Conditional Cooperation in Public Good Games?](#)

Friday, September 11, 11:00am - 12:40pm PDT (Los Angeles Time)

Session 1, Charitable Giving 5. [Recording Link](#)

Support: [Shan Gui](#)

- Jing Li, Dongbei University of Finance and Economics: [On the effectiveness of randomly generated donations: Evidence from an online experiment](#)
- Nishita Sinha, Texas A&M University: [Givers Give: Using Dictator Game Allocations to Predict Charitable Contributions](#)
- Santiago Sautua, Universidad del Rosario, Department of Economics: [Earnings, charitable giving, and work performance](#)

Session 2, Decision Theory 2. [Recording Link](#)

Support: [Duan Liu](#)

- RC Xi Zhi Lim, Shanghai Jiao Tong University: [Ordered Reference Dependent Choice](#)
- Indira Puri, MIT: [Preference for Simplicity](#)
- Mark Schneider, University of Alabama: [Risk Preferences across Categories: Theory and Evidence](#)
- Ido Erev, Technion: [Six Contradicting Deviations from Rational Choice, and the Impact of Experience](#)

Session 3, Digital Messaging. [Recording Link](#)

Support: [Hanh Tong](#)

- ANTONIO ARECHAR, CIDE: [Scaling Up Fact-Checking Using the Wisdom of Crowds](#)
- David Reiley, Pandora Media, Inc.: [Measuring audio-advertising effectiveness with experiments and surveys on Pandora](#)
- Hongkai Zhang, Pandora Media: [Easy come easy go: a strong and immediate conversion effect that was also short-lived](#)
- JONAS TUNGODDEN, Pandora: [Using audio ads to promote product features: an experiment with Pandora listeners](#)

Session 4, Gender 4. [Recording Link](#)

Support: [Luis Avalos-Trujillo](#)

- Alan Yang, University of Wisconsin-Madison: [Marrying up: Trading off spousal income and height](#)
- Alessandra Cassar, University of San Francisco: [Evidence of Maternal Depression as Effective Strategy to Elicit Cooperation](#)
- Mallory Avery, University of Pittsburgh: [A Hidden Cost of Affirmative Action: Muddying Signals about Women's Ability](#)
- Sherry Li, University of Arkansas: [Labor Market Discrimination against Family Responsibilities: A Correspondence Study with Policy Change in China](#)

Session 5, Labor Market. [Recording Link](#)

Support: [Matthew Gomies](#)

- Clayton Featherstone, Wharton School, University of Pennsylvania: [Persistence of the Effect of Liquidity on Job Choice](#)
- Joy Buchanan, Brock School of Business: [Willingness to be Paid: Who Trains for Tech Jobs?](#)
- Olga Shurchkov, Wellesley College: [Competing now and then: Why the opportunity to study produces a gender gap in competitiveness](#)
- Oleg Korenok, Virginia Commonwealth University: [Wage bargaining in a matching market: experimental evidence](#)

Session 6, Lying and Beliefs. [Recording Link](#)

Support: [Shanshan Zhang](#)

- Fangtingyu Hu, University of Minnesota: [Lying in repeated game](#)
- J Jobu Babin, Western Illinois University: [Cheating for Charity: When Misreporting the Value of Labor Benefits a Just Cause](#)
- Eugen Dimant, University of Pennsylvania: [Hate Trumps Love: The Role of Rising Political Polarization in Social Preferences](#)
- Marta Serra-Garcia, UCSD: [Cognitive Flexibility or Moral Commitment? Evidence of Anticipated Belief Distortion](#)

Session 7, Repeated Games 2. [Recording Link](#)

Support: [Mouli Modak](#)

- David Cooper, Florida State University: [Team Play in IRPD Games with Noise](#)
- Prithvijit Mukherjee, Center for Growth and Opportunity at Utah State University: [Can we talk our way to equity and efficiency?](#)
- Timothy Flannery, Missouri State University: [The Effect of Communication Networks on Collusion](#)
- Volodymyr Lugovskyy, Indiana University: [Quantifying Framing Effects in Public Goods versus Prisoner's Dilemma Games](#)

Session 8, Trust and Gift Exchange. [Recording Link](#)

Support: [Swechha Chada](#)

- Francesco Bogliacino, Universidad Nacional de Colombia: [A city-wide experiment on trust, beliefs, and collective perceptions](#)
- Johanna Mollerstrom, George Mason University: [Your Place in the World: The Demand for National and Global Redistribution](#)
- Menglong Guan, University of California, Santa Barbara: [Design Your Trustworthiness](#)
- Nicolas Rodriguez, Universidad Nacional de Colombia: [Two-worker competition in gift-exchange: assessing intention-based reciprocity and inequity aversion](#)

Friday, September 11, 1:00pm - 2:00pm PDT (Los Angeles Time)

Social Event, Topic Session: Experiments in Macroeconomics. [Recording Link](#)

Support: [Mouli Modak](#)

- Jasmina Arifovic, Luba Petersen, Simon Fraser University: [Experiments in Macroeconomics](#)

Friday, September 11, 2:00pm - 3:00pm PDT (Los Angeles Time)

Social Event, Off-topic Session: Game Night. [Recording Link](#)

Support: [Matthew Gomics](#)

- Jennifer Pate, Loyola Marymount University: [Game Night](#)

Friday, September 11, 3:00pm - 4:00pm PDT (Los Angeles Time)

Social Event, Off-topic Session: Thought-provoking Questions. [Recording Link](#)

Support: [Nishita Sinha](#)

- David Reiley, Pandora: [Thought-provoking Questions](#)

Friday, September 11, 2:00pm - 4:00pm PDT (Los Angeles Time)

Social Event, Hang-out! --5. [Recording Link](#)

Support: [Hanh Tong](#)

- Graduate Student Helpers, : [Hang-out!](#)

Friday, September 11, 4:00pm - 5:00pm PDT (Los Angeles Time)

Plenary Talk: Improving Compliance with Regulations: Insights from Experiments-- Lata Gangadharan. [Recording Link](#)

Support: [Lan Zhou](#)

Friday, September 11, 5:00pm - 6:40pm PDT (Los Angeles Time)

Session 1, Financial Markets. [Recording Link](#)

Support: [Lan Zhou](#)

- Abhijeet Chandra, Indian Institute of Technology Kharagpur: [The Cross-section of Return and Risk Relationship: New Evidences from Portfolio Diversification Strategies](#)
- Ronald Peeters, University of Otago: [Contagion in sequential financial markets: An experimental analysis](#)
- Te Bao, Nanyang Technological University: [Asset Pricing with Ambiguous Signals: An Experimental Study](#)
- JEAN PAUL RABANAL, Monash University: [Index products and asset markets](#)

Session 2, Groups and Leaders. [Recording Link](#)

Support: [Wendan Zhang](#)

- Xiu Chen, Hong Kong University of Science and Technology: [The Impact of Injected Social Power: Field Evidence from Vervet Monkeys](#)
- Danielle Kent, Macquarie University Australia: [Outgroup Comparisons Raise Individual Contributions](#)
- Hyeonggyun Ko, Sogang University: [Do additional incentives for the leader improve the group cooperation?](#)
- Nor Izzatina Abdul Aziz, Institut Kajian Malaysia dan Antarabangsa (IKMAS), National University of Malaysia: [Representation in Public Good Provision: An experimental investigation](#)

Session 3, Lies and Deception 3. [Recording Link](#)

Support: [Shuya He](#)

- Theodore Alysandratos, Nottingham Trent University: [Do as I say, not as I do: break\(ing\) norms and leadership](#)
- Wenjing Huang, Tsinghua University: [Truth-Telling, Lying, and Guessing: An Experimental Study on Incentivized Information-Reporting Behavior](#)
- Lawrence Choo, Southwestern University of Finance and Economics: [Are groups really more dishonest than individuals?](#)
- Jianxin Wang, George Mason University: [Business Drinking: Evidence from a Lab-in-the-field Experiment](#)

Session 4, Time Preference and Dynamic Behaviour. [Recording Link](#)

Support: [Bhagya Gunawardena](#)

- Lu Dong, Nanjing Audit University: [Alliance and Conflict: A Network Formation Experiment](#)
- Xueting Wang, The University of Sydney: [Present-biased time preference for monetary rewards - a meta-analysis](#)
- Evan Calford, Australian National University: [Contingent Reasoning and Dynamic Public Goods Provision](#)
- Maros Servatka, Macquarie Graduate School of Management: [Time Costs and Search Behavior](#)

Session 5, Risk and Uncertainty 2. [Recording Link](#)

Support: [Chen Xiduo](#)

- Zachary Breig, The University of Queensland: [Revealing Risky Mistakes through Revisions](#)
- Agnieszka Tymula, University of Sydney: [Waterfall illusion in risky choice](#)
- Shuangyu Yang, National University of Singapore: [Revealed Heterogeneity in Risk Preference](#)
- Yunfeng Lu, Nanjing University: [How Chatbot Influences Trust in Human-AI Interaction](#)

Session 6, Behavioral Finance 2. [Recording Link](#)

Support: [Yunwen He](#)

- Yun Dai, Sun Yat-sen University: [Earnings Management in IPOs: Moral Hazard or Signaling?](#)
- Olga Rud, RMIT University: [Do split stocks outperform? Experimental evidence](#)
- Indira Puri, MIT: [Overpaying for Binary Options: Preference for Simplicity in Retail Markets](#)
- Le Zhang, MGSM, Macquarie University: [Deferred Pay in Financial Services: Compliance, Productivity and Attracting Talent](#)

Friday, September 11, 7:00pm - 8:40pm PDT (Los Angeles Time)

Session 1, Beliefs 5. [Recording Link](#)

Support: [Lan Zhou](#)

- Xue Xu, School of Economics, Nankai University: [Group Identity and Social Learning](#)
- Mengxing Wei, School of Economics, Nankai University: [The ABC of Gift Exchange Models: Theory and Evidence](#)
- Joseph Tao-yi Wang, National Taiwan University: [Asymmetric Failure of Bayesian Updating and the Echo Chamber Effect: An Experimental Study](#)
- Yvonne Chen, ShanghaiTech University: [Identification and Estimation of a Roy Model of Self-Selection into Compensation Scheme: Results from a Lab Experiment](#)

Session 2, Games. [Recording Link](#)

Support: [Wendan Zhang](#)

- Jie Zheng, Tsinghua University, School of Economics and Management: [Self-Commitment for Cooperation](#)
- Ailin Leng, Nanjing Audit University: [An Experimental Implementation of Cooperative Games](#)
- Boyu Zhang, Beijing Normal University: [Extortion and contribution game: rationality versus fairness](#)
- Aidas Masiliunas, National University of Singapore: [Two Are Many: Number Effects in Cournot Oligopoly Experiments](#)

Session 3, Individual Differences and Identity. [Recording Link](#)

Support: [Shuya He](#)

- Tsz Kwan Tse, Osaka University: [The Effect of Cognitive Ability on Cooperation, Forgiveness, and Leniency in Infinitely Repeated Public Goods Game Experiments](#)
- Klarizze Puzon, Osaka University, Japan: [Social antagonism, identity-driven beliefs, and loss avoidance: Evidence from Guinea](#)
- Manuel Munoz, New York University Abu Dhabi: [One of us? Can minorities rely on assimilation to achieve social and economic mobility?](#)
- Alexandros Karakostas, University of Queensland, School of Economics: [Bribing to Queue-Jump: An experiment on cultural differences in bribing attitudes among Greeks and Germans](#)

Session 4, Norms and Pro-social Behaviour. [Recording Link](#)

Support: [Bhagya Gunawardena](#)

- Wenbo Zou, University of California, Davis: [When reciprocity becomes a habit: Do experiences as online market sellers increase trustworthiness?](#)
- Yiting Chen, National University of Singapore, Department of Economics: [Moralistic Uncertainty](#)
- Maoliang Ye, Southern University of Science and Technology: [Does Gradualism Build Cooperation? Evidence from A Finitely Repeated Investment Experiment](#)
- Zeyu Wang, Xiamen University: [Trust of Tax Authorities in Taxpayers: An Experimental Investigation of its Effects on Auditing and Tax Compliance](#)

Session 5, Environment and Resources. [Recording Link](#)

Support: [Chen Xiduo](#)

- Shuwen Li, Shanghai Jiao Tong University: [Climate policies under collective risk: Provision of local irrigation systems in the lab and field](#)
- Rui WANG, Xiamen University: [Conditional Commitment Mechanisms in Climate Negotiations: An Experimental Investigation](#)
- Xin Zhang, Xiamen University: [Comparisons of Two Catch-Quota Management Regimes: An Experimental Investigation](#)

Session 6, Work and Labour Markets 2. [Recording Link](#)

Support: [Yunwen He](#)

- Pushkar Maitra, Monash University: [Negotiating down the Gender Wage Gap](#)
- Lingfang (Ivy) Li, Fudan University: [Managers Under Uncertainty: Evidence from a Lab-in-the-Field Experiment](#)
- Haoran He, Beijing Normal University: [Do Higher Wage Offers Attract More Job Applications? A Field Experiment on Directed Search](#)
- Elif Incekara Hafalir, University of Technology Sydney: [Perceptions of Norms about Working Mothers: Another Look at the Case of Saudi Arabia](#)

Friday, September 11, 9:00pm - 10:00pm PDT (Los Angeles Time)

Social Event, Topic Session: Field experiments. [Recording Link](#)

Support: [Yunwen He](#)

- Katya Vasilaky, Michelle Brock, Cal Poly: [Field experiments](#)

Friday, September 11, 10:00pm - 11:00pm PDT (Los Angeles Time)

Social Event, Off-topic Session: Game Night-- SET. [Recording Link](#)

Support: [Bhagya Gunawardena](#)

- David Reiley, Pandora: [Game Night-- SET](#)

Friday, September 11, 11:00pm - 0:00am PDT (Los Angeles Time)

Social Event, Off-topic Session: Game Night-- Codenames. [Recording Link](#)

Support: [Chen Xiduo](#)

- David Reiley, Pandora: [Game Night-- Codenames](#)

Friday, September 11, 9:00pm - 11:00pm PDT (Los Angeles Time)

Social Event, Hang-out! --6. [Recording Link](#)

Support: [Anning Xie](#)

- Graduate Student Helpers, : [Hang-out!](#)

Saturday, September 12, 0:00am - 1:00am PDT (Los Angeles Time)

Plenary Talk: Gender Differences in Peer Recognition by Economists-- Nagore Iriberrri. [Recording Link](#)

Support: [Haoran Yang](#)

Saturday, September 12, 1:00am - 2:40am PDT (Los Angeles Time)

Session 1, Market Design and Matching. [Recording Link](#)

Support: [Haoran Yang](#)

- Elias Bouacida, Lancaster University Management School: [The Acceptability of Lotteries in Allocation Problems: a Choice-Based Approach](#)
- Tong Wang, Erasmus University Rotterdam: [Follow the money, not the majority: Incentivizing and aggregating expert opinions with Bayesian markets](#)
- Anita Zednik, WU Wien: [Strategic moving: fake residential location choice of parents in school matching](#)
- Duk Gyoo Kim, University of Mannheim: [Probability Matching and Strategic Decision Making](#)

Session 2, Economic Development. [Recording Link](#)

Support: [Philip Melnikov](#)

- Jana Hamdan, DIW Berlin: [Mobile money, financial inclusion and unmet aspirations. Evidence from Uganda](#)
- Stefanija Veljanoska, IRES, Universite catholique de Louvain: [How the Wind Blows: Air Pollution and Child Growth in India](#)
- Ian Levely, Department of Political Economy, King's College London: [Joint Production and Household Bargaining: an experiment with spouses in rural Tanzania](#)
- Zahra Sharafi, Goethe University Frankfurt: [Poverty and Perseverance: How Much Effort Do the Poor Exert?](#)

Session 3, Field Experiments 6. [Recording Link](#)

Support: [Manela Karunadasa](#)

- Vojtech Kotrba, University of Economics in Prague: [Representativeness Heuristic in Highly Competitive Game: Evidence from NHL Fantasy League](#)
- Christina Gravert, University of Copenhagen: [Nudge me! Response to and demand for healthy habit reminders](#)
- Ximeng Fang, University of Bonn: [The Role of Goals in Motivating Behavior: Evidence from a Field Experiment on Resource Conservation](#)
- Julia Seither, Universidad del Rosario: [Keeping Up with the Joneses: Economic Impacts of Overconfidence in Micro-Entrepreneurs](#)

Session 4, Lies and Deception 4. [Recording Link](#)

Support: [Andreas Orland](#)

- Valeria Burdea, University of Pittsburgh: [Evasive Communication](#)
- Simeon Schudy, LMU Munich: [\(Dis\)honest Politicians and the Value of Transparency for Campaign Promises](#)
- Tilman Fries, WZB Berlin: [Signaling Motives in Lying Games](#)
- Matteo Ploner, University of Trento (Italy): [What the eye doesn't see the heart doesn't grieve over: An experiment about delegation, efficiency, and morality.](#)

Session 5, Norms and Morals 3. [Recording Link](#)

Support: [Satarupa Mitra](#)

- KAI BARRON, WZB Berlin: [Explicit and Implicit Belief-based Gender Discrimination: A Hiring Experiment](#)
- Marcello Puca, University of Bergamo: [Corruption and Within-Country Stereotypes](#)
- Raphael Epperson, University of Mannheim: [Willful Ignorance and Moral Behavior: Evidence from the Lab and the Field](#)

Session 6, Other-regarding Preferences 4. [Recording Link](#)

Support: [Max Lobeck](#)

- Merel van Hulslen, Erasmus University Rotterdam: [Intertemporal and Social Preferences predict compliance in a Social Dilemma: An application in the context of COVID-19.](#)
- Hamideh Mohtashami Borzadaran, University of Birmingham: [Social distance and delegation: altruism or expected reciprocity?](#)
- Sebastian Schaefer, University of Basel: [Market Transparency and Corporate Social Responsibility](#)

Session 7, Preferences 3. [Recording Link](#)

Support: [Eldar Dadon](#)

- Miao Jin, Peking University: [Imperfect Foresight and Intertemporal Choice](#)
- Regine Oexl, University of Innsbruck: [Economic Conditions Do Not Change Discriminatory Behavior](#)
- Jingcheng Fu, National University of Singapore: [Preferences for mixing in multiple-choice questions](#)
- Amma Panin, World Bank: [Time for Tea: Measuring Discounting for Money and Consumption without the Utility Confound](#)

Session 8, Public Goods 2. [Recording Link](#)

Support: [Dominik Bruckner](#)

- Fenqi Guo, University of Zurich: [Evaluation on Individuals versus Evaluation on Groups: Evidence from a Public Goods Game Experiment](#)
- Michalis Drouvelis, University of Birmingham: [Social framing effects in leadership: preferences or beliefs?](#)
- Sven Fischer, Brunel University London: [Persuasion Strategies and Cooperation](#)
- Rongrong Fu, Humboldt University of Berlin: [Alternative Assurance Payment Schemes in Threshold Public Goods Provision: An Experimental Investigation](#)

Session 9, Repeated Games. [Recording Link](#)

Support: [Laura Manukyan](#)

- Britta Butz, RWTH Aachen: [Incentives for cooperation in teams - Sociality meets decision rights](#)
- Sergio Alessandro Castagnetti, Warwick University: [Anger and Strategic Behavior: A Level-k Analysis](#)
- Ori Plonsky, Technion - Israel Institute of Technology: [When both players choose dominated actions: Underweighting rare events in 2-player repeated games.](#)
- Yefim Roth, University of Haifa: [On The Value of Alert Systems and Gentle Rule Enforcement in Addressing Pandemics](#)

Session 10, Varieties. [Recording Link](#)

Support: [Monika Pompeo](#)

- Anja Kobrich, University of Kassel: [The causal effects of emotions on online giving - A framed field experiment](#)
- Zile Wang, Shanghai Jiao Tong University: [How Ambiguity Attitude Affects Trading Parties-Experimental Evidence](#)
- Shu Chen, Shanghai International Studies University: [Do Markets Crowd out Morals? Field Experimental Evidence from the Last People's Commune in China](#)
- Amnon Maltz, University of Haifa: [Attractive Flu Shot: A Behavioral Approach to Increasing Influenza Vaccination Uptake Rates](#)

Saturday, September 12, 3:00am - 4:40am PDT (Los Angeles Time)

Session 1, Lies and Deception 5. [Recording Link](#)

Support: [Haoran Yang](#)

- Christian Biener, University of St. Gallen: [Man vs. Machine: Do the Means of Interaction Matter for Honesty?](#)
- Felix Kolle, University of Cologne: [On the Persistence of Dishonesty](#)
- Georgia Buckle, University of Portsmouth: [Would I Lie for You? On the Impact of Social Image Costs in Prosocial Lying](#)
- Aline Waeber, Universitat St. Gallen: [Measuring Honesty in the Wild - A Novel Experimental Approach](#)

Session 2, Coordination 2. [Recording Link](#)

Support: [Philip Melnikov](#)

- Kim Leonardo Bohm, University Duisburg-Essen: [Pay or nudge employees into change? - An experimental investigation of the effect of nudging for organizational change](#)
- Andis Sofianos, University of Heidelberg: [Intelligence, Errors and Strategic Choices in the Repeated Prisoners Dilemma](#)
- Adria Bronchal Rueda, ESADE: [The Effects of Group Identity on Interaction Preferences and Coordination Efficiency](#)
- Johan de Jong, University of Amsterdam: [The initial deposit decision and the occurrence of bank runs](#)
- Juri Nithammer, University of Potsdam: [Inefficient Cooperation under Stochastic and Strategic Uncertainty](#)

Session 3, Beliefs 6. [Recording Link](#)

Support: [Manela Karunadasa](#)

- Salvatore Nunnari, Bocconi University, Department of Economics: [Audi Alteram Partem: An Experiment on Selective Exposure to Information](#)
- Xu Yan, WISE: [Revealed preference over experts and quacks and failures of contingent reasoning](#)

- Egon Tripodi, European University Institute: [Self-Persuasion: Evidence from Field Experiments at Two International Debating Competitions](#)
- Manwei Liu, Tilburg University: [The persistent influence of one-sided information](#)

Session 4, Decision Making. [Recording Link](#)

Support: [Andreas Orland](#)

- Elisa Matthewes, University of Fribourg: [Nudging innovation: the effect of salience](#)
- Hadar Weisman Simhony, Tel Aviv University: [Planning and Playing: An Experimental Examination of Stopping Rules in a Dynamic Setting](#)
- Simona Demel, Carlos III University of Madrid: [The difference between saying and doing. Comparing subjective and objective measures of effort.](#)
- Beatrice Boulu-Reshef - LEO CNRS, Université d'Orléans: [Inventory Management with Carryover in a Laboratory Setting: Going Beyond the Newsvendor Paradigm](#)
- Stefania Sitzia, UNIVERSITY OF EAST ANGLIA: [Choice overload and asymmetric dominance: experiment and theory.](#)

Session 5, Norms and Morals 4. [Recording Link](#)

Support: [Satarupa Mitra](#)

- Marie Claire Villeval, GATE (CNRS-University of Lyon) and IZA, Bonn: [Norm Formation and Endogenous Information Acquisition](#)
- Robert Stuber, WZB: [Why high incentives cause repugnance](#)
- Sergio Mittlaender, Max Planck Institute for Social Law and Social Policy: [Incomplete Promises and the Social Norm of Keeping Promises](#)
- Hannes Titeca, University of Exeter: [How far will officials go to accept a bribe?](#)

Session 6, Other-regarding Preferences 5. [Recording Link](#)

Support: [Max Lobeck](#)

- Emin Karagozoglu, Bilkent University: [Endogenous Game Choice and Giving Behavior in Distribution Games](#)
- Pablo Branas Garza, Universidad Loyola Andaluca: [Exposure to economic inequality at the age of 8 enhances prosocial behaviour in adult life](#)
- Roel van Veldhuizen, Lund University: [Decomposing Trust](#)
- Dominik Meier, University of Basel: [Why do people avoid sharing situations? Testing guilt-aversion versus self-image concerns.](#)

Session 7, Preferences 4. [Recording Link](#)

Support: [Eldar Dadon](#)

- Pauline Vorjohann, Humboldt University of Berlin: [Reference-dependent choice bracketing](#)
- Ayala Arad, Collier School of Management, Tel Aviv University: [Turning-on Dimensional Prominence in Decision Making: Experiments and a Model](#)
- Niklas Ziemann, Universität Potsdam: [Vicinity Bias](#)
- Ro'i Zultan, Ben-Gurion University of the Negev: [Value and Use of Information](#)

Session 8, Risk 3. [Recording Link](#)

Support: [Dominik Bruckner](#)

- Jacopo Magnani, Emlyon Business School: [Measuring Efficiency and Risk Preferences in Dynamic Portfolio Choice](#)
- Lorenzo Estepa Mohedano, Universidad Loyola: [Comparing risk elicitation in lotteries with visual or contextual framing aids](#)
- Doron Sonsino, Sarnat school of Business Administration, Center for Academic Studies, Or Yehuda and Ben-Gurion University, Economics Department: [Risk-receptiveness statements predict increased risk appetite in retail structured investment](#)
- Eyal Ert, Hebrew University: [Experiencing Risk: Higher-order Risk Attitudes in Description- and Experience-based Decisions](#)

Session 9, Social and Anti-social Preferences. [Recording Link](#)

Support: [Laura Manukyan](#)

- Topi Miettinen, Hanken School of Economics and Helsinki GSE: [The Effect of Reporting Institutions on Tax Evasion: Evidence from the Lab](#)
- Darya Korlyakova, Center for Economic Research and Graduate Education - Economics Institute: [Learning about Ethnic Discrimination from Different Information Sources](#)
- Fanny Schories, Hamburg University: [First-Mover Preference and Social Image Concerns in Bargaining Experiments](#)
- Henning Hermes, NHH Bergen / Department of Economics: [Free to Fail? Paternalistic Preferences in the U.S.](#)

Session 10, Voting and Rent Seeking. [Recording Link](#)

Support: [Monika Pompeo](#)

- Joao Pereira dos Santos, Nova School of Business and Economics: [Can ATMs Get Out the Vote? Evidence from a Nationwide Field Experiment](#)
- Dirk Engelmann, Humboldt University Berlin: [Preferences over Taxation of High-Income Individuals: Evidence from a Survey Experiment](#)
- Karen Jeffrey, King's College London: [Automation and the Future of Work: How Rhetoric Shapes the Response in Policy Preferences](#)
- Junze Sun, European University Institute: [Media Bias and Elections --- An Experimental Study.](#)

Saturday, September 12, 6:00am - 8:00am PDT (Los Angeles Time)

Social Event, After-conference good-bye hang out. [Recording Link](#)

Support: [Haoran Yang](#)

Abstracts

Reverse Bayesianism: Evidence on Behaviour and Beliefs in Light of Unforeseen Events

Christoph Becker
Heidelberg University

ABSTRACT:

Bayesian Updating is the dominant theory of learning in economics. The theory is silent about how individuals react to events that were previously inconceivable or unforeseen. Recent theoretical literature has put forth axiomatic frameworks to analyse the unknown. In particular, Karni and Vierø (2013, 2017) propose a mechanism, called "reverse Bayesianism", that may be used by decision-makers to react to unforeseen events. We study whether participants comply with reverse Bayesian updating in two experiments that entail unforeseen events. We find that participant behaviour consistently matches reverse Bayesianism. We provide further evidence on the moderators of belief updating.

Author(s): Christoph K. Becker, Tigran Melkonyan, Eugenio Proto, Andis Sofianos, Stefan T. Trautmann

Topic: Decision Theory: Beliefs, Decision Theory: Ambiguity

[Back to session: Ambiguity](#)

AMBIGUITY, RISK ATTITUDE AND THE PREFERENCES IN ECONOMIC BEHAVIOR ARE RELATED OR INDEPENDENT?

Alexander Neverov
Institute of PsychoEconomic Researches

ABSTRACT:

The effects of preference in economic behavior/determination is one of most popular topic in the modern behavioral economics. Psychological factors of this effects are slightly less popular. Few new researches of The Allais paradox, The Ellsberg effect and their influence on preferences were published in the last time (A. Oliver, C. Sunstein, 2019; S. Guney, B. Newell, 2019; O. Evren, 2019; etc.). The Allais Paradox (1953) shows that decision making process is complementarian (not independent). Agents have three basic model of risk-decision: a) minimizing losses, b) maximizing of wins, c) adaptiveness (decision depends on conditions more than from probabilities). The Ellsberg paradox (1961) shows that agents prefer risky choices (choices with known probabilities) to uncertainly choices (choices with unknown probabilities or choices in conditions when calculation of probabilities is impossible). But the empirical testing of the relations between two effects, and the investigation of the risk attitude influence on them are not received much attention in the literature. To explore this issue, we have organized the three parts lab experiment. First part of experiment was The "Classical Allais lottery" repeat. The participants had to make a choice one of the options in the two consistent lotteries (gambles): A: \$1m for certain; B: 10% chance of \$5m, 89% chance of \$1m, and 1% chance of nothing; A': 11% chance of \$1m and 89% chance of nothing; B': 10% chance of \$5m and 90% chance of nothing. In this part participants did not get or did not lose the money. The second part was the risky attitude experiment. Experimental design of second part repeated psychological experiment of D. v. Klebelsberg (1982). We developed a computer platform in which the point was moving with constant speed by screen. The participants invited to stopped the point on the line. If participant stopped the point on the line he/she got 200 rubles, if the participant stopped the point before the line, he/she did not get or did not lose money, if participant stopped point after the line he/she lost the 500 rubles. The third part of lab experiment was organized as The "Classical Ellsberg task" repeat. The participants had to make a choice one of the options in the two gambles: A: \$100 if you draw a red ball; B: \$100 if you draw a black ball. C: \$100 if you draw a red or yellow ball; D: \$100 if you draw a black or yellow ball. Participants knew that the basket has 30 red balls and 60 other balls (black and yellow). In this part participants got or did not get the money. The respondents were 578 people of different ages (n = 578). We did not single out the gender aspect, since it was not included in the list of classification criteria in the framework of the design of our experiment. In order to ensure generalizability, the sample was increased to the parameters of stabilization of structural fractions (%) in the sample population. All participants were Russians. The hypotheses of our research were: a) the risk attitude, the "certainty effect" and "Ellsberg's behavior" have a closely related; b) subjects will strive to turn a situation of uncertainty into a situation of risk. We are used the correlation analysis, the structural analysis and the Contrasting Groups Method for testing the hypothesis "a". The correlation between the "Allais strategy" and risk aversion are not statistical significant ($r=0,008$; $p \geq 0,1$), same situation was revealed between the "Ellsberg's behavior" and the "certainty effect". It means that hypothesis "a" may be decline. But the correlation near zero is very unusual for similar effects. That's why the results allow us to assume the nonlinear correlation and heterogeneity between the risk aversion, the "certainty effect" and the "Ellsberg's behavior". Verification of this hypothesis required changes in the calculation method. We used the structural analysis and got the following results. The economic agents who prefers risk (compared to uncertainty), on average, are more likely to choose a strategy for maximizing winnings. At the same time, economic agents implementing a mixed strategy according at The "Classical Allais lottery" are on average more likely than agents implementing other strategies to prefer uncertainty, i.e. demonstrate neutrality to the "Ellsberg effect" (or even "The Opposite Ellsberg effect"). We have found (to the goal of testing the hypothesis "b"), that in addition to the predicted and justified D. Ellsberg preferences related to economic choice in favor of risk, or in favor of uncertainty, empirically fixed special type of preference. This type demonstrated a change in preferences depending on the design of the situation of economic choice. A similar change, according to the results of our experiment, is demonstrated by 37.32% of the subjects. It means that the ambiguity is complementarian (not independent). Thus, we can assume that the preference of risk or uncertainty substantially depends on the components of the economic situation of choice. As such, we can assume, for example, a dependence on the relative values of gain/loss (on the effect of the relative thinking of D. Kahneman and O. Azar), or on the current position of the agent (the reference point according to D. Kahneman), or on any other components. In particular, we suppose that a certain influence on the choice of preference between risk and uncertainty may have exerted by the sequence of presentation of situations of choice (lotteries), the influence of the social environment, heuristics and previous experience, etc. In this regard, it seems appropriate to continue the study of the determination of the choice between risk and uncertainty by including additional factors affecting the choice in the analysis (and, accordingly, in the experiment procedure).

Author(s): Alexander Neverov, Anton Markelov, Armen Airapetian

Topic: Decision Theory: Ambiguity, Decision Theory: Risk

Link: [URL:http://www.cper.ru](http://www.cper.ru)

[Back to session: Ambiguity](#)

Three doors anomaly, 'should I stay or should I go': an artefactual field experiment

Alessandro Cascavilla
University of Bari

ABSTRACT:

This work aims to identify and quantify the biases behind the anomalous behavior of people when they deal with the Three Doors dilemma, which is a really simple but counterintuitive game. Carrying out an artefactual field experiment and proposing eight different treatments to isolate the anomalies, we provide new interesting

experimental evidence on the reasons why subjects do not make the optimal decision. According to the experimental results, we are able to quantify the size and the impact of three main biases that explain the anomalous behavior of participants: Bayesian updating, illusion of control and status quo bias.

Author(s): Rocco Caferra, Alessia Casamassima, Alessandro Cascavilla, Andrea Morone, Paola Tiranzoni

Topic: Decision Theory: Ambiguity, Decision Theory: Ambiguity

Link: ideas.repec.org/p/feb/artefa/00700.html

[Back to session: Ambiguity](#)

Uncertainty Preferences and the Effect of Good News Among Necessity vs. Opportunity Entrepreneurs

J Michelle Brock

European Bank for Reconstruction and Development

ABSTRACT:

Previous entrepreneurial motivations and experiences may impact willingness to enter competitions with uncertainty. In this paper, we use a laboratory experiment to study if people who entered entrepreneurship out of necessity versus opportunity differ in their willingness to take uncertain bets and how this is moderated by ambiguity aversion and a-insensitivity. In a treatment, we give subjects either good news or bad news about their ability to guess the number of competitors in a randomly assigned group. We then test for heterogeneous treatment effects between necessity and opportunity entrepreneurs on certainty equivalents (CE) for uncertain bets, where uncertainty comes from either competition or nature. Overall, people who get good news have a higher subsequent CE for uncertainty from nature. The effect is strongest among necessity entrepreneurs. In contrast, the effect of good news on CE for competition uncertainty depends on ambiguity aversion: only those with higher baseline ambiguity aversion respond to the good news with higher CE's. Effects are again driven by necessity entrepreneurs. Finally, evidence suggests that a-insensitive necessity entrepreneurs may be more willing to bet on uncertainty from competition (but not from nature) than their peers following the good news. Our results indicate that necessity entrepreneurs are more likely to adjust their decision-making following good news about their ability to gauge competition uncertainty. Both a-insensitivity and ambiguity aversion play a role in differentiating their responses from that of opportunity entrepreneurs.

Author(s): J Michelle Brock and Melanie Koch

Topic: Decision Theory: Ambiguity, Field Experiments: General

[Back to session: Ambiguity](#)

Cheap-talk Communication in Procurement Auctions: Theory and Experiment

Sander Onderstal

University of Amsterdam

ABSTRACT:

In procurement auctions, bidders are usually better informed about technical, financial, or legal aspects of the goods and services procured. Therefore, the buyer may include a dialogue in the procurement procedure which enables the suppliers to reveal information that will help the buyer to better specify the terms of the contract. This paper addresses the question of the value added of letting the sourcing process consist of both an auction and a negotiation stage, theoretically and in a laboratory experiment. Our theoretical results suggest that in a setting where the buyer and the suppliers have aligned interests regarding the terms of the contract, allowing the winning supplier to communicate with the buyer after the auction is beneficial to the buyer compared to no communication and ex-ante communication. In a setting where the buyer and the winning supplier have misaligned interests regarding the terms, the buyer benefits from ex-ante communication relative to no communication and ex-post communication. Our experimental data provide strong evidence for the predictions in the aligned-interest setting. In the misaligned-interest setting, we do not observe significant differences between the three mechanisms. Our experimental findings offer several managerial implications for the appropriate design of sourcing processes.

Author(s): Sander Onderstal, Yang Yang

Topic: Markets: Auctions, Games: Information

Link: ideas.repec.org/p/tin/wpaper/20200013.html

[Back to session: Auctions 2](#)

Trade Contingencies in Renegotiable Procurement Contracts

Matthew Walker

Durham University Business School, UK

ABSTRACT:

I analyse the effect of an arbitrator on the outcomes of renegotiable procurement contracts allocated at a price-based auction. If the seller has no contractual incentive to deliver high quality, trade is inefficient. It is shown that there exists a contingent contract, defined by the degree of contractual flexibility and the probability of arbitration, for which an efficient procurement outcome can be implemented in equilibrium. This contract exists independently of the arbitrator's preferences. The theoretical result holds so long as the cost of arbitration is low enough and the availability of an arbitrator is uncertain. This result has an interesting implication: guaranteeing the availability of an arbitrator can be welfare-decreasing. I test the predictive power of the model in a controlled laboratory experiment with human subjects. Consistent with the theory, bidding is observed to be more competitive and high quality to be incentive compatible in the presence of an arbitrator. Yet a contingent contract cannot increase procurement efficiency relative to a voluntary incentive arrangement. The arbitrator becomes a substitute for buyer reciprocity. There is evidence to suggest a significant fraction of buyers exhibit reference-dependent fairness preferences. The findings have implications for the establishment of contractual trust and procurement efficiencies driven by competition.

Author(s): Matthew Walker

Topic: Markets: Auctions, Social Behavior: Other-regarding Preferences

Link: mwalker19.github.io/

[Back to session: Auctions 2](#)

Dynamic Incentives to Invest in an Advanced Abatement Technology: An Experimental Investigation of the Effect of Commitment Timing to an Environmental Policy

Lidia Vidal Melia
Universitat Jaume I

ABSTRACT:

This paper centers on whether the timing of the regulator's commitment to an environmental policy affects the firms' behavior concerning the adoption of an advanced abatement technology. Our experimental design mimics an industry with small asymmetric polluting firms regulated by either emission taxes or permits. We compare two different timing regimes concerning the regulator's commitment to a given emission control policy: In the ex-ante regime, the regulator announces the instrument level (tax rate or amount of permit) before the firms' technology adoption decisions, whereas in the ex-post regime the regulator sets the optimal instrument level after the firms' technology adoption decision. We find that in the two regimes, the adoption of advanced technology is close to the social optimum. Our findings support market-based environmental policies because an ex-post regime may be more politically feasible than an ex-ante regime.

Author(s): Eva Camacho, Till Requate, Israel Waichman

Topic: Markets: Auctions, Unknown: Unknown

[Back to session: Auctions 2](#)

An experimental analysis of the effects of imperfect compliance on technology adoption

Lidia Vidal Melia
Universitat Jaume I

ABSTRACT:

This paper presents the results of an experimental investigation on incentives to adopt advanced abatement technologies in the presence of imperfect compliance, i.e., allowing violations. Our experimental design mimics an industry with small asymmetric polluting firms where the regulator uses emission taxes or permits to reduce emissions. A regulator induces the firms to emit any desired level with different combinations of the inspection probability and the induced optimal violation level (perfect vs. imperfect compliance). As predicted by the theoretical model, inducing imperfect compliance results in tax evasion and reduced permit prices; in addition, it also reduces the adoption rate of advanced abatement technologies and, as consequence, increases aggregate emissions. In addition, all treatments suffer from underpricing and insufficient trading.

Author(s): Carmen Arguedas, Eva Camacho, Jose Luis Zofio

Topic: Markets: Auctions, Unknown: Unknown

[Back to session: Auctions 2](#)

The Effect of Investment Position on Belief Formation and Trading Behavior

Kevin Trutmann
Universitat Basel

ABSTRACT:

Understanding how prior outcomes affect the incorporation of new information into expectations is critical for the study of investment decisions: Three strands of literature document separately stronger belief updating in the case of prior losses, being invested, and if the information indicates a price movement towards the direction of the initial buying price (i.e. mean reversion). We combine these three separate strands of literature and use a pre-registered experimental dynamic investment task. In line with our reasoning we find that the belief formation of invested participants shows a pattern of reversal to the buying-price, which is more pronounced for loss positions. As investment decisions follow the expectations, an investment with gains is more likely to be liquidated than a losing one. In sum, we find evidence for a learning based explanation of the Disposition Effect. In the second phase of the experiment, we endogenously manipulate the required amount of learning by providing information to the participants. We find that a provision of full information brings the investment decisions closer to the rational benchmark and the more learning is required, the stronger the deviation from the rational benchmark. These treatment effects underline the importance of understanding expectation formation in investment decisions if one wants to improve financial decision making.

Author(s): Kevin Trutmann, Steve Heinke, Jorg Rieskamp

Topic: Decision Theory: Beliefs, Decision Theory: Learning

[Back to session: Beliefs 1](#)

Optimistic belief updating and ex-post rationalization of ego-relevant information

Christoph Drobner
Technical University Munich

ABSTRACT:

Do people process ego-relevant information about themselves in an optimistic manner? We experimentally investigate how people update their beliefs about their relative performance in an IQ-test for different levels of ego-relevance. After the elicitation of prior beliefs, we use a between-subject design and show subjects polarizing evidence on the external validity of IQ-tests. Subsequently, we provide subjects with noisy but objective and informative signals about their relative performance and elicit posterior beliefs. Using both parametric and non-parametric inference, we document that optimistic belief updating is contingent on the perceived level of ego-relevance of the IQ-test. This finding provides a clean test of the optimistic belief updating hypothesis and supports recent theoretical models that predict belief-based utility updating biases. Moreover, we find strong evidence for ex-post rationalization of negative feedback. Controlling for IQ-quiz scores and prior beliefs, subject's perceived external validity of the IQ-test increases by the number of positive signals received. To this end, we identify an additional channel that subjects use to protect their ego-utility, which goes beyond belief distortions.

Author(s): Christoph Drobner and Sebastian J. Goerg

Topic: Decision Theory: Beliefs, Decision Theory: Learning

[Back to session: Beliefs 1](#)

Self-serving recall is not a sufficient cause of optimism: An experiment

Adrian Caballero
Universidad Autonoma de Madrid

ABSTRACT:

A recent experimental literature has documented that people are (sometimes) asymmetric updaters: Good news are over-weighted, relative to bad news. We contribute to this literature with a novel experimental test of a potential mechanism of asymmetric updating, that is, that people recall better the positive than the negative evidence. In our design, this account predicts inflated posteriors regarding some future financial prize. Contrary to that, the average subject (slightly) underestimates the mode of the posterior beliefs about that payoff prospect. Although subjects tend to exhibit self-serving recall (SSR) in that they remember better the positive realizations of a signal in a memory task, this has little effect on their estimates and the extent and direction of the bias. A difficulty to recall accurately, we conclude, is not a sufficient cause for a positivity bias (due to SSR).

Author(s): Adrian Caballero, Raul Lopez-Perez
Topic: Decision Theory: Beliefs, Decision Theory: Preferences
[Back to session: Beliefs 1](#)

The effect of exponential growth prediction bias on economic outlook: experimental evidence in the context of COVID-19

Priyama Majumdar
Indian Institute of Management Bangalore

ABSTRACT:

Exponential growth prediction bias (EGPB) is a cognitive bias which arises from faulty prediction of the number of cases x-weeks hence presented with y-weeks of prior, but actual data. Past research shows that EGPB about the number of COVID-19 cases in the future is associated with lower compliance of WHO mandated safety norms. In this between-subject experiment conducted with Indian subject pool on Amazon MTurk, we examine through three separate interventions, if EGPB can be reduced and whether these interventions have a bearing on the economic outlook of individuals. In the baseline treatment, we provide subjects with actual data of a real but unnamed country for days 0, 10 and 15 and ask them to predict the number of cases as on day 35. In the Step treatment, the subjects predict the number of cases for day 15, 20, 25, 30 and 35. In the next two treatments, subjects are provided feedback in the form of the actual number and the prediction error for each day they predict, where the feedback is either in the form of number (Feedback-numeric) or graph (Feedback-graphical). Our results suggest that the interventions described above have significant effects on reduction in EGPB.

Author(s): Ritwik Banerjee
Topic: Decision Theory: Beliefs, Applied Economics: Other
[Back to session: Beliefs 1](#)

Confidence, demand for information and belief updating

Alice Solda
Heidelberg University

ABSTRACT:

Most standard theories in economics assume that people process information in a way that gives them a relatively accurate perception of reality. The Bayesian approach offers a tractable and straightforward way to assess how information is processed and affects decision-making. However, empirical evidence have shown that this assumption may often not be warranted. Previous research suggests that individuals typically respond too little to new information relative to the Bayesian benchmark. In contrast, others have found that individuals revise their beliefs when presented with irrelevant pieces of information, while a Bayesian agent should not. Yet, little is known about what drives differences in individuals' responsiveness to information. In this paper, I examine confidence in one's own accuracy assessment as a potential driver of individuals' responsiveness to feedback by investigating its causal effect on (i) the demand for instrumental information and (ii) belief updating behaviour. To do so, I conducted an online experiment with 400 participants from the USA on Amazon MTurk. In this experiment, participants undertake an effort task individually and can win a prize by guessing correctly whether their performance is above the median of a reference group. I generate an exogenous variation in beliefs by manipulating the difficulty of the effort task: half of the participants undertake a slightly easier set of tasks (EASY treatment) and the other half undertake a slightly harder set of the same tasks (HARD treatment). In addition, participants are asked to provide an estimation about the likelihood that their guess is correct. After reporting their confidence, participants are given the opportunity to purchase a signal that provide information about their relative performance with a 70% accuracy. Participants are given a fixed endowment and are asked to state their maximum willingness to pay to receive the signal. Participants are then given the possibility to revise their guess and their confidence about their guess after observing the signal. I find that an increase in confidence leads to a significant decrease in willingness to pay. I also find that a substantial fraction of participants overpays to purchase the signal relative to a risk-neutral Bayesian agent, which can be explain by a combination of base-rate neglect and overreaction. Indeed, participants in the HARD treatment – who are well-calibrated on average – update their beliefs in a way that does not significantly differ from the Bayesian benchmark. In contrast, participants from the EASY treatment – who are overconfident on average – exhibit significant base-rate neglect. Contrarily to the previous findings, I do not find evidence that participants response too little to feedback, which suggests that conservatism may be specific to context in which information is costless and/or unavoidable.

Author(s): Alice Solda
Topic: Decision Theory: Beliefs, Games: Information
[Back to session: Beliefs 2](#)

Wishful Betting

Yaron Lahav
Ben-Gurion University of the Negev

ABSTRACT:

Wishful betting is an expansion of the “desirability bias”, that until now is associated only with wishful thinking. Wishful betting was mentioned only once in prior experimental studies. In this experiment, we define wishful betting as the tendency to bet higher on desired outcomes and separate it from wishful thinking, by offering subjects to take action and bet, after stating their beliefs passively. We conducted four treatments with subjects simulating farmers and bakers. We asked them to state their beliefs and then bet on future wheat prices, based on prior prices presented to them. Like many prior attempts, we find no evidence for wishful thinking, but we do find

evidence for wishful betting as subjects bet higher when believed outcome is desired. Finally, we maintain that this research may open the door for reexamination and further exploring wishful thinking and its effect on the market, distinguishing wishful betting (actions) and wishful thinking (wishful beliefs).

Author(s): Yaron Lahav, Or Santo
Topic: Decision Theory: Beliefs, Decision Theory: Risk
[Back to session: Beliefs 2](#)

Pessimism and Overcommitment

Margaret Samahita
University College Dublin

ABSTRACT:

Economic agents use commitment devices to limit impulsive behavior in the interest of long-term goals, but the possibility of demanding too much commitment has been given little attention in previous studies. We provide evidence for excess demand for commitment in a laboratory experiment. Subjects are faced with a tedious productivity task and a tempting option to surf the internet. Subjects state their willingness-to-pay for a commitment device that removes the option to surf. The commitment device is then allocated with some probability, thus allowing us to observe the behavior of subjects who demand commitment but have to face temptation. We find that a significant share of the subjects overestimate their demand for commitment, as indicated by their willingness-to-pay, when compared to their realized material loss from facing the temptation. This is true even when we take into account the potential desire to avoid psychological costs from being tempted. Excess demand for commitment is driven by pessimism in both productivity and likelihood of succumbing under temptation. Our results suggest there is a need to reconsider the active promotion of commitment devices in situations where there is limited disutility from the tempting option.

Author(s): Claes Ek, Margaret Samahita
Topic: Decision Theory: Beliefs, Psychology and Biology: Emotions
[Back to session: Beliefs 2](#)

Overconfidence and the willingness to pay for advice

Alexia Gaudeul
Georg-August-Universitat Gottingen

ABSTRACT:

We investigate drivers of the willingness to get advice when performing a choice task. The Dunning-Kruger effect (1999) implies that those who are bad at choosing may over-estimate their ability, thus under-valuing advice. However, this is not obvious as openness to advice may be driven by different factors than the overt expression of over-confidence. Indeed, getting advice does not necessarily imply admitting that one's choice skills are bad. The two variables (over-confidence, willingness to get advice) could thus not coincide. In this experiment, we therefore measure ability, belief about ability, and willingness to pay for advice in very simple choice tasks. We measure differences between those variables, and consider how those differences vary by ability and by level of over-confidence in one's own ability. We find that participants are overconfident, as expected, but are also surprisingly well calibrated in their willingness to pay for advice. Findings from this experiment put in doubt the practical relevance of the Dunning-Kruger effect. They also help better understand the issues in encouraging seeking and use of advice by those who need it most.

Author(s): Alexia Gaudeul
Topic: Decision Theory: Beliefs, Decision Theory: Preferences
[Back to session: Beliefs 2](#)

Audi Alteram Partem: An Experiment on Selective Exposure to Information

Salvatore Nunnari
Bocconi University, Department of Economics

ABSTRACT:

This paper presents a model of selective exposure to information and an experiment to test its predictions. An agent interested in learning about an uncertain state of the world can acquire information from one of two sources which have opposite biases: when informed on the state, they report it truthfully; when uninformed, they report their favorite state. When sources have the same reliability, a Bayesian agent is better off seeking confirmatory information. On the other hand, it is optimal to seek contradictory information if and only if the source biased against the prior is sufficiently more reliable. We test these predictions with an online experiment. When sources are symmetrically reliable, subjects are more likely to seek confirmatory information but they listen to the other side too frequently. When sources are asymmetrically reliable, subjects are more likely to consult the more reliable source even when prior beliefs are strongly unbalanced and listening to the less reliable source is more informative. Moreover, subjects follow contradictory advice sub-optimally; are too trusting of information in line with a source bias; and too skeptic of information misaligned with a source bias. Our experiment suggests that biases in information processing and simple heuristics — e.g., listen to the more reliable source — are important drivers of the endogenous acquisition of information.

Author(s): Giovanni Montanari, Salvatore Nunnari
Topic: Decision Theory: Learning, Decision Theory: Beliefs
Link: www.salvatorenunnari.eu/mn_selectexposure.pdf
[Back to session: Beliefs 6](#)

Revealed preference over experts and quacks and failures of contingent reasoning

Xu Yan
WISE

ABSTRACT:

In many economic scenarios, people face incomplete information about the payoff-relevant states of the world, and they may resort to different tests (e.g., analysts, medical diagnoses, or psychic octopuses) to obtain information to reduce their risk exposure. This chapter studies how people evaluate and choose tests. Are they able to avoid useless ones (quacks) and identify genuinely useful ones (experts)? Are they over-paying for quacks and under-paying for experts, and why? I develop a novel experiment wherein people face a rich and structured choice set of expert and quack tests and choose their favorite ones through a graphic coloring task. I find that people do fail to distinguish experts and quacks on a large scale, and they are over-paying for quacks but accurately paying for experts. These results are not driven by the standard explanations suggested in the literature, including belief updating bias, failure in best-responding, and intrinsic preference over certain information characteristics. Instead, I show that the main culprit is the failure of contingent reasoning in information processing. This channel underlies many decision problems in behavioral economics and game theory and provide new implications for these fields.

Author(s): Yan Xu

Topic: Decision Theory: Bounded Rationality, Decision Theory: Beliefs

[Back to session: Beliefs 6](#)

Self-Persuasion: Evidence from Field Experiments at Two International Debating Competitions

Egon Tripodi
European University Institute

ABSTRACT:

Does the wish to convince others lead people to persuade themselves about the factual and moral superiority of their position? We investigate this question in field experiments at two international debating competitions that randomly assign persuasion goals (pro or contra a motion) to debaters. We find evidence for self-persuasion in incentivized measures of factual beliefs, attitudes, and confidence in one's position. Self-persuasion occurs before the debate and remains after the debate. Our results lend support to interactionist accounts of cognition and suggest that the desire to persuade is an important driver of opinion formation.

Author(s): Peter Schwardmann, Egon Tripodi and Joël J. van der Weele

Topic: Decision Theory: Beliefs, Psychology and Biology: Cognition

Link: www.egontripodi.com/papers/debates.pdf

[Back to session: Beliefs 6](#)

The persistent influence of one-sided information

Manwei Liu
Tilburg University

ABSTRACT:

By choice of words, tone and framing, different accounts can slant information toward one side or the other without distorting the underlying facts. People who are aware of their exposure to one-sided information, yet, may still be susceptible to its impact. This paper experimentally studies whether people are capable of counteracting such impact when they are provided with opportunities to acquire subsequent information from both sides. We find a persistent influence of one-sided information even when people are aware thereof. The subsequent information acquisition only slightly narrows the gap in attitudes that is mainly induced by initial exposure to one-sided information. We further explore the pattern of subsequent information acquisition behavior and demonstrate that biased information processing potentially explains the persistent influence. People judge confirming information as more convincing than contradicting ones, although they do not seek more confirming information than contradicting ones.

Author(s): Manwei Liu; Sili Zhang

Topic: Decision Theory: Beliefs, Psychology and Biology: Cognition

[Back to session: Beliefs 6](#)

Ecological focusers

Eldad Yechiam
Technion

ABSTRACT:

The commonly used "nudge" approach suggests that policy makers need to fight human biases with other biases that lead behavior into advantageous paths. An alternative approach is proposed whereby there are environmental conditions that have an antidotal effect on biases with no need for learning or training. Specifically, ecological focusers are conditions that increase task attention. They include the availability of significant consequences, the possibility of losing, encouraged deliberation, and cooperation with other individuals. The effect of each of these cues on common biases will be reviewed along with a discussion of whether this effect is indeed debiasing or simply counter-biasing: namely, nudging in the reverse direction of biases. It is concluded that focusers reduce a variety of judgment and decision biases that are responsive to better effort, and thus have a debiasing effect. Importantly, focusers do not affect psychophysical biases involving the mapping of objective features to subjective attributes. This implies low intrusiveness potential for focusers as compared to nudges.

Author(s): Eldad Yechiam

Topic: Applied Economics: Other, Decision Theory: Bounded Rationality

Link: ie.technion.ac.il/~yeldad/Yechiam_2020.pdf Password: ESA2020

[Back to session: Bounded Rationality](#)

Seeing the Forest or the Trees? Motivation Matters

Mosi Rosenboim
Ben Gurion University of the Negev

ABSTRACT:

The construal level theory suggests that four different types of psychological distance--temporal, social, spatial and hypothetical—similarly affect the way we think in terms of abstract or concrete perspectives. We simulated the four psychological distances and showed that different distances affected the participants'ignorance of opportunity costs differently. We argue that in the social and hypothetical distance simulations, motivation declined and the investment of cognitive efforts was reduced. The temporal and spatial distances, however, showed no such decline. Thus while the higher psychological distances can create a bigger picture, the forest, the motivation to look at it varies.

Author(s): Reut Blaywais ; Mosi Rosenboim
Topic: Decision Theory: Other, Decision Theory: Bounded Rationality
[Back to session: Bounded Rationality](#)

Choice Architecture and Transparency

Essi Kujansuu
European University Institute

ABSTRACT:

In a Choice Architecture Game, a Choice Architect has the power to design the choice environment in which a Decision Maker later operates. The Architects may use nudges, changes to the decision environment that do not change the monetary payoffs or limit options, to predictably influence the behaviour of the Decision Makers. This project investigates how Decision Makers'awareness about participating in such a game, what I call transparency, affects how the nudges influence behaviour and the Choice Architects use these nudges. The modelling distinguishes between System 1 nudges that provide shortcuts (for example, default options) and System 2 nudges that engage reflective thinking (for example, with a new way to think about the choice). The model predicts that a) System 1 nudges have less effect with transparency while System 2 nudges keep their effectiveness and 2) the use of System 1 nudges is reduced by transparency while the use of System 2 nudges is increased. These are tested with an online experiment. The experiment is organized in early August.

Author(s):
Topic: Decision Theory: Bounded Rationality, Games: Other
[Back to session: Bounded Rationality](#)

How to Design the Ask? Funding Units vs. Giving Money

Johannes Diederich
Heidelberg University

ABSTRACT:

Charities increasingly use a solicitation scheme in which donors choose how many units of a charitable good to fund rather than the amount of money to give. For example, potential donors are asked to fund meals, bed nets, or trees to be planted at a given unit price. In our online donation experiment, we analyze the effects of using such a unit donation scheme instead of simply asking for money and investigate which characteristics are causing differences in charitable giving. We find that a unit donation scheme significantly changes the likelihood of donating while overall mean donations are unaffected. The sign of the effect depends on the size of the physical unit and its associated price. We conclude that unit donation schemes can serve as an effective tool to influence the conversion of non-donors to donors among a targeted population.

Author(s): Johannes Diederich, Raphael Epperson, Timo Goeschl
Topic: Applied Economics: Charitable Giving, Social Behavior: Other-regarding Preferences
[Back to session: Charitable Giving I](#)

'It pays to be green': The role of persuasive communication to foster conservation

Viviana Uruena
University of Goettingen

ABSTRACT:

Persuasive communication is of great importance in different domains of life, for example in advertisement, politics, moral behavior and charity. Using a field experiment in Madagascar, we test the effectiveness of four treatment messages in driving non-monetary contributions. By donating their work, participants can support a real fundraising campaign that aims to plant trees in the study region. Besides studying the impact of messages, we compare subject's contributions when the positive externality of the donation increases by matching their contributions from an anonymous donor. The novelty of this experiment lies in the different message modes (narratives and imperatives) and frames (egoistic and non-egoistic) we employ to persuade individuals to contribute to the fundraising. Our results show that the imperative message with an egoistic frame is more effective compared to messages with non-egoistic frame or no frame, or to narratives. Yet, we observe that average contributions decline as the positive externality of the donation increases. Since conservationists usually communicate to people using imperative messages with a non-egoistic frame, our findings provide evidence for a potential communication mismatch, which might be hindering the success of promising environmental campaigns.

Author(s): Marcela Ibañez and Gerhard Riener
Topic: Applied Economics: Charitable Giving, Social Behavior: Communication
[Back to session: Charitable Giving I](#)

COVID-19 and pro-sociality: the effect of framing on charitable giving and preferences for local causes

Julian Harke
WZB

ABSTRACT:

The outbreak of the COVID-19 pandemic has led to increased solidarity. This included essential shopping for vulnerable neighbors and food donations. At the same time media attention has shifted away from distant problems to more national reporting. In a preregistered experiment, we study donation decisions in two stages. Participants,

based in England and recruited via Prolific, receive a donation solicitation from Save the Children. In the first stage, we vary framing by adding a reference to COVID-19 for the treatment group. In the second stage, participants make an allocation decision of their donation from stage one between the UK program and the global program. Furthermore, in the analysis we use differences in local severity of the pandemic and an array of self-reported answers to distinguish between economic, health-related, and empathy-related causes of the effects. Our preliminary results suggest that the COVID-19 frame increases donations. However, local differences in the severity of the pandemic do not affect the donations.

Author(s): Maja Adena (WZB) and Julian Harke (WZB)

Topic: Applied Economics: Charitable Giving, Applied Economics: Charitable Giving

[Back to session: Charitable Giving 1](#)

Prosociality predicts health behaviors during the COVID-19 pandemic

Pol Campos-Mercade
Lund University

ABSTRACT:

Socially responsible behavior is crucial for slowing the spread of infectious diseases. However, economic and epidemiological models of disease transmission abstract from prosocial motivations as a driver of behaviors that impact the health of others. In an incentivized study, we show that a large majority of people are very reluctant to put others at risk for their personal benefit. Moreover, this experimental measure of prosociality predicts health behaviors during the COVID-19 pandemic, measured in a separate and ostensibly unrelated study with the same people. Prosocial individuals are more likely to follow physical distancing guidelines, stay home when sick, and buy face masks. We also find that prosociality measured two years before the pandemic predicts health behaviors during the pandemic. Our findings indicate that prosociality is a stable, long-term predictor of policy-relevant behaviors, suggesting that the impact of policies on a population may depend on the degree of prosociality.

Author(s): Pol Campos-Mercade, Armando N. Meier, Florian H. Schneider, Erik Wengstrom

Topic: Applied Economics: Charitable Giving, Social Behavior: Other-regarding Preferences

Link: www.econstor.eu/bitstream/10419/218965/1/1699979146.pdf

[Back to session: Charitable Giving 1](#)

DOES POLITICAL VOICE CHANGE WOMEN'S PROSOCIALITY?: EVIDENCE FROM A LAB IN THE FIELD EXPERIMENT IN UGANDA

Ana Garcia-Hernandez
Berlin Social Science Center (WZB)

ABSTRACT:

In recent years, policy-makers across the world have implemented policies to increase the presence of underrepresented groups, like women, in decision making bodies. Evidence has shown that this can alter local political outcomes. Yet, studies may confound two mechanisms: a selection effect (the representation of different preferences) and an empowerment effect (the acquisition of political voice changes one's behavior). To test for these effects, I conduct a modified public goods game over two categories of real community goods in rural Uganda. By exogenously assigning voting power over which good is chosen, I can directly test for the empowerment effect. The results suggest that having political voice in choosing the public good does not increase prosociality on average. Men are not sensitive to changes in political voice. However, women contribute significantly less after experiencing a negative shift in empowerment. The results present new evidence that changes in political influence may directly impact prosociality.

Author(s): Ana Garcia-Hernandez

Topic: Applied Economics: Economic Development, Applied Economics: Charitable Giving

Link: drive.google.com/file/d/1HNENpkYAB3TZukhbagjkoX_686eR8x-X/view

[Back to session: Charitable Giving 2](#)

Information Avoidance and Self-Interest in Markets, Dictatorship, and Democracy

Katharina Momsen
University of Innsbruck

ABSTRACT:

We investigate the tendency to avoid information on externalities associated with collective and individual decisions in different institutional contexts with a laboratory experiment. Externalities are implemented as contributions to carbon offsets. Subjects need to choose between two allocations which differ in own payoffs and offset contributions. Depending on the treatment, the size of the contribution is either directly observable or needs to be actively revealed by the decision maker. In a between-subjects design, we vary the institutional setting: market, dictatorship and majority voting in small and large groups. We find self-serving information avoidance on markets and in large democracies. In small groups and dictatorships, selfish choices are frequent even if all information is provided. Interestingly, differences in the shares of selfish choices between institutional contexts disappear if information is to be revealed. Our results suggest that information avoidance effectively substitutes expressive voting as an instrument to manage self-image on the part of the voter, highlighting the importance of avoided information in democratic decisions.

Author(s): Katharina Momsen, Markus Ohndorf

Topic: Public Choice: Other, Applied Economics: Charitable Giving

[Back to session: Charitable Giving 2](#)

'I'm paid - would you donate to me?' Experts' beliefs vs. Field Experimental Data

Lilia Zhurakhovska
University of Duisburg-Essen

ABSTRACT:

There is a widespread belief among fundraisers that solicitations by volunteers will be more effective than solicitations by paid workers. To explore whether this belief has merit, we conduct a door-to-door fundraising experiment, where solicitors communicate their compensation status to households. In our experiment, we vary (1) whether solicitors are paid or not and (2) the information that potential donors receive about solicitors' compensation. Interestingly, we find that donations and especially donation rates are higher by 28% when potential donors are told that solicitors are paid and are unchanged when potential donors are told that solicitors are volunteers. These results stand in contrast to incentivized forecasts of fundraising professionals, who believe that information on volunteering fundraiser will raise more money than information on paid workers. A follow-up internet survey suggests that paid solicitors may raise more donations because paid solicitors generate greater trust in the charity.

Author(s): Holger Rau, Anya Samek, and Lilia Zhurakhovska
Topic: Applied Economics: Charitable Giving, Field Experiments: General
[Back to session: Charitable Giving 2](#)

Is One Plus One Always Two? Insuring Longevity Risk While Having Multiple Savings Accounts

Abigail Hurwitz
The Hebrew University of Jerusalem

ABSTRACT:

We investigate the possible consequences of having multiple savings accounts for payout decisions at retirement. Our results contribute to the literature on individual annuitization decisions and the discussions about asset liability management (ALM) and reserve management of long-term-savings providers. Our study is based on proprietary data comprising 15,293 Israeli retirees' annuitization decisions during the years 2009–2013. We document a significant effect of the size of accumulated funds on the decision to annuitize. Retirees with smaller accounts have a significantly higher propensity to cash out their accounts upon retirement (controlling for related variables). These findings may be driven either by specific characteristics and attitudes of individuals who save less, or by behavior arising from managing multiple accounts possibly related to mental accounting, or both. Our results are consistent with the mental accounting argument, and were obtained using a unique identification strategy that takes occupation information into account. Our data reveals that large accounts are likely to be annuitized, and hence, our findings also suggest that insurance companies might consider treating small and large accounts differently in their ALM strategies. We conduct an Internet experimental survey with a large representative sample as well as a laboratory experiment that both confirm these empirical results. Further, our findings suggest that the composition of multiple accounts affects the annuitization rates of the total savings portfolio, mostly regarding the propensity to either fully annuitize or fully cash out the accumulated funds.

Author(s): Abigail Hurwitz and Orly Sade
Topic: Applied Economics: Other, Applied Economics: Charitable Giving
[Back to session: Charitable Giving 2](#)

Associate Thinking in Networks: A New Tool to Measure Creativity

Malte Baader
University of Nottingham

ABSTRACT:

The role of creativity in technological, scientific and artistic advancements is undisputed. However, there is still a lack of understanding what creativity entails and how it can be measured. To address these questions in a controlled environment, we present a novel methodology that extracts creative ability on an individual level. Our proposed method improves on existing creativity tasks in two ways. First, it focuses on a key dimension of creative ability, associative reasoning, which has often been described as an essential feature of innovation. On the other hand, our task has a pre-defined solution space, which results in various desirable experimental features. In our proposed task, subjects have to explore a semantic network by finding associations between words. As a first benchmark of the proposed methodology, we relate it to a number of established creativity tasks from the literature, finding that our task successfully captures abilities required for these tasks, whilst entailing significant methodological improvements. Moreover, we also contribute to the emerging literature on incentives for creativity, finding that the effect of incentives varies between the different tasks.

Author(s): Malte Baader, Urs Fischbacher, Chris Starmer, Fabio Tufano
Topic: Psychology and Biology: Cognition, Methodology: Experimental Design, Tools and Practices
[Back to session: Cognition](#)

Impacts of Personal Initiative and Negotiations Training on Remote-Learning, Time-Use, and Mental Health of Ecuadorian High-School Students during the COVID-19 Quarantine

Francisco Flores
Universitat Kassel

ABSTRACT:

More than 1.6 billion students had their schools close temporarily because of the COVID-19 pandemic, over 91% of total enrolled learners. This has led school systems around the world to attempt to rapidly transition to remote learning. However, it is unclear how prepared students are to respond to this challenge, and whether a lack of availability of electronic devices and internet connections prevents many students from engaging in remote learning. Even when students do have access, there is little available evidence on how much of their time they will devote to learning, and many students may struggle with motivation and having the discipline to persist with online classes. We evaluate whether psychological soft skills interventions can make students more persistent in pursuing their schooling during this time. We examine remote learning of high school students in Ecuador, which has suffered one of the worst outbreaks of Coronavirus in the world. Schools were closed on March 13, 2020, and a national lockdown and quarantine period imposed. We began a rapid response phone survey on March 31, 2020, interviewing over 1,500 students who are part of an ongoing evaluation in high schools in the Zone 2 administrative region. Our treatment schools had been receiving online personal initiative and negotiations training during school, while the control schools received Spanish and English content. We find that most students are engaging in remote learning. Access to remote learning technologies are reasonably high, with 74 percent having internet access at home, and 59 percent also having a computer or tablet. Three-quarters of students have done some form of online or tele-educative learning in past week, and 86 percent have done some form of schoolwork. The median student spends 4 hours on schoolwork per day. Gender differences in remote learning are small, with females doing slightly more schoolwork. Female students also do more household tasks than males, while male students are more likely to be working than females. Students from more disadvantaged groups – the lowest wealth quartile, indigenous students, students whose mothers have secondary education or lower, and students without internet access – have less access to remote learning technologies, and are less likely to be doing schoolwork. We then turn to measuring the treatment impacts of our personal initiative and negotiations training intervention on how youth spend their time during lockdown. We find treated youth engage in more voluntary learning (see Figure 1), substituting time away from household tasks and working in household businesses. They appear to be

more planning more for their futures. They are significantly more likely to have set a plan for the next day rather than take the day as it comes, and 10 percentage points more likely to have undertaken activities that can prepare them for entering university. However, the intervention has no impact on mental health, nor on the stress levels they experience from COVID-19. The results point to the potential value of soft skills psychological interventions in helping students be resilient to large shocks.

Author(s): Igor Asanov, Thomas Astebro, Guido Buenstorf, Bruno Crepon, Francisco Flores, David McKenzie, Mona Mensmann, Mathis Schulte

Topic: Applied Economics: Economic Development, Psychology and Biology: Cognition

Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3605886

[Back to session: Cognition](#)

THE INFORMATION-PROCESSING STYLES IN ADOPTION TO NEW INSTITUTIONS: INVESTIGATIONS WITH EYE-TRACKING TECHNOLOGY

Fedor Golubev

Laboratory of Economic Behavior of the Center of Psycho-Economic Researches of SVRIA - branch of RANEPa

ABSTRACT:

The problem of relation between cognition, economic behavior and institutional framework is one of the most important question in economic psychology today. Modern science knows that real economic agents have cognitive limits. Many researches show that the information asymmetry is a very important part of the economic behavior determination. Equally important that the institutional framework influence on choices. But the aspect of detection the information-processing styles on institutional framework of economic situation is not very often. We used the eye-tracking technology to solving this task. The 35 participants were presented with a volume of information, in the format of one A4 paper, 14-point Times New Roman, on a computer screen, with the 367 logical elements. The content of the information was a formalized rule of forthcoming economic activity. All information was relevant for economic situation. The working time with the information was not limited. Information during processing was divided into 12 blocks, according to the semantic load of each of them. The measurements were carried out on a screen with a resolution of 1920x1080 image with instructions on Russian or English 1094x773 pix using Tobii Pro Studio Enterprise Edition v3.4.8. By gender, respondents were divided into Male = 16, Female = 19. The average age of the participants was ± 23.2 years. We used the standard filter "I-VT filter" for the unloading data. The typology of economic agents based on the criterion of working with information. That is why we made a clustering which based on the total duration on the development of information and on the structure of the transition from one event (information assimilation stage) to another. This parameter indirectly indicates the speed of information processing and its assimilation as knowledge, i.e. the speed of the process of forming the image of economic activity. The clustering's results have showed the four information-processing styles. The first style is characterized by emphasis in working with information on the transition from one semantic unit to another (more than 50% of all events), with symmetry in the distribution of zones of sustained attention and switching attention beyond information (25.29% and 24.14%, respectively). The first style has the longest time spent fixing on blocks and elements of the information field (52.42% versus 38.48% on average for the participants), as well as the largest share of time spent on transitions (almost 18% against 12.02% on average), and least on distraction from the information field or generalization of information. The share of the unclassified event (UE) is only 29.6%, while the average for the participants is almost 50%, and for the closest fourth style in this parameter - 33.02%. Thus, this style is characterized by the largest number of transitions within the information field and the high quality of concentration on information. The latter suggests that this style is characterized by high selectivity in working with information, probably that associated with the selection of information according to pre-selected criteria (the targets). The second style demonstrated a tendency to an average level of switching with an increase in concentration of attention on semantic blocks. At the same time, the number of distractions from information in the process of work decreases (19.37%). However, in none of the event types does this type have maximum or minimum values relative to other styles. The second style had a smaller share of time spent on transitions and a slightly larger share of UE. At the same time, it is noteworthy that the second type is characterized by the smallest share of saccades (switching between blocks) of all - 9.1% and the largest share among all types of switching attention outside the information field - more than 52%. All this shows, that the second style has an average level of attention switch ability with the least time spent on switching. The style is characterized by the least amount events, but at the same time, the greatest duration of distraction from the information field. The third style demonstrated the smallest share of saccades - 43.23%, with relative equality of fixations (concentration of attention) and distraction from information (30.33% and 26.44%, respectively). The third style is characterized by an excess of time spent on fixations and saccades, relative to the average values for all participants, and less time relative to average values, spent on going beyond the information field. Moreover, as shown above, the third style also demonstrates the smallest share of saccades among all styles, 43.23%, with relative equality of fixations and distraction from information (30.33% and 26.44% respectively). This allows us to conclude that this style is characterized by a greater "stuck" on the information blocks and a less pronounced generalization and synthetic nature of the information field. This suggests that this style is closest to the analytical type of work with information. Finally, the fourth style has the largest share of concentration and the least share of distraction from information (35.83% and 14.84%, respectively). That style is close in its characteristics to the first style in proportion of the time spent on different types of events. However, unlike the first style, fourth has the largest share of concentration and the smallest share of distraction from information (35.83% and 14.84%, respectively). Thus, this style is distinguished by the highest level of concentration of attention within the information field, but relative to the first type - it is somewhat less focused on the selectivity of working with information. Thus, we can preliminarily conclude that this style is characterized by a higher motivation for future economic activity with a smaller share of conscious goal-setting regarding future activities.

Author(s): Golubev Fedor, Neverov Alexander, Neverova Anastasia, Magalyan Anna

Topic: Psychology and Biology: Neuroeconomics, Social Behavior: Norms and Morals

Link: <http://cper.ru>

[Back to session: Cognition](#)

Do Negative Economic Shocks Affect Cognitive Function, Adherence to Social Norms and Loss Aversion?

Felipe Montealegre

Universidad Nacional de Colombia

ABSTRACT:

Households are frequently subject to income and asset shocks. We performed a lab experiment, inducing losses on a real effort task, after which we measured cognitive performance, loss aversion and cheating behavior. We found that asset losses, but not income losses, act as a cognitive load, by decreasing accuracy and increasing response times. We did not detect any change in dishonesty or loss aversion.

Author(s): Francesco Bogliacino, Felipe Montealegre

Topic: Psychology and Biology: Cognition, Social Behavior: Lying and Cheating

Link: osf.io/preprints/socarxiv/y4zaw/

[Back to session: Cognition](#)

Communication and in-group favoritism

Stefano Papa
University of Campania, Vanvitelli

ABSTRACT:

In a lab experiment, based on a random-dictator game, we aim at investigating whether communication can reduce in-group favoritism. We look at both communication vs. non-communication and at its different outcomes (mutual agreements and simple communication). By exogenous variations in group membership and communication, we test if and which kind of communication affect the behavior of different groups. We show that in-group favoritism emerges when communication is not allowed. Conversely, in-group favoritism disappears when communication is introduced independently of its outcomes. Moreover, in-group dictators who directly made mutual promises will be more generous with in-group members independently from communication that they read. While, out-group dictators who directly made mutual promises will be more generous with out-group members only when they read mutual promises made by others, because they are guilt averse.

Author(s): Stefano Papa, Giovanni Di Bartolomeo and Enrica Carbone
Topic: Social Behavior: Communication, Social Behavior: Other-regarding Preferences
[Back to session: Communication in Social Behavior](#)

Promises and Reliance

Arjun Sengupta
Heidelberg University

ABSTRACT:

This paper studies promise-keeping behavior in a one-shot trust game. We hypothesized that promise-keeping behavior would be affected by the foregone payoff of the investor in a trust game, even when one holds expectation constant. We suggest two channels through which foregone payoff could affect promise-keeping behavior. First, promises create a moral obligation, and the moral cost of breaking a promise may depend on the harm that is inflicted on the investor relative to what the investor would have received had she not followed the promise. Second, a broken promise may cause the investor to regret her decision. If the promisor cares about the regret that a broken promise causes, then his promise-keeping behavior would be affected by the foregone payoff. In both cases, the prediction is that higher the foregone payoff, higher is the likelihood of keeping a promise. Using a novel design, we keep expectations constant in a trust game, vary the foregone payoff, and disentangle whether variation in moral cost or variation in regret or both affects promise-keeping behavior. We find that moral costs do not vary when foregone payoff varies, but, regret does play a role in promise-keeping behavior.

Author(s): Arjun Sengupta, Christoph Vanberg
Topic: Social Behavior: Communication, Social Behavior: Norms and Morals
[Back to session: Communication in Social Behavior](#)

Nonverbal content and swift trust: An experiment on digital communication

Adam Zylbersztejn
University of Lyon, GATE CNRS

ABSTRACT:

We experimentally study the effect of the mode of digital communication on the emergence of swift trust in a principal-agent relationship. We consider three modes of communication that differ in the capacity to transmit nonverbal content: plain text, audio, and video. Communication is pre-play, one-way, and unrestricted, but its verbal content is homogenized across treatments. Overall, both audio and video messages have a positive (and similar) effect on trust as compared to plain text; however, the magnitude of these effects depends on the verbal content of agent's message (promise to act trustworthily vs. no such promise). In all conditions, we observe a positive effect of the agent's promise on the principal's trust. We also report that trust in female principals is sensitive to the availability of nonverbal cues about their partners.

Author(s): Zakaria Babutsidze, Nobuyuki Hanaki
Topic: Social Behavior: Communication, Social Behavior: Other-regarding Preferences
Link: docs.google.com/viewer?a=v&pid=sites&srcid=ZGVmYXVsdGRvbWFpbXc6eWxiZXJzenRlam58Z3g6MWUwMGU3MzZiYTVMTOx
[Back to session: Communication in Social Behavior](#)

No Face, No Name, No Shame? Overcoming Barriers to Intra-Organizational Public Knowledge-Seeking

Marco Kleine
Max Planck Institute for Innovation and Competition

ABSTRACT:

While organizational platforms are becoming more prevalent for the integration and exchange of organizational knowledge, employee engagement remains a barrier for the success of these platforms. We focus on individual knowledge seeking in an organizational platform context. We follow a cost-benefit approach and argue that individual knowledge seeking is influenced by (a) economic cost concerns and (b) psychological cost considerations. To test our theoretical arguments, we run a lab experiment altering the costs associated with individuals' decision to seek knowledge on the platform. While knowledge seeking is lowest in settings with both economic and psychological costs, we observe significant increases by (a) eliminating economic consequences, and (b) removing social psychological cost considerations by inducing anonymity on the platform. In addition, our results suggest the presence of gender-related differences in knowledge-seeking behavior on organizational platforms: Male participants are chiefly discouraged by economic considerations, while females place more emphasis on social considerations. Our results highlight the facilitating role of platform anonymity on employee engagement and have implications for the efficient design of these platforms.

Author(s): Maren Mickeler, Pooyan Khashabi, Marco Kleine, Tobias Kretschmer
Topic: Social Behavior: Communication, Social Behavior: Other
[Back to session: Communication in Social Behavior](#)

On the hidden costs of providing rankings information to boost performance: An Experimental Investigation

Wenbo Zou
University of California, Davis

ABSTRACT:

A growing body of empirical work shows that providing people information about their performance relative to their peers can increase their productivity. Though the cost of such information-based interventions is small for the policy makers or employers, there may be a welfare cost for the workers as receiving relative performance information can bring disutility to some workers, which may not be fully offset by the possible utility it brings to others; or it may trigger a competitive mindset that erodes the group relationship. I experimentally elicit participants' willingness to pay to avoid or receive rank information provided in different manners in a simple cognitive task within experimental sessions of varying sizes and numbers of acquaintances. We find that announcing all subjects' relative performance information publicly increases their performance in the simple cognitive task, especially when there are more acquaintances in the session. However, based on structural estimations, we show that it introduces a dead-weight loss compared to a performance-neutral financial incentive with public announcement of only the top subjects' ranking. We do not find that the provision of rank information influences the level of coordination, cooperation, and conflicts among subjects in the same session in subsequent games.

Author(s): Wenbo Zou, Wenzheng Gao
Topic: Social Behavior: Other, Applied Economics: Labor Market
[Back to session: Contests and Ranking](#)

Culture and gender differences in willingness to compete.

Karen Hauge
Ragnar Frisch Centre for Economic Research

ABSTRACT:

We test whether culture affects willingness to compete by combining the epidemiological approach with a pre-registered online experiment. In a sample of 1,943 Norwegians with parents born in 59 different countries, we find a smaller gender gap in willingness to compete for individuals with parents born in more gender equal countries. The difference is driven both by men with parents from more gender equal countries wanting to compete less, and by women with the same ancestry wanting to compete more. The results are robust to controlling for a large set of factors at the individual, parental, and ancestry country level.

Author(s): Karen Hauge, Andreas Kotsadam, Anine Riege
Topic: Games: Contests, Applied Economics: Labor Market
[Back to session: Contests and Ranking](#)

Effort Provision and Optimal Prize Structure in Contests with Loss-Averse Players

Ayse Gul Mermer
University of Amsterdam, CREED

ABSTRACT:

This paper studies a multiple prize contest by assuming that contestants are expectation-based loss-averse à la Kőszegi and Rabin (2006, 2007). Contestants simultaneously exert costly efforts. A contestant's cost of effort depends on his effort levels as well as his ability, which is private information. The contest designer maximizes the total expected effort by allocating a limited amount of resources to prizes. Prizes are distributed according to the effort levels of contestants: the contestant with the highest effort wins the first prize, the contestant with the second-highest effort wins the second prize, and so on until all the prizes are allocated. The model is able to align the empirical evidence on effort provision, which is hard to reconcile with the standard economic assumptions. More specifically, high-ability contestants overexert effort while low-ability contestants withhold or withdraw effort in comparison to the predictions of standard preferences. Moreover, the optimal prize allocation differs markedly in the presence of loss-averse contestants. In particular, I show that multiple prizes can be optimal in cases where the standard preferences predict the optimality of a single prize.

Author(s): Ayse Gul Mermer
Topic: Games: Contests, Decision Theory: Preferences
Link: sites.google.com/site/aysegulmermer/Effort%20Provision%20and%20Optimal%20Prize%20Structure%20in%20All-Pay%20Contests%20with%20Loss-Averse%20Players.pdf?attredirects=0&d=1
[Back to session: Contests and Ranking](#)

Gender performance under rivalry and ranking: A comprehensive experimental analysis of effects and mechanisms

Arthur Schram
CREED

ABSTRACT:

We present a comprehensive experimental study of gender differences in performance caused by different dimensions of competition and of possible mechanisms behind such gender differences. In study 1 participants perform a real-effort task in mixed-gender groups under six different competitive conditions. We find that in the absence of any competitive dimension men and women perform equally well in a real-effort task, whereas any competitive dimension leads to women doing worse than men. The effects are caused by women decreasing their performance as a reaction to the introduction of competition, whereas that of men remains constant. In study 2 we analyze whether altruism can explain the findings of study 1. We find that women perform worse when it is salient that their performance has a negative effect on the ranking of others. In study 3 we study beliefs about gender differences in performance. In the absence of competitive elements men and women believe that there are no gender differences, but under two competitive dimensions men believe that their performance is better than that of women. In study 4 we study whether the results of study 1 are due to competition being mixed gender, to homophily. We find that gender mix does not substantially affect results. In summary, both women's altruism and men's beliefs about gender performance differences are behind observed gender differences.

Author(s): Klarita Gerxhani, Jordi Brandts, Arthur Schram
Topic: Psychology and Biology: Gender and Individual Differences, Applied Economics: Charitable Giving
[Back to session: Contests and Ranking](#)

Pushing Through or Slacking Off? Heterogeneity in the Reaction to Rank Feedback

Florian Hett
Johannes Gutenberg-Universität Mainz

ABSTRACT:

We study if and how people systematically differ in their reaction to receiving rank feedback. In a laboratory experiment, participants take part in two series of different dynamic real-effort contests with intermediate feedback. We use the data generated in the first series to classify individuals into different rank sensitivity types and find strong quantitative and qualitative differences: Substantial shares of participants react entirely opposite to rank information, while others do not react at all. We show that this interpersonal heterogeneity follows a very specific structure, which can be efficiently summarized in one parameter. In the second series we then test whether this classification is able to consistently predict behavior out of sample and in a different task. In fact, we find that individual specific estimated parameters from the first series explain behavioral heterogeneity in the second series with remarkable consistency. Our results introduce the idea of feedback sensitivity as an individual trait which provides a novel perspective on the differential effects of feedback and performance transparency in designing policies in education and organizations.

Author(s): Felix Schmidt, Patrick Schneider
Topic: Games: Contests, Methodology: Lab, Field and External Validity
[Back to session: Contests and Ranking](#)

Organizational Buy-In: An Experimental Study

Lan Yao
Shanghai University of Finance and Economics

ABSTRACT:

The popular business press regularly makes references to the importance of “buy-in” for implementing corporate strategy. We model buy-in as the opportunity to signal commitment to pursuing an efficient equilibrium in a coordination game through a pre-game stage in which individuals can publicly forgo the opportunity to commit their resources to endeavors outside the group. This mechanism reduces strategic uncertainty and thus the attractiveness of the risk-dominant equilibrium. A laboratory experiment demonstrates that the opportunity for buy-in produces substantial improvements in coordination.

Author(s): Roberto A. Weber, Lan Yao, Xun Zhu
Topic: Games: Coordination, Markets: Industrial Organization
[Back to session: Coordination I](#)

Achieving socially optimal effort while minimising monitoring costs

Ben Balmford
University of Exeter

ABSTRACT:

Imagine a group of individuals whom you wish to incentivise to produce some level of aggregate effort, with a particular distribution of effort across individuals. Our motivating example is a group of polluters, but it parallels the collective action problem in groups of co-workers. When individual effort can be costlessly observed, the solution to this mechanism design problem is straightforward. Yet enforced individual level monitoring (ILM) is often prohibitively expensive and/or politically infeasible. In both the workplace and pollution problems, all-or-nothing incentives which offer no reward for insufficient group-level effort have been proposed as a method by which, in theory, the problem of asymmetric information can be circumvented. But in practice these forcing contracts suffer from coordination failure: groups regularly coordinate at socially-inefficient equilibria, and at the individual level effort is distributed sub-optimally. Here we propose a hybrid mechanism, which combines a forcing contract (a group bonus) with devolved ILM. Devolved ILM offers polluters the option to purchase ILM which would guarantee them the bonus so long as they meet their individual target regardless of the actions of the rest of their group. We first show that devolved ILM in theory acts as a coordination device, and that under certain conditions all within the control of the policy maker, coordination on the socially optimal outcome is the unique equilibrium and that no ILM is actually purchased. We then test this in a laboratory experiment. Our results are clear: not only does the hybrid mechanism outperform a standalone forcing contract, under typical conditions, it also enhances welfare as compared with any policy which requires mandatory ILM. The experiment goes further still. Taking lessons from the literatures concerning equilibrium selection and bounded rationality, we offer insights as to how the hybrid mechanism can be further tweaked to enhance coordination and therefore welfare. We highlight the role of learning in fixed groups, and the welfare benefit offered by splitting the stage game into two steps: first deciding whether to purchase ILM and subsequently selecting the level of pollution abatement. In sum, the hybrid mechanism offers the potential to regulate individual effort to optimal levels while minimising monitoring costs.

Author(s): Ian Bateman, Brett Day, Greg Smith
Topic: Applied Economics: Other, Games: Coordination
[Back to session: Coordination I](#)

Payoff Asymmetry, Redistribution Option, and Coordination: Evidence from the Laboratory

Sipu Li
London School of Economics and Political Science

ABSTRACT:

How individuals coordinate with each other in scenarios of repeated interaction is one of the important research topics in the field of economics and social sciences. In a finitely repeated Battle of the Sexes with compromise environment, we study the effect of payoff structure and the option of payoff redistribution upon the coordination level through a laboratory experiment. Depending on the asymmetry degree of payoff structure and the availability of redistribution option, our design consists of 5 treatments: High Asymmetry with No Redistribution (HN), Moderate Asymmetry with No Redistribution (MN), Low Asymmetry with No Redistribution (LN), Moderate Asymmetry with Redistribution (MR), and Low Asymmetry with Redistribution (LR). Based on the analysis for the three treatments with no redistribution, our results show that (1) the adoption of compromise strategies has negative correlation with the level of payoff asymmetry, which is mainly due to the compromise options/reference point effect; (2) due to the learning effect in repeated games, the overall levels of coordination do not differ significantly among different payoff asymmetry settings. We then investigate the effect of redistribution option, under which subjects are offered the right to choose between two payoff asymmetry settings. Surprisingly, subjects

facing different redistribution options established exactly opposite coordination strategies in reaction to the same payoff structure. The refusal to redistribute effectively promoted the use of alternation strategy and improved the coordination in the MR treatment. In contrast, in the LR treatment, where the redistribution degree is large, the subjects who refused to redistribute tended to use compromise strategies, and the coordination level also declined. This phenomenon may also arise due to the reference effect of compromise option. Our study provides a first attempt to better understand the individuals' coordination behavior depends on the payoff structure and redistribution when they are offered with the compromise option, and thus has important policy implications for repeated social and economic interactions.

Author(s): Sipu Li (London School of Economics and Political Science) ; Jie Zheng (Tsinghua University)

Topic: Games: Coordination, Games: Repeated Games

[Back to session: Coordination 1](#)

The Effect of Time Pressure on Label Salience in Coordination Games Depends on the Asymmetry of Payoffs: Experimental Evidence

Anders Poulsen

School of Economics, University of East Anglia

ABSTRACT:

We experimentally examine the effects of exogenously varying time pressure in a coordination game with a label-salient focal equilibrium. We consider both a pure coordination game (payoff symmetry) and a battle of the sexes coordination game with conflict of interest (payoff asymmetry). We observe in the symmetric game that the label-salient outcome is highly focal regardless of how much time subjects have to decide. In the asymmetric game, in contrast, it becomes significantly more likely that coordination is on the label-salient outcome.

Author(s): Anders Poulsen, Axel Sonntag

Topic: Games: Coordination, Games: Bargaining

[Back to session: Coordination 1](#)

Pay or nudge employees into change? - An experimental investigation of the effect of nudging for organizational change

Kim Leonardo Bohm

University Duisburg-Essen

ABSTRACT:

Change initiatives often fail due to employees' resistance to change resulting in unforeseen expenses, delays, or other disruptions in organizations. In our experiment, we compare behavioral interventions, a recommendation, and a default nudge, with a costly pay raise to foster supportive behavior. We find that a potential pay raise has a positive (negative) effect if the higher (lower) payment is realized. In regard to a pure nudge, i.e., default, we support its effectiveness in enhancing change-related success. In line with our model and based on the assumption of low decision confidence in change settings, we find that a preference nudge, i.e., recommendation, lacks a corresponding effect. In addition, we are able to investigate the relative cost-effectiveness of such nudges compared to a pay raise for change initiatives in organizations.

Author(s): Kim Leonardo Bohm, Marvin M. Muller, Erich Renz

Topic: Applied Economics: Other, Games: Coordination

[Back to session: Coordination 2](#)

Intelligence, Errors and Strategic Choices in the Repeated Prisoners Dilemma

Andis Sofianos

University of Heidelberg

ABSTRACT:

We study how strategic interaction and cooperation are modulated by homogeneity of groups of players in cognitive skills, using repeated Prisoner's Dilemma. We observe higher cooperation rates and average final payoffs in mixed groups than in separated groups, with gains for lower IQ subjects and losses for higher IQ subjects when mixed. Higher IQ subjects adopt harsher strategies when they are matched with lower IQ subjects than when they play separately. We demonstrate this typically occurs in an evolutionary game theory model where higher intelligence subjects have lower frequency of errors in strategy implementation. In our data players indeed choose harsher strategies in environments where subjects exhibit higher error probabilities. The estimations of errors and strategies from the experimental data are consistent with the hypothesis and the model's predictions.

Author(s): Eugenio Proto, Aldo Rustichini, Andis Sofianos

Topic: Games: Coordination, Social Behavior: Group Behavior

[Back to session: Coordination 2](#)

The Effects of Group Identity on Interaction Preferences and Coordination Efficiency

Adria Bronchal Rueda

ESADE

ABSTRACT:

In this paper, I extend the traditional spectrum of group identity categories by adding the unknown-group category, and investigate to what extent individuals positively and negatively discriminate against in-group, out-group, and unknown-group individuals on interaction decisions. In a laboratory experiment, either weak or strong group identities are induced to participants before they play a repeated weakest-link game in which participants simultaneously decide who they want to coordinate with, and at which effort level. I find that after the first instance, unknown-group individuals are more negatively discriminated than out-group individuals. However, when interactions entail high and mutual potential economic incentives, individuals do not discriminate. Overall, my findings highlight the importance of group identity categorization and economic incentives as deterring factors of discrimination patterns on interaction preferences.

The initial deposit decision and the occurrence of bank runs

Johan de Jong
University of Amsterdam

ABSTRACT:

In studies of bank runs the initial deposit decision is typically not taken into account. However, it is unlikely that people will entrust money to a bank that they expect to fail in the near future. The aim of this study is to investigate to what extent this mechanism prevents bank runs. It introduces an experiment in which participants first have to choose if they want to receive their endowments as a deposit in a 'risky' bank that pays a high interest or a 'safe' bank that pays a lower interest. After this decision they can withdraw the money from their account or leave it in to receive the interest. The availability of different deposit options leads to a very clear theoretical prediction: all choose to deposit in the risky bank with the high interest rate and consequently leave the deposit in the bank. In the experiment the first prediction is not confirmed: almost half of the participants choose to deposit in a safer alternative. However, in contrast to the control treatment in which participants are not offered a choice, only very few of those that choose the risky bank withdraw their deposits later.

Author(s): Johan de Jong
Topic: Games: Coordination, Markets: Finance
[Back to session: Coordination 2](#)

Inefficient Cooperation under Stochastic and Strategic Uncertainty

Juri Nithammer
University of Potsdam

ABSTRACT:

Stochastic uncertainty can cause difficult coordination problems that may hinder mutually beneficial cooperation. We propose a mechanism of ex-post voluntary transfers designed to circumvent these coordination problems and ask whether it can do so. To test this, we implement a controlled laboratory experiment based on a repeatedly played Ultimatum Game with a stochastic endowment. Contrary to our hypothesis, we find that allowing voluntary transfers does not entail an efficiency increase. We suggest and analyze two main reasons for this finding: First, the stochastic uncertainty forces proposers to accept high strategic uncertainty if they intend to cooperate by claiming a low amount (which many proposers do not). Second, many responders behave only incompletely conditionally cooperative by transferring too little (which hinders cooperation in future periods)

Author(s): Lisa Bruttel, Werner Guth, Juri Nithammer, Andreas Orland
Topic: Games: Coordination, Games: Bargaining
Link: osf.io/7tc5w/?view_only=05889e2c6a904093bbba3eb632b2ab70 (preregistration).
[Back to session: Coordination 2](#)

Nudging innovation: the effect of salience

Elisa Matthewes
University of Fribourg

ABSTRACT:

This paper investigates the use of a salience nudge designed to decrease risk perceptions as a tool to foster innovative behavior. Recent research shows that incentive schemes that decrease the financial risk of innovating induce innovation. We explore a behavioral intervention as a non-monetary alternative. In a laboratory experiment, we introduce periodic reporting as a treatment and exogenously vary its content between either profits - to increase risk salience and inhibit innovation - or business strategies - to decrease risk salience and induce innovation. We report that this nudge affects innovative behavior and that it goes through the channel of risk preferences as only risk-averse participants are affected. Contrarily to our expectations, neither of the treatments induced innovation, but both inhibited it compared to the control. We thus provide evidence for the possibility of using a salience nudge that alters risk perceptions as means to influence innovative behavior. However, we recommend practitioners to tailor interventions and their evaluation with care before implementation.

Author(s): Elisa Matthewes, Anis Nassar, Christian Zihlmann
Topic: Unknown: Unknown, Unknown: Unknown
[Back to session: Decision Making](#)

Planning and Playing: An Experimental Examination of Stopping Rules in a Dynamic Setting

Hadar Weisman Simhony
Tel Aviv University

ABSTRACT:

We experimentally examine how individuals stop risky processes (e.g., the evolution of prices) when they have the opportunity to plan but no commitment power. Our design simplifies the dynamic problem for subjects to better understand, while still providing a rich data-set, as we record the entire history of the game. We find cut-off stopping rules behavior is prevalent in dynamic play even when players are not instructed to adhere to it. Planning yields significantly better outcomes than playing without planning in processes with underlying positive expected value lotteries.

Author(s): Yair Antler, Ayala Arad, and Hadar Weisman Simhony
Topic: Applied Economics: Other, Decision Theory: Other

The difference between saying and doing. Comparing subjective and objective measures of effort.

Simona Demel
Carlos III University of Madrid

ABSTRACT:

What difference is there between saying and doing when it comes to effortful persistence under varying incentives? We study 420 primary school students to understand how objective and subjective effort measures are related under two incentive conditions: intrinsic motivation and extrinsic motivation. To this end, we take an interdisciplinary approach and employ three measures of objective effort in an experimental setting to capture participant's processing speed, cognitive and inhibitory control during cognitively demanding tasks. Four personality characteristics: conscientiousness, need for cognition, locus of control and delay of gratification, are the measures of self-reported subjective effort. Our aim is to understand to which extent these psychological scales predict actualized effort intensities and to test how the observed associations depend on material incentives. We find that some of the subjective and objective effort measures are positively correlated, yet the predictive power of personality is moderate. In particular, need for cognition and conscientiousness are the most relevant correlates of effort. These findings have implications for inequality and social stratification.

Author(s): Paula Apascaritei, Simona Demel & Jonas Radl

Topic: Applied Economics: Other, Unknown: Unknown

[Back to session: Decision Making](#)

Inventory Management with Carryover in a Laboratory Setting: Going Beyond the Newsvendor Paradigm

Beatrice Boulu-Reshef - LEO CNRS
Universite d'Orleans

ABSTRACT:

This paper considers a stationary model of inventory management in a rich setting in which unsold units carry over, in contrast with the full depreciation of unsold units that is implemented in laboratory studies of the newsvendor problem. The model permits an array of costs associated with restocking, understocking, depreciation, financing, and holding inventories. The extra dimensions make it possible to hold the optimal inventory constant, while adjusting parameters that change the frequency of stockouts and the risk associated with storage and depreciation. This framework facilitates an investigation of factors that influence the nature and severity of behavioral biases observed in simpler newsvendor settings. Optimal inventory decisions are derived and tested with a laboratory experiment. We consider four main questions in the inventory literature: the "pull-to-center" effect, the "recency" effect, the effect of increased up-front costs, and the effect of risk aversion.

Author(s): Beatrice Boulu-Reshef - University of Orleans, LEO, France and Charles A. Holt, University of Virginia, Economics Department, USA

Topic: Decision Theory: Other, Markets: Other

[Back to session: Decision Making](#)

Choice overload and asymmetric dominance: experiment and theory

Stefania Sitzia
UNIVERSITY OF EAST ANGLIA

ABSTRACT:

Our paper reports an experiment which uses a new design to test the choice overload hypothesis that

Author(s): Gerardo Infante, Stefania Sitzia, Robert Sugden

Topic: Decision Theory: Other, Markets: Other

[Back to session: Decision Making](#)

Mobile money, financial inclusion and unmet aspirations. Evidence from Uganda

Jana Hamdan
DIW Berlin

ABSTRACT:

In our sample 86% of microentrepreneurs own a mobile money account, but only 48% actively use it – the resulting gap indicates unmet aspirations. We estimate that mobile money reaches up to 40% of those without access to (semi-) formal financial services, still leaving a substantial, non-random group behind. A choice experiment shows that high fees hinder mobile money use. Also insufficient physical infrastructure limits access, and a lack of financial education seems to contribute to biased decisions. Thus we suggest policy measures reducing remaining barriers in the contribution of mobile money to financial inclusion.

Author(s): Lukas Menkhoff, Katharina Lehmann-USchner

Topic: Applied Economics: Economic Development, Field Experiments: General

[Back to session: Economic Development](#)

How the Wind Blows: Air Pollution and Child Growth in India

Stefanija Veljanoska
IRES, Universite catholique de Louvain

ABSTRACT:

We analyze child growth indicators in India, matching national survey data to satellite air pollution and climate information. In a grid structure of the Indian territory, we identify exogenous variation in local air pollution by quantifying pollution brought over by wind from neighboring areas. We show that an increase by one standard deviation in the yearly concentration of fine particulate matter is accountable for 2 percentage points of stunting and wasting rates. Stunting has critical long-term health and economic consequences; through its impact on stunting, pollution exacerbates the height premium in earnings, with girls being taxed more than boys.

Author(s): Anca Balietti, Souvik Datta and Stefanija Veljanoska
Topic: Applied Economics: Economic Development, Applied Economics: Other
[Back to session: Economic Development](#)

Joint Production and Household Bargaining: an experiment with spouses in rural Tanzania

Ian Lively
Department of Political Economy, King's College London

ABSTRACT:

We present evidence that intra-household decision making can lead to inefficient outcomes. Specifically, we show that a spouse's control over the household budget increases with private earnings, but not with the share of earnings from a joint venture. This can prevent couples from working together, even when it is the most efficient option. We test this using a framed field experiment with married couples in rural Tanzania. In this setting, many farm households exhibit seemingly inefficient behavior, raising multiple crops, each grown primarily by one individual, rather than concentrating household effort on the most profitable crop. In our experiment, spouses were assigned work in a real-effort task, earning vouchers that they spent together. In some treatments, we divided the task into multiple "projects". We find that earning more increases bargaining power, but not if that income is earned from a "joint" project that involved both spouses. In a related choice experiment, we find that many subjects avoid joint projects, even when doing so is costly, and that these choices are correlated with lower agricultural income. Similar mental accounting could explain inefficient intra-household decision-making in other settings.

Author(s): Ian Lively & Marrit van den Berg
Topic: Applied Economics: Economic Development, Games: Bargaining
[Back to session: Economic Development](#)

Poverty and Perseverance: How Much Effort Do the Poor Exert?

Zahra Sharafi
Goethe University Frankfurt

ABSTRACT:

Perseverance as a non-cognitive skill is determinative for achievement. Poverty, however, can impair this crucial skill. The literature surrounding the psychology of poverty has been growing and yet the effect of poverty on the persistent provision of effort is relatively unexplored. To investigate this effect, I conducted an experiment with a difference-in-differences design. I primed adolescents in the treatment condition with poverty-related dejection and measured their perseverance on a real-effort task. Relatively poor participants reminded of the economic condition in their life have a 25 percent lower persistence and consequently are less successful in fulfilling the task compared to their well-off counterparts. This study suggests poverty as being one of the possible underlying causes that deteriorate perseverance in effort-demanding situations. One possible mechanism that explains these results operates through the negative affective state caused by poverty that exhausts the stock of drive and motivation required for a deed and increases the cost of effort. Consequently, the effort provision would be lower by the poor compared to the non-poor participants.

Author(s): Zahra Sharafi
Topic: Applied Economics: Economic Development, Psychology and Biology: Emotions
[Back to session: Economic Development](#)

Clustering Standard Errors at the 'Session' Level

Duk Gyoo Kim
University of Mannheim

ABSTRACT:

Session-specific features of a laboratory experiment, if those exist, do not disappear by clustering standard errors at the session level. Randomly ordering sessions, which is crucial to deal with sampling issues, cannot justify clustering the standard errors at the session level. The experimental design should primarily determine the clustering level. In a typical controlled laboratory experiment where subjects make choices in the same environment repeatedly, clustering at a participant level is inherited from the experimental design, and standard errors could be larger (that is, statistical inference can be more conservative) when clustered at the individual or decision-group level than the session level. It implies that clustering standard errors at the session level can lead to false-positive treatment effects if it is mistakenly chosen. A rule of thumb using standard deviations is introduced.

Author(s): Duk Gyoo Kim
Topic: Methodology: Experimental Design, Tools and Practices, Methodology: Other
Link: kimdukgyoo.github.io/PDFfiles/ClusteringSEsession.pdf
[Back to session: Experimental Methodology: Design, Tools and Practices](#)

Testing Equilibrium Choices in Weighted Networks with Allocation Vectors

Sebastian Cortes-Corrales
Faculty of Economics, University of Cambridge

ABSTRACT:

In a wide range of relevant economic, social, and political environments, agents allocate a finite resource (e.g., effort) across their differently valued connections with others (weighted networks with allocations vectors). A growing theoretical literature has investigated how the connection weights affect choices but an empirical analysis is missing. To address this question, we propose a novel experimental design, introducing exogenous weighted networks in the laboratory for the first time. Using Seemingly Unrelated Regressions and the Dirichlet Covariate Model to analyze the resulting compositional data, we find strong support for the equilibrium comparative statics but reject equilibrium point predictions in some cases. Furthermore, we report the significant effect of complexity of the decision problem on these choices.

Author(s): Sebastian Cortes-Corrales and David Rojo Arjona

Topic: Games: Networks, Methodology: Experimental Design, Tools and Practices

Link: drive.google.com/file/d/16049cFaBE0RV3ErjNOwI40KmECW9kae4/view

[Back to session: Experimental Methodology: Design, Tools and Practices](#)

Binary vs continuous sets of responses: Costs and benefits from the field

Maria del Pino Ramos Sosa
Universidad Loyola Andalucia

ABSTRACT:

This paper conducts a pre-registered study aimed to compare binary vs. continuous set of responses in a questionnaire. We study whether binary and continuous sets yield to the same outcome (distribution) and the same cost (duration in minutes). We collect data from 360 households in Honduras who were randomly assigned to Yes/No questions or were given a slider to mark their responses (interval [0,1]). We find significant differences between binary and continuous answers depending on the context. Interestingly, differences arise when the questions include negative references and when may potentially reveal personal information. Indeed, we find that subjects are more likely to avoid responding no when questions in the binary treatment compared to the continuous, overreporting their answers in the former. In less context-specific questions, no differences are found. In our case, opting for Yes/No responses reduced the average length of the questions in 234.7 seconds (from 518.9 to 284.2 seconds). Our results contribute to survey design, both in the type of the question and the potential costs.

Author(s): Noelia Rivera-Garrido, M.P. Ramos-Sosa, Pablo Brañas-Garza, Michela Accerenzi

Topic: Methodology: Experimental Design, Tools and Practices, Methodology: Other

[Back to session: Experimental Methodology: Design, Tools and Practices](#)

Gut-brain axis, microbiota and economic behavior

Helena Fornwagner
University of Innsbruck

ABSTRACT:

Since over 300 years, scientists have known that microbes live inside us. However, researchers only recently discovered that the gut microbiome is highly important because of its link to many states of human and animal health and diseases, as well as to emotions, learning, memorization of information, and social interactions. In this study we extend the existing literature by analyzing, for the first time, the connection between human economic behavior and the gut microbiome. We present data from an innovative experiment, in which we collect fecal, urine, and saliva samples of human participants and link them to a number of fundamental economic preferences. Our results contribute to the literature first, by investigating the relationship between the gut microbiome and economic behavior and second, by testing if and how the gut microbiome varies for different behavioral types.

Author(s): Helena Fornwagner, Simon Reider, Loukas Balafoutas, Alexander Moschen,

Topic: Psychology and Biology: Other, Methodology: Experimental Design, Tools and Practices

[Back to session: Experimental Methodology: Design, Tools and Practices](#)

Bridging the gap between the lab and the field: Dictator games and donations

Daniel Navarro-Martinez
Pompeu Fabra University

ABSTRACT:

There is a growing concern about the extent to which laboratory games generalize to social behaviors outside the lab. In this paper, we show that it is possible to make lab games much more predictive of field behavior by bringing the right contextual elements from the field into the lab. For this, we focus on dictator games and charitable giving in the field. We present a series of three experiments in which we face the same participants with different versions of the dictator game and with two different field situations outside the lab: one in which they can donate money to a charity and one in which they can show interest in volunteering. The games are designed to include step by step contextual elements that make them similar to our first field situation. We find a dramatic increase in the lab-field correlation with the first situation as contextual elements are incorporated. However, making the games more similar to the first situation does not increase correlation with the second one, showing that pro-social behavior is highly context-specific. Our results demonstrate that context-free games have limited predictive power in the field, but this gap can be substantially bridged by incorporating appropriate contextual elements from the field. This has wide-ranging implications for experiments in economics and it highlights the importance of establishing close links between lab and field research.

Author(s): Daniel Navarro-Martinez, Xinghua Wang

Topic: Methodology: Lab, Field and External Validity, Social Behavior: Other-regarding Preferences

[Back to session: Experimental Methodology: Lab, Field and External Validity](#)

After the virtual flood: risk perceptions and flood preparedness after virtual reality risk communication

Jantsje Mol
Vrije Universiteit Amsterdam

ABSTRACT:

Many individuals experience problems understanding and preparing for low-probability impact risk, like natural disasters and pandemics – unless they experience these events, yet then it is often too late to avoid damages. Individuals with recent disaster risk experience are, on average, better prepared. This seems to be mediated through emotions and a better understanding of the consequences. In this study, we use immersive virtual reality (VR) technology to examine whether a simulated disaster can stimulate people to invest in risk reducing measures in the context of flooding, which is one of the most deadly and most damaging natural disasters in the world. We investigate the possibility to boost risk perception, coping appraisal, negative emotions and damage-reducing behavior through a simulated flooding experience. An important novelty of the current set-up is that we examine the persistence of the effects by using a follow-up survey several weeks after the VR intervention.

Author(s): Jantsje M. Mol, W. J. Wouter Botzen & Julia E. Blasch
Topic: Methodology: Lab, Field and External Validity, Applied Economics: Other

Link: www.jantsje.nl

Back to session: [Experimental Methodology: Lab, Field and External Validity](#)

What do lab experiments tell us about the real world? The case of lotteries with extreme payoffs

Joanna Rachubik
University of Warsaw

ABSTRACT:

In this study, we conduct a laboratory experiment in which the subjects make choices between real-world lottery tickets typically purchased by lottery customers. In this way, we are able to reliably offer extremely high potential payoffs, something rarely possible in economic experiments. In a between-subject design, we separately manipulate a number of features that distinguish the situation faced by the customers in the field and by subjects in typical laboratory experiments. We also have the unique opportunity to compare our data to actual sales data provided by the operator of the lottery. Overall, we find the distributions to be highly similar (meaning high external validity of the laboratory experiment). The only manipulation that makes a major difference is that when the probabilities of winning specific amounts are explicitly provided (which is not the case in the field), choices shift towards options with lower payoff variance. We also find that standard laboratory measures of risk posture fail to explain our subjects' behavior in the main task.

Author(s): Raman Kachurka, Michał Krawczyk, Joanna Rachubik
Topic: Methodology: Lab, Field and External Validity, Decision Theory: Risk

Link: www.wne.uw.edu.pl/files/6515/8221/4079/WNE_WP309.pdf

Back to session: [Experimental Methodology: Lab, Field and External Validity](#)

Bargaining in a 'Pawn Shop': A field experiment to study WTA

Paola Tiranzoni
Università degli studi di Bari

ABSTRACT:

This study presents an analysis of hypothetical bias in WTA valuation connected with a bargaining game setting, in a field experiment context. The field of the experiment is the American reality television series "Pawn Stars". We collected a unique dataset that allowed us to analyse not only the gap between real and hypothetical WTA but also how they affect the bargaining game and vice versa. The general aim of this paper is to study the hypothetical bias related to subjects' WTA, and the factors that mostly affect it. The main results, of our paper, show that the hypothetical bias is positive, and it depends mainly on the price range and the type of good.

Author(s): Andrea Morone, Paola Tiranzoni
Topic: Field Experiments: General, Games: Bargaining

Link: www.fielDEXperiments.com/paper/2756/

Back to session: [Field Experiments I](#)

Two Field Experiments on Self-Selection, Collaboration Intensity, and Team Performance

Rainer Michael Rilke
WHU - Otto Beisheim School of Management

ABSTRACT:

We analyze how the team formation process influences the ability composition and performance of teams, showing how self-selection and random assignment affect team performance for different tasks in two natural field experiments. We identify the collaboration intensity of the task as the key driver of the effect of self-selection on team performance. We find that when the task requires low collaborative efforts, the team performance of self-selected teams is significantly inferior to that of randomly assigned teams. When the task involves more collaborative efforts, self-selected teams tend to outperform randomly assigned teams. We observe assortative matching in self-selected teams, with subjects more likely to match with those of similar ability and the same gender.

Author(s): Mira Fischer, Burcin B. Yurtoglu
Topic: Field Experiments: General, Social Behavior: Group Behavior

Link: econpapers.repec.org/paper/izaizadps/dp13201.htm

Back to session: [Field Experiments I](#)

Norms of Cooperation in a Company

Christiane Schwieren
University of Heidelberg

ABSTRACT:

Abstract: We experimentally study the relation between cooperation, social norm perception and incentive schemes in a large software corporation in Germany. In the first part, employees play a standard public goods game by indicating their cooperative beliefs as well as their conditional and unconditional contributions. In the second part,

participants coordinate on social norm perceptions with respect to helping, information sharing and teamwork, which gives us a better understanding of the “cooperative culture” in the company. In the third part, we elicit socio-demographic and company-specific variables. Our study yields three main insights: First, participating employees who donate more in the public goods game also exhibit a more cooperative descriptive norm. Second, subjects who believe that other employees are less cooperative, also deem selfish behavior as appropriate. Third, while incentive schemes correlate with cooperative attitudes they do not relate to social norm perception.

Author(s): Martin Kocher, Marvin Deversi, Robert Schmidt, Christoph Schweighofer

Topic: Field Experiments: General, Social Behavior: Norms and Morals
[Back to session: Field Experiments 1](#)

Making Social Cost Salient: A Natural Field Experiment

Jubo Yan
Nanyang Technological University

ABSTRACT:

We report findings from a natural field experiment conducted in a university where staff members order stationeries for work-related purposes online, and the university bears the cost entirely. We randomize staff members into a treatment and a control group. Only the former observes the cost information in the online ordering interface. We find that displaying the social cost did not change the ordering frequency, nor the quantity of requested items conditional on the items being ordered (the intensive margin), but did reduce the variety of items ordered (the extensive margin). Overall, the intervention led to around 27% reduction in the quantity of stationery consumption, saving considerable cost for the university. Thus, individuals at least partially internalize the external effects of their actions when social cost is made salient.

Author(s): Fuhai Hong, Yohanes E. Riyanto, Jubo Yan

Topic: Field Experiments: General, Social Behavior: Other-regarding Preferences
[Back to session: Field Experiments 1](#)

The Adverse Effects of Monitoring: A Field Experiment

Christian Zihlmann
University of Fribourg (CH)

ABSTRACT:

Aligning worker incentives with organizational objectives is a key management challenge. In this paper, we conduct a pre-registered natural field experiment on an online labor market platform to study the impact of monitoring in a modern and remote work environment. Production requires multidimensional performance, but not all performance dimensions can be monitored. Our data shows that monitoring improves performance in the monitored dimension. Yet, it causes a significant negative spillover effect on the non-monitored dimension. Moreover, we face heterogeneous workers. The negative performance impact of monitoring is significantly more pronounced among the initially intrinsically motivated workforce. Next, we document that performance is primarily reduced among the challenging, more difficult tasks. This finding has important implications. For example, if the workers' inputs are complementary rather than substitutes, the actual costs of monitoring can be substantially larger than previous evidence suggests. Finally, as a general consequence of our findings, the workforce is significantly less diverse under monitoring – both low and high performers are rarer. Thus, monitoring cultivates the average worker.

Author(s): Holger Herz & Christian Zihlmann

Topic: Field Experiments: General, Applied Economics: Labor Market
[Back to session: Field Experiments 4](#)

Information intervention to promote safe water consumption: An RCT in areas affected by groundwater arsenic in India

Daniel Salicath
University of Cologne

ABSTRACT:

In this study, we investigate how information interventions work, particularly in the health context. Arsenic-contaminated groundwater is consumed by approximately 100 million people worldwide and has severe health consequences. Using an RCT conducted in Bihar, India, we test the effectiveness of an information-based intervention, focused on spreading awareness about arsenic in the groundwater and mitigation techniques. We use this context to study the mechanisms on how people act on new information about safe water use. We find significant reductions in arsenic levels between the treatments and the control group. By presenting villagers with low-cost options, we encourage more feasible changes, that help in reducing the level of arsenic.

Author(s): Shambhavi Priyam, Daniel Salicath and Matthias Sutter

Topic: Field Experiments: General, Applied Economics: Economic Development
[Back to session: Field Experiments 4](#)

Promoting Parking Behavior of Shared Bicycles with Social Norm Information: a Field Experiment

duan su
beijing jiaotong university

ABSTRACT:

Since the introduction of dock-less bike sharing in China, it has been one of the most popular travel modes for city dwellers. Its emergence makes commuters travel in an environmental manner, but also brings some negative impacts on public society, such as disorderly parking. This study aims to use insights from behavioral economics to test the effectiveness of different social norm information on promoting orderly parking in a field experiment. We interacted a framing effect (positive vs negative) and different forms (text vs cartoon) to create four information strategies of social norms. The collected data inflect a decision process with two stages where cyclists first decide where to park and then whether park in a good manner. The results are as follows: (1) The positive text and cartoon are both significantly effective on inducing orderly parking behavior. (2) The negative reminders are of limited effects and only the cartoon works on promoting parking bicycles with good manner. From the

theoretical aspect, this study explores the possible influence of different types of social norm information on transportation behavior. From a practical standpoint, it helps promote the effectiveness of behavioral management and offers solutions for disorderly parking. Keywords: dock-less shared bicycles, disorderly parking behavior, social norm information, framing effects

Author(s): Duan Su?Yacan Wang?Jaimie Wei-Hung Lien ?Jiaping Wang?Tingting Fu*

Topic: Field Experiments: General, Social Behavior: Norms and Morals

[Back to session: Field Experiments 4](#)

Discrimination and Immigration: Field Experimental Evidence

Elisabeth Gsottbauer
University of Innsbruck

ABSTRACT:

We study ethnic discrimination by private firms and public institutions in Austria. We send out more than 27,000 e-mail inquiries to the universe of communities with less than 100,000 residents, randomizing the name of the sender as either local or foreign. Differences in response rates are used to create a nation-wide index of discrimination. We document several empirical facts. First, discrimination is widespread and exists in virtually all branches and public institutions. Second, discrimination is substantially lower in the public than in the private sector (10 versus 17 percentage point differences in response rates). Third, the signaling of social status does not affect response rates, suggesting that discrimination is tasted-based rather than statistical. Fourth, the magnitude of discrimination is unrelated to economic and socio-demographic factors and also to vote shares for the far-right. Fifth, the index does significantly correlate with average attitudes towards foreigners in a community as measured by survey instruments. Additionally, we exploit the random allocation of refugees during the 2015/16 crisis to estimate the effect of intra-group contact on discrimination. We find no evidence that contact to refugees affects discrimination. The large sample thereby allows us to rule out economically meaningful effect sizes. Instead, we find evidence for a sorting effect: Foreigners seem to sort into communities with more positive attitudes towards migrants.

Author(s): Elisabeth Gsottbauer; Daniel Muller

Topic: Field Experiments: General, Social Behavior: Other

[Back to session: Field Experiments 4](#)

FINANCIAL BIAS MAP AND THE ROLE OF FINANCIAL LITERACY

Gizem Turna Cebeci
Istanbul Bilgi University

ABSTRACT:

This study aims to investigate experimentally (i) the relationships among financial biases, and (ii) the role of financial literacy for rational investment behavior. We focus on a collection of cognitive biases (i.e., framing, conservatism, illusion of control, anchoring) and emotional biases (i.e., overconfidence, loss aversion, affinity, endowment effect). We employ a survey and an incentivized experiment to observe how these biases are individually or group-wise related. We also investigate whether financial literacy reduces/prevents the tendency for these biases. The study uses a rich set of control variables, such as the economic preferences (time and risk preferences), saving/investment habits, financial education, budgeting behaviors, financial attitudes, and socio-demographic attributes (e.g., gender, age, education, and income levels, etc.). In our survey, we employ first-year undergraduate students (young group) and their parents (adult group) as participants. This sample enables us to control for the role of financial experience on investment behavior as well as to investigate whether the biases of our focus are subject to parental transmission. Another novelty of this study is to analyze investment behavior in both incentivized and non-incentivized experimental settings. Our study shows that financial literacy fails to prevent financial biases except affinity and framing. In fact, we find that the higher the level of financial literacy, the higher is the propensity for the illusion of control. Our results show that a sub-group of the cognitive biases, namely conservatism and illusion of control, and the emotional biases, namely, affinity and endowment effect, co-exist. We find evidence for parental transmission of illusion of control, loss aversion, and overconfidence. On the other hand, age significantly affects economic preferences, level of financial literacy, and tendency for biases. We also observe that risk-averse individuals are more subject to framing, loss aversion, and anchoring while being patient reduces the tendency for framing, conservatism, anchoring, and affinity.

Author(s): Gizem Turna Cebeci

Topic: Field Experiments: General, Markets: Finance

[Back to session: Field Experiments 5](#)

The Effect of Gifts on Tips in Restaurants

Merav Malcman
Ben-Gurion University of the Negev

ABSTRACT:

Would you tip in restaurants more whenever the server will give you a gift? Is the tip amount depends the time you will get the gift? And is the decision regarding tip amount depends other parameters, some of these parameters controlled or uncontrolled by the customer? In many countries, tipping in restaurants is not enforceable by law, but it forms a major part of servers' income. Worldwide tipping is a huge economic phenomenon involving every year dozens of billions of dollars in the food industry alone and being a major source of income for millions of workers. This research analyzed the impact of different gifts, as well as additional control variables, on tip size. The research involved field experiment, examining the effect of gifts given by the restaurant on tip size. The research involves giving a complimentary dish or beverage, either served at the beginning or at the end of the meal and examining the effect of this free gift on tips. The data set was collected from 728 tables at a restaurant that was divided into 7 groups as the following: 6 treatments groups and the control group. This research provide evidence that gifts have an effect on tip size in restaurants. It is important to emphasize that field experiments provide unique insights into consumer behavior, as they are representation of the reality economics, marketing and decision-making.

Author(s):

Topic: Field Experiments: General, Decision Theory: Other

[Back to session: Field Experiments 5](#)

Volunteering at the Workplace under Incomplete Information: Team Size Does Not Matter

Tobias Werner
DICE, University of Duesseldorf

ABSTRACT:

Volunteering is a widespread allocation mechanism at the workplace and emerges naturally in open-source software development, the generation of online knowledge platforms, and to some extent in "agile" work environments. Using a field experiment with 8 treatments and close to 2,800 workers on an online labor market, we study the effect of team size on volunteering at the workplace under incomplete information. In stark contrast to the theoretical predictions, we find no effect of team size on volunteering behavior. With the use of our control treatments, we can show that workers react to free-riding incentives provided by the volunteering setting in general, but do not react strategically to the team size. We show that the result is robust to several further factors.

Author(s): Adrian Hillenbrand, Tobias Werner, Fabian Winter

Topic: Field Experiments: General, Applied Economics: Labor Market

Link: www.dice.hhu.de/en/diceteam/researchers/doctoral-researchers/tobias-werner-msc.html

[Back to session: Field Experiments 5](#)

Representativeness Heuristic in Highly Competitive Game: Evidence from NHL Fantasy League

Vojtech Kotrba
University of Economics in Prague

ABSTRACT:

Conclusions of behavioral economics show that an individual may not act optimally and rationally in his decision-making. However, those findings, coming mainly from laboratory conditions, need to be verified in the real environment. This paper examines the presence of the representativeness heuristic in the environment of fantasy sport. The data come from a fantasy league according to National Hockey League in season 2015-16. Its users come mainly from the Czech Republic. The results show a moderately strong presence of representativeness. Nevertheless, the irrationality manifests for example by higher demand for the same nationality hockey players. However, the main influence of demand is still the athletes' performance.

Author(s): Vojtech Kotrba

Topic: Field Experiments: General, Decision Theory: Bounded Rationality

[Back to session: Field Experiments 6](#)

Nudge me! Response to and demand for healthy habit reminders

Christina Gravert
University of Copenhagen

ABSTRACT:

Identifying the behavioral mechanisms through which one of the most popular nudges, reminders, change behavior is crucial for making nudging an efficient and ethical addition to the policy toolkit. In a field experiment with over 17,000 women in South Africa, we analyze what drives reminder response and in particular the role of reminders as a means to overcome attentional problems, informational limitations or invoke emotions such as guilt. We find large acceptance and self-selection into reminders, but only small behavioral effects. Reminders might alleviate cognitive load rather than actual inattention.

Author(s): Kai Barron, Mette Trier Damgaard, Christina Gravert

Topic: Field Experiments: General, Decision Theory: Bounded Rationality

[Back to session: Field Experiments 6](#)

The Role of Goals in Motivating Behavior: Evidence from a Field Experiment on Resource Conservation

Ximeng Fang
University of Bonn

ABSTRACT:

Goal-setting is ubiquitous in the modern digitized world abundant with quantifiable information about individual behavior. A large literature in psychology demonstrates that goals can motivate effort even when not tied to explicit incentives. Yet, few studies establish the relevance of goals using field evidence, and there is little guidance on how to incorporate goal-setting into economic decision-making and policy frameworks. We provide causal evidence on the impact of goals and feedback on behavior from a field experiment (N = 525 households) in the context of resource conservation in the shower. We randomly assign exogenous goals coupled with real-time feedback via smart meters and collect fine-grained behavioral measures over a duration of up to 6 months. Our main findings are as follows: (i) while feedback alone already induces large conservation efforts, goal-setting increases this savings effect substantially; (ii) effects remain stable over time; (iii) the relationship between goal difficulty and effort appears to be non-monotonic but reverse U-shaped instead; (iv) hazard rates of individual showers suggest that effort is particularly strong when a goal is in sight (bunching) but quickly dies off as soon as it becomes out of reach. These results are best explained by a fixed-penalty model instead of a loss-aversion-model with goals as reference points.

Author(s): Sumit Agarwal, Ximeng Fang, Lorenz Goette, Samuel Schoeb, Tien Foo Sing, Thorsten Staake, Verena Tiefenbeck, Davin Wang

Topic: Applied Economics: Other, Field Experiments: General

[Back to session: Field Experiments 6](#)

Keeping Up with the Joneses: Economic Impacts of Overconfidence in Micro-Entrepreneurs

Julia Seither
Universidad del Rosario

ABSTRACT:

Abstract Micro-firm owners have incomplete information about attainable incomes, and their relative performance standing. This might affect their beliefs about the quality of their business network and the returns to effort. Incorrect beliefs in turn, lead to sub-optimal choices that stunt firm growth. In this paper, I study whether feedback on relative performance standing affects beliefs and, as a consequence, firm output. I exploit data from a unique field experiment in Mozambique that provides novel causal evidence of the effect of performance rankings on firm outputs. One year after the intervention, at baseline high-performers are not affected by the treatment as the ranking contains only limited new information for them. However, low-performing firm owners at baseline significantly increase their revenues compared to low-performers in a control group. Treated low-performers close the performance gap to high-performing peers by 43%. This effect is, to a large degree, explained by significant increases in work hours and pro-social behavior. Exploiting variation in the observability of peer characteristics, I show that the treatment is particularly effective when subjects observe that the most successful peer is a woman. Low-performers that, additionally to their own ranking, observe a female top seller, outperform at baseline high-performers by 14%.

Author(s): Julia Seither

Topic: Applied Economics: Economic Development, Field Experiments: General

[Back to session: Field Experiments 6](#)

Financial Contagion and the Wealth Effect: An Experimental Study

Oana Peia
University College Dublin

ABSTRACT:

We design a laboratory experiment to test the importance of wealth as a channel for financial contagion across markets with unrelated fundamentals. In a sequential global game, we analyze the decisions of a group of investors that hold assets in two markets. We consider two treatments that vary the level of diversification of these assets across markets. In both treatments, we find evidence of financial contagion. When investors have completely diversified portfolios, we provide evidence of contagion due to a wealth effect: for certain ranges of fundamentals, we show that a decrease in wealth from the investment in the first market makes withdrawals more likely in the second, thereby increasing the probability of a crisis. When portfolio diversification is small, then social imitation is relevant in explaining contagion.

Author(s): Anna Bayona and Oana Peia

Topic: Markets: Finance, Games: Coordination

Link: oanapeiablog.files.wordpress.com/2020/04/wp20_07.pdf

[Back to session: Finance 1](#)

Information in Asset Market Experiment

Angelo Ventrone
University of Salerno

ABSTRACT:

This paper proposes an experimental asset market in which human traders interact with a robot trader, with the aim of evaluating the effect on transactions price behavior, after a random arrival of news, on fundamentals. The experimental design consists on continuous double-auction market based on Smith et al. (1988), in which human agents exchange securities, but they interact with a robot trader, which uses an algorithm to exchange securities between markets. The experiment aims to study a financial market where there is an algorithmic trader, that implements an arbitrage strategy between markets. For this reason we resumed the structure of Angered, Neugebauer and Shachat (2019), implementing an arbitrage strategy but evaluating the impact of market news, in presence of the robot traders, on the assets price discovery. Based on the experimental literature on learning mechanisms in financial markets, for example Khunen (2015), we expect asymmetries in transactions price behavior, in presence of good news compared to the presence of bad news on fundamentals. In particular, we expect, as in Weber and Welfens (working paper 2007), a price drift and an underreaction of the transaction price. We expect this effect to be mitigated by the presence of the arbitrage robot traders. The experiment is a two by two design: we have two treatments in which there is a robot trader and two control treatments in which there is no robot trader, furthermore, in order to evaluate the announcement effect, there are two treatments with the announcement about the robot presence in the market and two controls treatments without announcement. To evaluate the market price behavior we used the DF (Deviation from Fundamental), calculated as the transaction price on the fundamental value, minus one. Ours preliminary results, show that in the treatments in which there is a robot, the average prices of the transactions are closer to the fundamentals. We observed an underreaction of the transactions price, in particular, in presence of good news, the average transactions price was below the fundamental value while, in presence of bad news, the average transactions price was above the fundamental value.

Author(s): Enrica Carbone, Tibor Neugebauer, Angelo Ventrone

Topic: Markets: Finance, Markets: Finance

[Back to session: Finance 1](#)

Manipulation and (mis)trust in prediction markets

Todd Kaplan
University of Exeter

ABSTRACT:

Markets are increasingly used as information aggregation mechanisms to predict future events. If policy makers make use markets, parties may attempt to manipulate the market in order to influence decisions. We experimentally find that policymakers could still benefit from following information contained in market prices. Nonetheless, manipulation is detrimental. First, manipulators affect market prices, making them less informative. Second, when there are manipulators, policy makers often ignore - or even act against - the information revealed in market prices. Finally, mere suspicion of manipulation erodes trust in the market, leading to the implementation of suboptimal policies - even without actual manipulation.

Author(s): Lawrence Choo, Todd Kaplan, Ro'i Zultan

Topic: Markets: Finance, Markets: Other

Link: www.econstor.eu/handle/10419/210649

[Back to session: Finance 1](#)

A network approach to identify financial market efficiency: evidence from a laboratory analysis

Rocco Caferra
University of Bari

ABSTRACT:

In this work we study an asset market by combining two different approaches. On the one hand, experimental economics is able to create a laboratory environment where we can control agent behaviour under different risk levels and informational distribution (see Morone and Nuzzo, 2017). On the other hand, network theory (see Bargigli and Tedeschi, 2013) applied to experimental data is able to reconstruct how agents interact. We run an experimental double auction market and we study the interaction among agents. The idea is to analyze the network generated by experimental data and the effects on price dynamics. Moreover we compute the theoretical and the optimal network in order to detect differences among the three structures. Our results prove that the emerging empirical networks are far away from a random topology. Moreover, when the network is very centralized is observed an higher level of price volatility.

Author(s): Rocco Caferra; Gabriele Tedeschi; Andrea Morone

Topic: Markets: Finance, Markets: Auctions

[Back to session: Finance 1](#)

Does mining fuel bubbles? An experimental study on cryptocurrency markets

Yilong Xu
University of Heidelberg

ABSTRACT:

Recent years have seen an emergence of decentralized cryptocurrencies that were initially devised as a payment system, but are increasingly being recognized as investment instruments. The price trajectories of cryptocurrencies have raised questions among economists and policymakers, especially since such markets can have spillover effects on the real economy. We focus on two key properties of cryptocurrencies that may contribute to their pricing. In a controlled lab setting, we test whether pricing is influenced by costly mining, as well as entry barriers to mining technology. Our mining design resembles the proof-of-work algorithm employed by the majority of cryptocurrencies, such as bitcoin. In our second treatment, half of the traders have access to the mining technology, while the other half can only participate in the market. This is designed to resemble the high entry cost to initiate cryptocurrency mining. In the absence of mining, no bubbles or crashes occur. When costly mining is introduced, assets are traded at prices more than 300% higher than the fundamental value, and the bubble peaks relatively late in the trading periods. When only half of the traders can mine, prices surge much earlier and reach values of more than 400% higher than the fundamental value at the peak of the market. Overall, the proof-of-work algorithm seems to fuel overpricing, which in conjunction with entry barriers to mining is intensified.

Author(s): Marco Lambrecht, Andis Sofianos, Yilong Xu

Topic: Markets: Finance, Unknown: Unknown

[Back to session: Finance 2](#)

MyPortfolio: The IKEA Effect in Financial Investment Decisions

Wladislaw Mill
University of Jena

ABSTRACT:

Do investors value a self-built portfolio higher than the same portfolio if it has not been built by themselves? We test whether this "IKEA effect" exists in financial investment decision making. Our experimental design allows us to separate the effect of self-building from customization, physical endowment, pure effort, or general learning effects. Furthermore, the experiment allows us to study the implications of this effect on belief formation as well as actual trading decisions. The stronger self-association with the self-built portfolio can result in higher optimism and an increased cognitive dissonance when new signals arrive. Thus, we analyze whether investors exhibit a stronger disposition effect for self-built portfolios compared to not self-built ones. We find that self-building a portfolio significantly increases the attachment towards it. However, neither the valuation of the portfolio nor trading decisions are influenced by a self-built portfolio. Thus, there seems to be no "IKEA effect" in financial investment decisions. These results imply that common self-building opportunities do not distort the financial markets.

Author(s): Fabian Gamm, Fabian Brunner

Topic: Markets: Finance, Unknown: Unknown

[Back to session: Finance 2](#)

What you want and what I get: Responsibility, accountability, and the seduction of limited liability on financial markets

Wolfgang Luhan
University of Portsmouth

ABSTRACT:

Agency in financial markets has been claimed to increase risk taking, ultimately leading to bubble formation. Contrasting theoretical models predict both higher, as well as lower levels of risk aversion when taking risky decisions for others which is reflected in the mixed results found in the experimental literature. We report the results from a series of laboratory experiments in which participants take risky investment decisions for a substantial number of other subjects. We find that decision makers invested significantly less for others than for themselves, independent of the payoff alignment. We also find that the introduction of limited liability crowds out social preferences and lead to extreme risk taking. In an extension we study the effects of the awareness of the others preferences and the effect of direct, non-monetary accountability of the decision maker towards the clients. We find that knowing what your client wants has a very limited effect on the risk levels of decision makers. Accountability significantly reduces the risk levels and appears to be a viable tool for steering investment behaviour.

Author(s): Sascha Fullbrunn, Wolfgang Luhan

Topic: Markets: Finance, Social Behavior: Other

[Back to session: Finance 2](#)

Communication in experimental asset markets: Does it matter?

Tibor Neugebauer
University of Luxembourg

ABSTRACT:

Participants are allowed to chat with each other in an asset market experiment. We measure the effects of communication on efficiency including mispricing. Our preliminary results suggest that free-form communication has little effect on efficiency in experimental asset markets.

Author(s):
Topic: Markets: Finance, Social Behavior: Communication
[Back to session: Finance 2](#)

The Effect of Social Comparison on Debt Taking: Experimental Evidence

Antonia Grohmann
Aarhus Universitz

ABSTRACT:

A number of studies show that there is a link between social comparison and high levels of household debt. However, the exact mechanisms behind this link are not yet well understood. In this paper, we perform a lab experiment designed to study the effects of social image concerns and peer information on consumption choices that can be financed through debt taking. We find that having to announce one's consumption decision publicly leads to leaving money on the table, which is the opposite of what we expected. Being informed about other participants' choices leads to conformity in choices between participants.

Author(s): Melanie Koch
Topic: Social Behavior: Group Behavior, Markets: Finance
[Back to session: Finance 3](#)

Market shocks and professionals' investment behavior - Evidence from the COVID-19 crash

Christoph Huber
University of Innsbruck

ABSTRACT:

In this paper we investigate how the experience of stock market shocks, like the COVID-19 crash, influences risk taking behavior. To isolate changes in risk taking from a variety of other confounding factors during stock market crashes, we ran controlled experiments with finance professionals in December 2019 and March 2020. We observe that their investments in the experiment were 12 percent lower in March 2020 than in December 2019, even though their future price expectations did not change. This finding is supported by the behavior of students who do not change risky behavior, supposedly because most of them were not invested.

Author(s): Christoph Huber, Juergen Huber, Michael Kirchler
Topic: Markets: Finance, Decision Theory: Risk
Link: osf.io/fgxpb/
[Back to session: Finance 3](#)

Losing funds, or losing face? Reputation and accountability in the credit rating industry

Martin Angerer
University of Liechtenstein

ABSTRACT:

We use an experimental approach to evaluate whether reputation concerns can effectively discipline credit rating agencies and reduce rating inflation in a competitive environment. Our baseline treatment represents a duopolistic rating agency market structure, while our first treatment features a reputation-based feedback system that allows investors to evaluate published ratings. We find that reputation concerns reduce but do not prevent misreporting. In our second treatment, we examine the effect of accountability (expectation to justify one's actions to others in a chat room) in conjunction with reputation mechanisms on credit rating agencies' decision-making. Our results indicate that a combination of monetary and behavioral mechanisms effectively extinguish rating inflation and alleviate the conflict of interest. Furthermore, we explain how this decrease in rating inflation affects the decision-making of the issuer and investors.

Author(s): Martin Angerer, Matthias Herrmann-Meng, Wiebke Szymczak
Topic: Social Behavior: Lying and Cheating, Markets: Finance
[Back to session: Finance 3](#)

Pyramid schemes

Gonul Dogan
University of Cologne

ABSTRACT:

Ponzi and pyramid schemes promise a large return for investors with limited risk. In reality, most investors lose money when such schemes collapse due to a lack of new entrants. In an online experiment without deception, we invite participants to invest their endowment in a pyramid-like investment scheme with a negative expected return.

More than half of the participants invest in the scheme regardless of their age, gender, education, income, and trust and fairness beliefs. We test different sources of complexity. Getting information on pyramid payoff distributions and making calculations in a large pyramid scheme both reduce investment. Providing example outcomes or making decisions in a small pyramid scheme are ineffective. Risk tolerance and preference for positively skewed risk contribute to investment decisions. Our findings suggest that pyramid schemes are attractive even in the absence of deceptive recruitment efforts by scheme founders.

Author(s): Kenan Kalayc?, Priscilla Mann

Topic: Markets: Other, Games: Other

[Back to session: Finance 3](#)

Uncertainty, group identity and outcomes of affirmative action

Chi Trieu

Dusseldorf Institute for Competition Economics

ABSTRACT:

When affirmative action policies target at more than one disadvantaged group, they entail an uncertainty about the actual favored group. In a laboratory experiment, we study how this feature affects outcomes of affirmative action in form of quota, and compare with two other conditions, namely affirmative action with a certain favored group and no affirmative action. We find that when a group is favored with certainty and their group identity is made salient, affirmed individuals are wrongly perceived as less competent, both by themselves and by others. Consequently, their willingness to compete does not improve and they are selected less for teamwork. Affirmative action with an uncertain favored group does not induce such unintended consequences. In opposite, it increases competition entry of the affirmed groups and enhances their chances of being selected for teamwork.

Author(s): Chi Trieu

Topic: Psychology and Biology: Gender and Individual Differences, Decision Theory: Beliefs

[Back to session: Gender and Individual Differences 1](#)

Public Speaking Aversion

Huaiping Yuan

University of Amsterdam

ABSTRACT:

Fear of public speaking is very common but we know little about its economic implications. We develop an incentivized measure of public speaking aversion and use a lab and a field experiment to show that there is significant individual heterogeneity in willingness to give presentations in front of an audience. Many participants were willing to give up significant amounts of money to avoid giving a short presentation in front of an audience. The incentivized experiments are also used to validate a self-reported measure of public speaking aversion and to show that this measure is not fully captured by established trait measures, including extraversion. Finally, we elicit public speaking aversion in a student survey and show that it predicts future career expectations, indicating that public speaking aversion is an influential factor in determining career choices.

Author(s): Thomas Buser and Huaiping Yuan

Topic: Psychology and Biology: Gender and Individual Differences, Field Experiments: General

[Back to session: Gender and Individual Differences 1](#)

No Man Is an Island: Male Names Engender More Competitive Mimicry Than Female or Neutral Names

Felix Mauersberger

University of Bonn

ABSTRACT:

Economic theory makes few assumptions about heterogeneity in the degree of competitive mimicry, the extent to which an agent copies the behavior of another. But recent behavioral evidence shows mimicry to be more pronounced within ethnic or racial groups than across them (Levine et al. 2014, PNAS). Here we investigate the likelihood of mimicry across gender lines, using an experimental task in which participants search a space to earn prizes. We manipulate whether the participant searches 1) solo, or in the presence of others whose names signify 2) male, 3) female, or 4) unknown gender. We find that the presence of male competitors elicits more mimicry than female competitors or those of unknown gender. The effect is similar for men and women, suggesting that mimicry is not contained within gender lines. Because mimicry varies with a competitor's presumed gender, and because mimicry increases search, then a female that is matched with male names will search more than a male that is matched with female names. We discuss how gender-dependent competitive mimicry affects the performance of individuals and firms.

Author(s): Levine, Sheen; Mauersberger, Felix; Riedl, Christoph

Topic: Psychology and Biology: Gender and Individual Differences, Social Behavior: Group Behavior

[Back to session: Gender and Individual Differences 1](#)

Riding the cycle: hormonal determinants and behavioural decision making

Milos Fisar

Vienna University of Economics and Business

ABSTRACT:

Evolutionary and anthropological approaches suggest that natural hormonal variations during the ovulation-menstruation cycle have an impact on individual attitudes such as i) risk preferences, ii) cheating behavior and iii) exploration vs. exploitation decisions. Risk-seeking attitude, explorative attitude, and cheating behavior are more frequent under ovulation than menstruation. We design a laboratory experiment to elaborate on these issues. The within-subject design allows us to capture the intra-subject behavioral changes during the two different periods minimizing the noise in the hormonal measures. Male population (control group) is mainly addressed to control for systematic "learning" effects occurring between the first and the second experimental session.

Attribution Biases, Gender, and Financial Compensation

Boon Han Koh
University of East Anglia

ABSTRACT:

Are failures and successes of female decision makers evaluated differently from those of male decision makers? Do the biases in performance evaluation depend on whether the evaluator has decision power over the payoff of the decision maker? This paper studies whether gender distorts perceptions of outcomes in risky environments. Using experimental methodology, we investigate how beliefs about the determinants of outcomes are affected by the gender of the decision makers and the gender of the evaluators. Decision makers make costly and unobserved effort choices. Outcomes are determined by a combination of their choices and luck. We observe gender-specific biases in performance evaluation, with the successes of female decision makers being more likely to be attributed to luck, when evaluators are passive and do not have the power to make payoff adjustments. The biases in beliefs disappear when evaluators can make payoff adjustments, but surprisingly they re-appear in the bonus amounts. These findings contribute to our understanding of the factors that may be driving gender gaps in leadership or performance pay. Our results have implications for the structure of performance review teams.

Author(s): Nisvan Erkal, Lata Gangadharan, Boon Han Koh
Topic: Psychology and Biology: Gender and Individual Differences, Decision Theory: Beliefs
[Back to session: Gender and Individual Differences 2](#)

On the inefficiency of household risk sharing: the role of inequality

Astrid Hopfensitz
Toulouse School of Economics

ABSTRACT:

A growing literature questions the validity of the household efficiency assumption of so-called collective models. Previous experimental evidence showed that a couples' income allocation choices are sensible to the level of intra-household inequality which hinders efficiency. In this paper, 101 real couples participated in a controlled experimental risk-taking task that presents variation in household income risk and the level of risk-inequality, controlling for ex-ante income inequality. A majority of couples present a perfect risk-sharing pattern. However when introducing asymmetries in the exposure to risk, a significant proportion of the couples experienced efficiency losses due to the fact that households put a higher weight on men's individual risks. This suggests that households hold preferences for male income stability.

Author(s): Helene Couprie, Astrid Hopfensitz, Jiakun Zheng
Topic: Psychology and Biology: Gender and Individual Differences, Decision Theory: Risk
[Back to session: Gender and Individual Differences 2](#)

Statistical Role Models in Stereotyped Contexts: Experimental Evidence

Lenka Fiala
Tilburg University

ABSTRACT:

I study how the presence of stereotypes influences the intensive and extensive labor supply margin in the stereotyped domain. I propose that stereotypes have a negative effect on the stereotyped group through beliefs, particularly self-confidence and reputation concerns, resulting in a gender gap in both participation and performance. I design a lab experiment to study this mechanism in a context of female performance on mathematical tasks. Next, I test a commonly proposed intervention, role models, to see whether this policy closes the gender gap, and if so, through which channel. The main advantage of this study is that role models are presented as statistical information, thereby avoiding common confounds with real-life role models such as charisma, inspirational story-telling, or information provision. [At the time of submission, only pretest has been completed; IRB approval for the main experiment is pending.]

Author(s): Lenka Fiala
Topic: Psychology and Biology: Gender and Individual Differences, Decision Theory: Beliefs
[Back to session: Gender and Individual Differences 2](#)

Groups and Socially Responsible Production: An Experiment with Farmers

Martina Vecchi
European University Institute

ABSTRACT:

Does corporate social responsibility decrease when corporate decisions are made by several people (a corporate board) instead of an individual entrepreneur? And if so, why? I study these questions in a lab-in-the-field experiment involving 126 Italian farmers. They are asked to choose between an ecological and non-ecological but more profitable product to use in their farm. To study the effect of collective decision-making, I introduce a novel 2x2 design with two experimental variations: (i) the number of people responsible for the decision (one vs three) and (ii) the number of people receiving a payoff from the decision (one vs three). I find that collective payoff leads to less socially responsible decisions, possibly because it provides participants with the moral wiggle room to be less pro-social. On the other hand, sharing the responsibility of the decision with others does not change behavior in this setting. I also find that my experimental measure of social responsibility correlates with measures of social responsibility outside the lab.

Author(s): Martina Vecchi
Topic: Social Behavior: Group Behavior, Social Behavior: Other-regarding Preferences

Effects on Cooperation Behavior of the Monitoring and of the Extension of Temporary Group Members: Evidence from a Public Good Game

Katja Rebecca Tilkes
RWTH Aachen University

ABSTRACT:

In this study, we explore cooperation behavior in groups with permanent and temporary group membership where the temporary group member is affected by the fear of replacement. An external leader decides between the replacement of a temporary group member and a group membership extension for that person, based on information about individual inputs or information about group inputs. We experimentally examine cooperation behavior before and after the leader's decision and the extension decision itself to understand the effect of information provided and of membership types. Preliminary results indicate that differences in cooperation behavior between endogenously and exogenously provided information about inputs occur, and cooperation is mainly driven by the temporary group member's fear of replacement but cooperation vanishes after contract extension. The leader's replacement decision is affected by previous mean contributions of the temporary group member and of the group itself to the public good and by the leader's payoff.

Author(s): Katja Rebecca Tilkes

Topic: Social Behavior: Group Behavior, Public Choice: Public Goods and Common Pool Resource

[Back to session: Group Behavior 2](#)

Combating Climate Change: Is the Option to Exploit a Public Good a Barrier for Reaching Critical Thresholds? Experimental Evidence

Janis Cloos
Clausthal University of Technology

ABSTRACT:

We study cooperation dynamics in a threshold public good experiment with give and take options. So far, several experiments examine the effects of factors such as wealth heterogeneity, varying thresholds, or time discounting on the probability of achieving a collective climate target. In these experiments, participants act as a group and can invest money in a collective group account over a fixed number of rounds. If the group account is below a certain or uncertain threshold after the last round, the members of a group usually lose a large proportion of their potential assets. However, in the real world, agents can not only invest in public goods, but also exploit them. We therefore study cooperation dynamics in a threshold climate change experiment in which the group members can not only invest money into their group account, but also take money out of it. We induce endowment heterogeneity by simulating the contribution decisions in the first rounds of the experiment and vary the potential loss rates between treatments. Our results for the treatments with a take option show that for those groups that fail to reach the threshold, often a drastic disinvestment behavior occurs after only a few rounds. Consistent with the results of previous studies, we find that with lower loss rates, a significantly fewer number of groups reaches the threshold.

Author(s): Janis Cloos, Matthias Greiff

Topic: Social Behavior: Group Behavior, Games: Coordination

[Back to session: Group Behavior 2](#)

A Theory of Strategic Group Formation

Lisa Lenz
University of Cologne

ABSTRACT:

This is the first paper that theoretically as well as experimentally study why individuals being embeddedness in social environments of interpersonal relations account for others group composition preference in the absence of any personal taste or monetary benefits associated with the inclusion of a particular candidate. By introducing a new behavioral economic model and testing it experimentally we investigate three different potential causes for the acknowledgment effect: first, individuals have altruistic feelings towards present group members and enhances present members'utility by selecting their preferred candidates. Second, they anticipate that others rest their cooperativeness upon who has been selected and adapt their selection accordingly. Third, they want to trigger reciprocal behavior by signaling that they care for the preferences of others. We test our theory in a public good game in which we allow for endogenous team formation. Thereby, we show that discriminatory behavior in embedded context appears even if the individual has no personal taste for either candidate or any reason to discriminate statistically, for both altruistic and strategic reasons.

Author(s): Lisa Lenz, Sergio Mittlaender

Topic: Social Behavior: Group Behavior, Social Behavior: Other-regarding Preferences

[Back to session: Group Behavior 2](#)

Obfuscation in Competitive Markets

Keyu Wu
University of Zurich

ABSTRACT:

In many markets, firms make their products complex through add-ons, thus making it difficult for consumers to evaluate and compare across products. How does such product obfuscation affect competition, profits, and consumer welfare? We study these questions in competitive market experiments in which firms have the opportunity to obfuscate by add-on features, and consumers endogenously decide how much time to spend on searching for the best product. We show that stable obfuscation levels emerge that reduce consumer welfare mainly by ensuring that total prices are substantially above marginal cost and by inducing buyers to make mistakes and wasting their time in searching. Competition operates through lowering salient headline prices, but with expensive add-on features firms are able to appropriate a considerable share of

the surplus. In contrast, if we remove obfuscation opportunities prices quickly converge to marginal cost. We thus provide direct causal evidence that obfuscation mitigates competition because consumers typically search only a small share of the products and the add-on space, and thus enable firms to appropriate positive profits via increasing the complexity of their products. Our results also suggest that purely exploitative obfuscation tends to be much less stable than obfuscation by efficiency-enhancing add-on features, because consumers' aversion to complicated products may have a non-negligible impact on firms' obfuscation decisions.

Author(s): Ernst Fehr, Keyu Wu
Topic: Markets: Industrial Organization, Markets: Other
[Back to session: Industrial Organization](#)

We Value Your Privacy: Behavior-Based Pricing Under Endogenous Privacy

Michel Tolksdorf
Technische Universität Berlin

ABSTRACT:

This paper analyzes consumers' privacy choice concerning their data and firms' ensuing pricing strategies. Consumers decide whether to reveal private information in form of cookies. We incorporate this endogenous decision into a duopoly model with behavior-based pricing. We find unique pure-strategy equilibria for two disclosure rules. Under revelation to both firms, consumers disclose their information and firms price discriminate. Under revelation to only one firm, consumers hide their information and firms price uniformly. In our laboratory experiment we confirm these pricing strategies. Consumers, however, have a higher than predicted disclosure rate which is driven by learning effects and privacy concern.

Author(s): Tianchi Li, Friederike Heiny, Michel Tolksdorf
Topic: Markets: Industrial Organization, Games: Information
Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3508762
[Back to session: Industrial Organization](#)

Choosing between explicit cartel formation and tacit collusion - An experiment

Jana Friedrichsen
HU Berlin

ABSTRACT:

Numerous studies investigate which sanctioning institutions prevent cartel formation but little is known as to how these sanctions work. We contribute to understanding the inner workings of cartels by studying experimentally the effect of sanctioning institutions on firms' communication. Using machine learning to organize the chat communication into topics, we find that firms are significantly less likely to communicate explicitly about price fixing when sanctioning institutions are present. At the same time, average prices are lower when communication is less explicit. A mediation analysis suggests that sanctions are effective in hindering cartel formation not only because they introduce a risk of being fined but also by reducing the prevalence of explicit price communication.

Author(s): Maximilian Andres, Lisa Bruttel, Jana Friedrichsen
Topic: Markets: Industrial Organization, Methodology: Experimental Design, Tools and Practices
[Back to session: Industrial Organization](#)

Looking Into Crystal Balls: A Laboratory Experiment on Reputational Cheap Talk

Salvatore Nunnari
Bocconi University, Department of Economics

ABSTRACT:

We experimentally study cheap talk by reporters motivated by their reputation for being well informed. Evaluators assess reputation by cross checking the report with the realized state of the world. We manipulate the key drivers of misreporting incentives: the uncertainty about the state of the world and the beliefs of evaluators about the strategy of reporters. Consistent with theory, reporters are more likely to report truthfully when there is more uncertainty and when evaluators conjecture that reporters always report truthfully. However, the experiment highlights two phenomena not predicted by standard theory. First, a large fraction of reports is truthful, even when this is not a best response. Second, evaluators have difficulty learning reporters' strategies and overreact to message accuracy. We show that a learning model where accuracy is erroneously taken to represent truthfulness fits well evaluators' behavior. This judgement bias reduces reporters' incentives to misreport and improves information transmission.

Author(s): Debrah Meloso, Salvatore Nunnari, Marco Ottaviani
Topic: Games: Information, Social Behavior: Communication
Link: www.salvatorenunnari.eu/mno_crystalballs.pdf
[Back to session: Information in Games](#)

Information avoidance with respect to intentions

Stefano Piasenti
Humboldt University

ABSTRACT:

Intentions play a fundamental role in many situations that are characterized by non-simultaneous cooperation, from teamwork among employees in a firm to the international task to protect the environment and the climate. In this project, we seek to experimentally investigate how decision makers take the intention of another decision maker and the outcome of her choice into account when choosing a reciprocating action. The design is decidedly abstract and simple. The first mover decides whether to invest a low or a high amount into a risky project. The success probability of the investments is higher for the high investment but either investment may fail. Payoffs from the project are equally split between the first and the second mover but payoffs do not reveal the type of investment. The second mover plays a dictator game,

choosing how much from a private endowment that is independent of the project's payoff, to give to the first mover. We vary if decision makers in the role of player 2 observe their partner's action or only the outcome of the project before deciding how much to share with player 1. We conducted 19 sessions in February 2020, thereof 14 in the hidden and 5 in the full information treatment. Our sample consists of 374 participants in total, split equally onto player 1 and player 2. We find that second movers reciprocate by being more generous if the first mover had good intentions (i.e., chose the high investment) than if he had bad intentions (low investment) in a treatment with full information. However, in line with the expectation that many individuals are self-interested and might therefore chose the low investment as first movers, reciprocity of the second mover is lower in the treatment where information on the partner's action is hidden. Our analysis further suggests that second movers select into being informed or uninformed based on their inclination to behave more or less prosocially and information avoidance is frequent. Despite a high extent of information avoidance of about 70%, we do not find evidence for moral wiggling or for strategic cynicism.

Author(s): Jana Friedrichsen, Katharina Momsen, Stefano Piasenti
Topic: Games: Information, Social Behavior: Other-regarding Preferences
[Back to session: Information in Games](#)

Absolute groupishness and the demand for information

Johannes Lohse
University of Birmingham

ABSTRACT:

Does social identity affect how decision makers consume and digest new information? We study this question through a theoretically informed experiment, employing a variant of the sender receiver game in which receivers can purchase signals from up to two senders. Depending on senders' preferences for truth-telling, signals are either informative or not. In the baseline condition of our experiment, receivers only observe senders' incentives for reporting truthfully. In the treatment condition receivers also observe whether they share a group identity with the sender. In the experiment, group identities are induced via a standard minimal group paradigm. We find that senders behave in line with a model that assumes senders incur a positive lying cost. Making social identity observable significantly affects information acquisition and makes receivers more prone to ignore potentially informative outgroup signals. This is especially the case when outgroup senders have higher incentives for truth-telling. This change in information acquisition has implications for optimal decision-making. It negatively affects receivers' ability to correctly infer the true state of world.

Author(s): Johannes Lohse and Rebecca McDonald
Topic: Games: Information, Social Behavior: Lying and Cheating
[Back to session: Information in Games](#)

Does a stereotype benefit women in the labor market: An experiment on perseverance

Simone Hackl
WU- Vienna University of Economics and Business

ABSTRACT:

We design a novel real-effort experiment to investigate gender differences and stereotypes in the motivation to work hard (i.e., perseverance) and the relevance of these factors in an experimental employment setting. We find that women persevere more than men and that subjects anticipate this difference. Employer incentives are devised in a way that rewards selecting the candidate who perseveres more. While the expected return to choosing the female candidate over the male candidate is higher in our experiment, employers are not more likely to hire the female candidate. Thus, even in a setting where female employees have a justifiable advantage in employment decisions, which is also anticipated, employers do not hire women more often than men. This finding contrasts with studies showing that men do benefit from positive stereotypes associated with them.

Author(s): Simone Hackl, Melis Kartal
Topic: Applied Economics: Labor Market, Psychology and Biology: Gender and Individual Differences
[Back to session: Labor Market I](#)

Do workers discriminate against their out-group employers? Evidence from an online platform economy

RITWIK BANERJEE
Indian Institute of Management Bangalore

ABSTRACT:

We study possible worker-to-employer discrimination manifested via social preferences in an online labor market. Specifically, we ask, do workers discriminate in social preferences for an outgroup employer relative to an otherwise identical, ingroup one? We run a well-powered, model-based experiment wherein we recruit 6,000 white American workers from Amazon's M-Turk platform for a real-effort task and randomly (and unobtrusively) reveal to them the racial identity of their non-fictitious employer, who may either be a white or black. Strikingly, we find evidence of race-based altruism – workers, even when they do not benefit personally, work relatively harder to generate more income for black employers. However, the workers display strong racial discrimination in reciprocity - a small gift induces workers to put significantly higher effort for the white employers relative to the black. The treatment variations along with a structural model allow us to identify the race-dependent, differential altruism and reciprocity parameters. The opposing altruistic and reciprocal forces imply that overall, workers do not discriminate on social preferences. Our results suggest that in work environments, where reciprocal worker-employer relationships dominate, taste-based discrimination in favor of the ingroup can have a significant adverse effect on the outgroup employers.

Author(s): Sher Afghan Asad, Joydeep Bhattacharya
Topic: Applied Economics: Labor Market, Social Behavior: Other-regarding Preferences
Link: www.dropbox.com/s/z8qjlawm2toodli/Working_Paper.pdf?dl=0
[Back to session: Labor Market I](#)

Intermittent Incentives to Encourage Exercising in the Long Run

Eli Mograbi
Tel Aviv University

ABSTRACT:

We report the results of incentivizing students to exercise. We compare a no-incentive control to a per-visit payment, and two intermittent incentive schemes: monetary rewards at increasing intervals and monetary rewards with unpredictable timing. Irregular incentives, as already recognized in the psychology literature, may facilitate the maintenance of reinforced behavior over the long-run. In line with this prediction, we find that while per-visit incentives worked well in the incentivized period, the two intermittent schemes were more effective over an extended period of time.

Author(s): Ayala Arad, Uri Gneezy and Eli Mograbi

Topic: Applied Economics: Labor Market, Decision Theory: Learning

[Back to session: Labor Market 1](#)

The Effect of Unfair Chances and Gender Discrimination on Labor Supply

Nickolas Gagnon
Maastricht University

ABSTRACT:

Labor market opportunities and wages may be unfair for various reasons, and how workers respond to different types of unfairness can have major economic consequences. Using an online labor platform, where workers engage in an individual task for a piece-rate wage, we investigate the causal effect of neutral and gender-discriminatory unfair chances on labor supply. We randomize workers into treatments where we control relative pay and chances to receive a low or a high wage. Chances can be fair, unfair based on an unspecified source, or unfair based on gender discrimination. Unequal pay reduces labor supply of low-wage workers, irrespective of whether the low wage is the result of fair or unfair chances. Importantly, the source of unfair chances matters. When a low wage is the result of gender-discriminatory chances, workers matched with a high-wage worker substantially reduce their labor supply compared to the case of equal low wages (-22%). This decrease is twice as large as those induced by low wages due to fair chances or unfair chances coming from an unspecified source. An additional experiment confirms the deleterious effect of gender discrimination on labor supply in a work environment devoid of chances, and highlights that workers' beliefs about facing discrimination matter for their responses. Our results concerning gender discrimination indicate a new reason for the lower labor supply of women, which is a prominent explanation for the gender gap in earnings.

Author(s): Nickolas Gagnon, Kristof Bosmans, Arno Riedl

Topic: Applied Economics: Labor Market, Social Behavior: Other-regarding Preferences

[Back to session: Labor Market 1](#)

Evidence of a motherhood gap in the willingness to compete for pay

Nikos Nikiforakis
New York University Abu Dhabi

ABSTRACT:

There is a large disparity in the labor market outcomes of mothers and non-mothers. Although this "motherhood gap" accounts for a substantial and rising fraction of the overall gender gap, its causes are not fully understood. Inspired by a growing literature showing that individual attitudes towards competition can help account for career choices and earnings differentials, we hypothesize that motherhood is negatively associated with a woman's willingness to compete for pay. We test this hypothesis in two experiments, using samples from two very different social backgrounds. In both studies, mothers are found to be substantially less willing to compete than non-mothers. This difference cannot be explained by differences in their ability, risk attitudes, beliefs, marital status, or family background. Analysis of matched samples of mothers and non-mothers, as well as survey evidence suggest that there could be a causal link between motherhood and the willingness to compete for pay. We do not find evidence that fathers are less willing to compete for pay than non-fathers. Our findings have potentially important implications for policies designed to reduce the motherhood gap and, by extension, the gender gap in labor markets.

Author(s): Aurelie Dariel, Curtis Kephart, Christina Zenker and Nikos Nikiforakis

Topic: Applied Economics: Labor Market, Decision Theory: Preferences

[Back to session: Labor Market 2](#)

On common evaluation standards and the acceptance of wage differences

Peter Werner
Maastricht University

ABSTRACT:

The present study tests the effect of the provision of information about payment norms in an experimental setting in which one employer interacts with two employees. Two treatment variations suggesting either a norm for weak or for strong differentiation in wages between high and low performer are compared to a baseline condition without norm-relevant information. Subjects' beliefs about the appropriate degree of wage differentiation are shifted in the direction of the norm information. At the same time, employees interpret the norm information in a self-serving way, as low (high) performing employees are generally less (more) likely to accept strong wage differentiation. Employers' responses to the norm variation are heterogeneous. In the treatment where the norm information suggests weak differentiation, a substantial share of employers still pays substantially higher amounts to high performers. Employees adjust performance negatively if wage differences become too large. In particular, performance in the treatment with a norm for weak differentiation lacks behind performance in the treatment with a norm for stronger wage differentiation. These findings have implications for the expected effects of recommended distributions of performance ratings and bonuses in companies.

Author(s): Peter Werner

Topic: Applied Economics: Labor Market, Social Behavior: Norms and Morals

[Back to session: Labor Market 2](#)

Narrow Bracketing in Effort Choices

Marc Kaufmann
Central European University

ABSTRACT:

We test for narrow and broad bracketing in deterministic choices over work. In a set of online experiments, we elicit the reservation wage for completing a tedious task across different treatments. Our treatments rely on having a baseline amount of work and effort, as well as an active choice that is added to this baseline. In our broad treatments, the baseline is to have no tasks or money, so that the total (broad) outcome is simply the outcome of the choice. In the narrow treatments, the baseline is to have some tasks or money, which therefore has to be added to the active choice made. We find that people narrowly bracket effort choices: the choice in narrow treatments is closer to the choice in broad treatments with the same active choice than in broad treatments with the same total choice (active choice plus baseline). We are running additional treatments that frame work in the active choice as tasks to do before or after the baseline tasks, aimed at making broad bracketing more obvious.

Author(s): Francesco Fallucchi, Marc Kaufmann

Topic: Applied Economics: Labor Market, Decision Theory: Bounded Rationality
[Back to session: Labor Market 2](#)

The Priceless Entrepreneur: A Behavioral Account on Attitudes Toward Ambiguity

Anisa Shyti
IE Business School

ABSTRACT:

Prior research suggests that entrepreneurs are rewarded for bearing ambiguity. However, recent experimental evidence reports no difference in ambiguity attitudes between entrepreneurs and non-entrepreneurs. We reconcile this inconsistency through two prospect theory experiments and a population study of entrepreneurs. Experimental results show that entrepreneurs are more ambiguity tolerant than non-entrepreneurs, and demand a higher wage to forego a project. The population study of equilibrium wages of entrepreneurs who return to employment, corroborates the experimental findings, and allows disentangling skill premia, the price of strategic human capital, from ambiguity premia, the price of entrepreneur's freedom, or proneness to operating in uncertain environments. The findings support unique and substantial ambiguity premia. We argue that entrepreneur's ambiguity attitudes influence entry, exit and strategic decision making, driving exploratory action in uncharted terrains, within and outside the firm.

Author(s): Amir Sasson, Corina Paraschiv

Topic: Applied Economics: Labor Market, Decision Theory: Ambiguity
[Back to session: Labor Market 2](#)

Observability and Lying

Daniel Parra
WZB Berlin Social Science Center

ABSTRACT:

Experimental participants in a cheating game draw a random number and then report any number they wish, receiving a monetary payoff based only on the report. We study how these reports depend on the level of observability by the experimenter of both the random draw and the report. Our results show that whereas increasing the observability of the random draw decreases cheating, increasing the anonymity of the reports does not affect average reports.

Author(s): Tilman Fries, Uri Gneezy, Agne Kajackaite, and Daniel Parra

Topic: Social Behavior: Lying and Cheating, Applied Economics: Charitable Giving
[Back to session: Lies and Deception 2](#)

Hidden inefficiency: Strategic inflation of project schedules

Matej Lorko
Macquarie Graduate School of Management

ABSTRACT:

Establishing realistic project plans and completing the resulting business projects on schedule is crucial for organizations striving to effectively utilize their resources. However, incentivizing on-time project delivery may induce perverse effects, as individuals may respond to estimation accuracy incentives by strategically inflating project duration estimates and subsequently prolonging the project execution. As a result, the project is delivered on time, but the resources in organization are underutilized. We conjecture that such moral hazard can be mitigated by introducing performance (speed) incentives alongside the accuracy incentives. We conduct a laboratory experiment providing a diagnostic test of the conjectured effect of accuracy and speed incentives on the process of project estimation and delivery. Our study presents empirical evidence showing that the incentive structure which rewards the individuals solely for their estimation accuracy results in non-negligible inefficiencies, as it leads to inflated estimates and deliberately slower project execution. We also find that when project performance (speed) incentives are added to estimation accuracy incentives, the estimates are significantly lower and the project is executed more quickly, without compromising the schedule accuracy. We therefore argue that aligning the company objectives with those of planners by incentivizing them for both estimation accuracy and quick project completion can induce more compressed (but still accurate and reliable) project schedules and accelerated project delivery. We thus contribute to the economic analysis of incentive structures in project management by identifying a hidden inefficiency that could be present in projects delivered "on time" as well as the mechanism through which the risk of moral hazard and resulting hidden inefficiencies can be mitigated.

Author(s): Matej Lorko, Maros Servatka, Le Zhang

Topic: Social Behavior: Lying and Cheating, Decision Theory: Learning
[Back to session: Lies and Deception 2](#)

Bribing - how far will you go to get your way?

Lutfi Rahimi
University of Exeter

ABSTRACT:

The purpose of this study is to explore the effects of introducing a fast track option that is legal on the level of administrative corruption or bribery rates. The literature suggests that there are both moral and legal concerns. However, in societies where corruption is normalized, the low likelihood of punishment makes legal concerns negligible. In such 'corruption trap', moral concerns are the determining factor. Timely bureaucracy in public services, common in low-income countries, may give way to corruption but it can be minimized if preferential treatment is offered institutionally. I observe that subjects are willing to pay extra to avoid bribery when presented with a legal channel to access the more favourable payment option. Subjects go through a real effort task and must wait to get paid unless they choose either the cheaper bribe or the more expensive legal channel. Additionally, the bribe may imply a negative externality on one other subject as it increases the latter's waiting period. When that is the case, subjects are less willing to choose the bribe option and prefer the more expensive legal channel. In sum, people are willing to bribe but less so when a legal channel is available or when it harms other people. I use a novel structure for the experimental design in which individuals are fully accountable over whether bribery is enforced or not. In previous designs, it would be up to the official agent to enforce the bribe and ultimately carry the weight of imposing the negative externality on other citizens. Outcomes could be interfered by confounds such as fear of punishment for breaking the law, conditional cooperation i.e. the need to reciprocate when offered a bribe, and the competing bias i.e. getting competitive upon the opportunity to interact with other players. Thus, with the non-dynamic framework, subjects are not assigned roles and are left to decide solely based on their preferences, with no further strategic concerns. The pool of subjects is composed of low GDP per capita countries where bribery is understood to be widespread. This is further supported by empirical evidence from corruption perception measures such as CPI, WGI, BPI and ICRG. In accordance, my experiments, subjects coming from countries associated with higher levels of CPI are also found to be the most corrupt. Believing that others will accept bribes makes one more prone to similarly engage in corruption. Consequently, (effective) communication relative to observed and perceived corruption rates, when low, could further dampen corruption – however, the opposite could also be true. Governments should take this into account when choosing the information to be shared in campaigns that are aimed at fighting corruption. Most importantly, this study shows that even if people are willing to pay to get their way, they are also willing to pay to keep within the bounds of law.

Author(s): Hannes Titeca

Topic: Social Behavior: Lying and Cheating, Social Behavior: Other-regarding Preferences

[Back to session: Lies and Deception 2](#)

Do just deserts and competition shape patterns of cheating?

Susanna Grundmann
University of Cologne

ABSTRACT:

Previous research has shown that people tend to accept inequalities resulting from differences in performance but aim at reducing those resulting from differences in luck, corresponding to the fairness principle of just deserts. But will just deserts also intrinsically prevent people from cheating for their personal gain in a situation in which cheating can be disguised? And will such an intrinsic motivation depend on the competitiveness of the situation? I investigate these questions in a lab experiment, in which subjects earn income and report a tax rate, which they determine by rolling a die under a cup, creating an incentive to cheat. Treatments vary whether the size of income is based on performance or luck and whether there is competition for a high income. In the luck treatments, just deserts would imply that subjects aim at reducing inequalities, such that cheating should decrease with income. If income is based on performance, the opposite should be true. The results show that cheating increases with income in the performance and the luck treatments, such that lucky subjects as well as high performers do not aim at reducing inequality. Just deserts thus do not intrinsically prevent high-income subjects from cheating for their personal gain. Competition has no systematic effect on cheating.

Author(s):

Topic: Social Behavior: Lying and Cheating, Social Behavior: Norms and Morals

[Back to session: Lies and Deception 2](#)

Evasive Communication

Valeria Burdea
University of Pittsburgh

ABSTRACT:

In many interactions, individuals can benefit from misleading their counterpart about their private information. To do so they can lie directly by misreporting the value of their private information. However, they can also evade by communications that might lead to false beliefs, yet which are not by themselves direct misrepresentations of the private value. In this paper, we investigate experimentally whether i) the psychological cost of deception is higher for direct lying than for evasion, leading people to deceive more often when evasion is an option and ii) the language of evasion matters, i.e. some types of evasion are less costly than others. We compare direct lying with 3 types of evasion: falsely declaring ignorance, half-truth and active silence. Our results show that subjects are more likely to engage in half-truth and active silence than in direct lying, but that falsely declaring ignorance is not significantly different than direct lying. These findings suggest that the typical experimental paradigms used to measure lying preferences might overestimate the proportion of lying-averse individuals, since deception may occur by not making certain statements.

Author(s): Despoina Alempaki, Valeria Burdea, Daniel Read

Topic: Social Behavior: Lying and Cheating, Social Behavior: Communication

[Back to session: Lies and Deception 4](#)

(Dis)honest Politicians and the Value of Transparency for Campaign Promises

Simeon Schudy
LMU Munich

ABSTRACT:

Promises are prevalent in many competitive environments, but promise keeping is often difficult to observe. Do promises still offer an opportunity to honor future obligations, if promise keeping is unobservable? Focusing on campaign promises, we study the value of transparency. We show how preferences for truth-telling shape promise competition when promise keeping can(not) be observed and identify the causal effects of transparency in a laboratory experiment. Transparency leads to less generous promises, but also to less promise breaking. Nonetheless, officials appropriate similar rents as in opaque institutions. Preferences for truth-telling and (instrumental) reputational concerns explain these results.

Signaling Motives in Lying Games

Tilman Fries
WZB Berlin

ABSTRACT:

Theoretical models of lying often incorporate image concerns. They usually assume that agents have an image concern that depends on the probability with which an observer believes they lied. I develop an image model where agents instead want to appear of honest character, which they do by signaling a high intrinsic moral cost of lying. A signaling motive emerges where agents dislike being suspected of lying and where some types liars are more stigmatized than others. I test the theoretical predictions in an experiment. In contrast previous literature, my experimental results show no evidence that image concerns influence lying behavior in the laboratory.

Author(s): Tilman Fries
Topic: Social Behavior: Lying and Cheating, Social Behavior: Norms and Morals
[Back to session: Lies and Deception 4](#)

What the eye doesn't see the heart doesn't grieve over: An experiment about delegation, efficiency, and morality

Matteo Ploner
University of Trento (Italy)

ABSTRACT:

Individuals and organizations may delegate others to perform actions that they would not do themselves, because of moral constraints. This kind of delegation may be facilitated by the fact that the delegating agent is not made aware of the process leading to a certain outcome. As an example, companies may refer to consultants to develop fiscal strategies. Unscrupulous consultants may develop borderline legal strategies that secure large profits. Companies may be unaware of the real nature of the strategies and enjoy economic outcomes that would not be possible without delegation, because of moral constraints. In our experimental setting, a Principal can decide either to self-report a value in a die-under-the-cup task or to delegate the report to an Agent, who however has no material interest in the report. In this task there is a trade-off between honesty and material payoff maximization: a large gain for the Principal is associated to a self-reported even outcome, while a small gain is associated to a self-reported odd outcome. We experimentally manipulate the relative efficiency of the report (technology): the Agent's lottery associated to the toss of the die either stochastically dominates that of the Principal (efficient technology), or vice versa (inefficient technology). We also introduce the possibility for the Principal to pay a fee for the service provided by the agent. Furthermore, we control for individual social attitudes of the participants, via a SVO task. Within this setting we address the following main research questions: i) Do Principals delegate the report to Agents? ii) Are delegation choices affected by the relative efficiency of Agent's technology? iii) Do Agent's social attitudes impact on the likelihood of misreporting? We find that Principals do not shift the moral cost of lying to the agent, in general. Principals show a high propensity lie, much larger than that of Agents, and delegate only when the Agent's technology is relatively more efficient. When controlling for social attitudes, it emerges that prosocial Agents and individualist Agents differ in the honesty of their report, with the former likely to lie when they have access to an inefficient technology and the latter likely to lie when they have access to an efficient technology. This pattern is compatible with different weight given to relative income and to absolute income by the two social types. Our results shed new light on delegation in tasks involving a moral cost and on the importance of individual social attitudes in such settings. Furthermore, we show that when the technology of the agent is superior to that of the principal, delegation leads to honest reports. In contrast, when the technology of the agent is inferior, principals refrain from delegation and are likely to behave dishonestly.

Author(s): Matteo Ploner (UNITN)
Topic: Social Behavior: Lying and Cheating, Social Behavior: Other-regarding Preferences
[Back to session: Lies and Deception 4](#)

Man vs. Machine: Do the Means of Interaction Matter for Honesty?

Christian Biener
University of St. Gallen

ABSTRACT:

Is dishonest behavior more prevalent in an interaction with a machine as opposed to a human? We analyze this question using an innovative experimental setup involving the reporting of an unobserved payout-relevant random draw either to an artificial conversational agent or a human. We find that reporting to an artificial conversational agent not able to demonstrate agency induces the lowest levels of honesty, whereas reporting to a human able to demonstrate such agency generates the highest levels of honest behavior. Our results have implications for designing efficient means of interaction between humans and machines in a variety of different contexts in the digital economy.

Author(s): Christian Biener and Aline Waerber
Topic: Social Behavior: Lying and Cheating, Applied Economics: Other
[Back to session: Lies and Deception 5](#)

On the Persistence of Dishonesty

Felix Kolle
University of Cologne

ABSTRACT:

This paper investigates the effects of time delay on dishonesty. The results from our experiment reveal that dishonesty is quite persistent. We find that neither delaying the gains from cheating, nor increasing the costs of engaging with own unethical behavior reduces the likelihood of cheating. At the same time, we find that when using the

factor time to provide individuals with an excuse to cheat, this does not further increase dishonesty.

Author(s): Stefania Bortolotti, Felix Kolle, and Lukas Wenner
Topic: Social Behavior: Lying and Cheating, Decision Theory: Preferences
[Back to session: Lies and Deception 5](#)

Would I Lie for You? On the Impact of Social Image Costs in Prosocial Lying

Georgia Buckle
University of Portsmouth

ABSTRACT:

Tax advisers are required to honestly declare legal reductions in client's taxable income when dishonesty could financially benefit their client. In a laboratory experiment, we study whether these lies which benefit others are easier to tell because they are less damaging to the liar's social image than self-benefitting lies. We increase reputational lying costs by varying the probability of being perceived as a liar, and measure whether this is more of a deterrent for self-benefitting lies than other-benefitting lies. We take the prevalence of partial lying as an indicator of the size of reputational costs and test whether other-benefitting liars are less inclined to disguise their lie. Preliminary results support our hypothesis. When participants can dishonestly increase their own payoff, we find a shift from maximal lying to partial lying when reputational costs are increased, while the majority of lies for others remain maximal across treatments, indicating that reputational costs are lower when lying for others than for oneself. Our findings are in line with previous results showing that lying to benefit others is rated as comparably less unethical and more socially acceptable than lying for self-benefit.

Author(s): Georgia E. Buckle & Wolfgang J. Luhan
Topic: Social Behavior: Lying and Cheating, Social Behavior: Norms and Morals
[Back to session: Lies and Deception 5](#)

Measuring Honesty in the Wild - A Novel Experimental Approach

Aline Waeber
Universitat St. Gallen

ABSTRACT:

We introduce a novel experimental approach to measure dishonest behavior outside of the lab to be applied broadly in decentral experimental setups as well as surveys. We collect reports of unobserved payout-determining random draws from two novel non-physical and verifiably random sources of uncertainty---decimals of stock index prices and atmospheric noise. These sources of uncertainty have the advantages of featuring a known distribution that allows us to infer honest reporting at the treatment population level, not being prone to manipulation, and being available for all web-enabled devices, making them usable for online experimentation. Our experimental design allows us to credibly eliminate any reputation concerns across all experimental conditions that may otherwise bias potential effects. We do this by allowing for anonymity and non-observability of participants when conducting the experiments not in the laboratory but at home. Methodologically, our design follows the fundamental idea of other experimental setups to infer dishonest behavior (e.g., Fischbacher and Föllmi-Heusi, 2013) by asking participants to report a randomly generated number. While broadly applicable, the finance-framed randomization device may render a social norm salient which makes dishonest behavior more acceptable. Pioneering experimental research finds higher lying frequencies among financial professionals when their professional identity is rendered salient (Cohn et al., 2014). While we find that lying occurs under both randomization devices, we do not find any significant differences between the two groups. This indicates that our novel non-physical and verifiable source of uncertainty is not prone to the social norm effects documented in the literature. Thus, our results contributes to the methodological advancement of measuring dishonest behavior outside of a standard lab setting. Developing new experimental designs allowing researchers to measure honesty in a controlled environment is of crucial importance, as dishonesty poses a severe negative externality to markets. Important examples of everyday unethical behavior are insurance fraud or tax deception. A recent Internal Revenue Service (IRS) study estimates that the tax gap (i.e, the difference between what the IRS estimates taxpayers should pay and what they actually pay) is USD 441 billion annually for the 2011-2013 timeframe. This contributes to the US government's losing large amounts of tax revenue each year.

Author(s): Aline Waeber
Topic: Social Behavior: Lying and Cheating, Methodology: Experimental Design, Tools and Practices
Link: drive.google.com/file/d/17IXcsGfSSVjxgSOjdjEOOBWkNjKqKNi5/view?usp=sharing
[Back to session: Lies and Deception 5](#)

The Acceptability of Lotteries in Allocation Problems: a Choice-Based Approach

Elias Bouacida
Lancaster University Management School

ABSTRACT:

We report the results of two experiments on the social acceptability of random devices in allocation mechanisms. A majority of subjects do not opt for a lottery if they can rationalize an alternative mechanism as non-random. It is, however, possible to design a payoff-equivalent mechanism to the lottery that is more acceptable. Our results shed light on the real-world reliance on obscure criteria in allocation problems where lotteries seem to be simpler and more efficient.

Author(s): Elias Bouacida and Renaud Foucart
Topic: Markets: Market Design and Matching, Psychology and Biology: Other
[Back to session: Market Design and Matching](#)

Follow the money, not the majority: Incentivizing and aggregating expert opinions with Bayesian markets

Tong Wang
Erasmus University Rotterdam

ABSTRACT:

For some questions, such as what the best policy to address a problem is, it is uncertain if and when the answer will be known. Asking experts for their opinion yields two practical problems. First, how can truth-telling be incentivized if the correct answer is unknowable? Second, if experts disagree, who should be trusted? This paper solves both problems simultaneously. Experts decide whether to endorse a statement and trade an asset whose value depends on the endorsement rate. The respective payoffs of buyers and sellers indicate whom to trust. We demonstrate theoretically and illustrate empirically that “following the money” outperforms selecting the majority opinion.

Author(s): Aurelien Baillon, Benjamin Tereick, Tong V. Wang

Topic: Markets: Market Design and Matching, Markets: Other
[Back to session: Market Design and Matching](#)

Strategic moving: fake residential location choice of parents in school matching

Anita Zednik
WU Wien

ABSTRACT:

Most matching mechanisms employed in theory and practice of school choice assume that schools rank students by characteristics that cannot be gamed. However, when penalties are non-existent or only weakly enforced, parents may have incentives to misstate information, such as proximity of residential address to a school. Using official registration data from 2016 to 2020 from the City of Vienna, I demonstrate that such strategic parent behavior indeed occurs. In line with rumors and anecdotal evidence reported in the media, some parents register their child at a different residential address a few months before applying to a particular school and change the official residential address back to the original address after the child has been successfully enrolled at the preferred school. I discuss characteristics of such strategic parents, and social consequences and implications for policy makers and matching mechanism design.

Author(s): Anita Zednik

Topic: Markets: Market Design and Matching, Applied Economics: Other
[Back to session: Market Design and Matching](#)

Probability Matching and Strategic Decision Making

Duk Gyoo Kim
University of Mannheim

ABSTRACT:

This paper examines a link between an individual's (possibly limited) strategic thinking in the 11–20 money request game and (possibly non-rational) decision-making patterns in the matching pennies games. Experimental evidence shows that subjects' strategic behavior, which used to be understood as a result of cognitive iterations, is closely related to probability-matching patterns. Ignoring some individuals' choice randomization overestimates the variance of levels in cognitive iterations. Probability matchers do not seem to have less ability of cognitive iteration in strategic decision making. The relationship requires attention because the assumption that individuals are rational in the decision-theoretic sense may create a sizable misinterpretation of strategic behavior.

Author(s): Duk Gyoo Kim, Hee Chun Kim

Topic: Decision Theory: Bounded Rationality, Games: Other
Link: github.com/kimdukgyoo/kimdukgyoo.github.io/blob/master/PDFfiles/ProbMatching.pdf
[Back to session: Market Design and Matching](#)

Predicting social tipping and norm change in controlled experiments

Nikos Nikiforakis
New York University Abu Dhabi

ABSTRACT:

The ability to predict when societies will replace one social norm for another can have significant implications for welfare, especially when norms are detrimental. A popular theory poses that the pressure to conform to social norms creates tipping thresholds which, once passed, propel societies toward an alternative state. Predicting when societies will reach a tipping threshold, however, has been a major challenge due to the lack of experimental data for evaluating competing models. We present evidence from a large-scale lab experiment designed to test the theoretical predictions of a threshold model for social tipping and norm change. In our setting, societal preferences change gradually, forcing individuals to weigh the benefit from deviating from the norm against the cost from not conforming to the behavior of others. We show that the model correctly predicts in 96% of instances when a society will succeed or fail to abandon a detrimental norm. Strikingly, we observe widespread persistence of detrimental norms even when individuals determine the cost for non-conformity themselves as they set the latter too high. Interventions that facilitate a common understanding of the benefits from change help most societies abandon detrimental norms. We also show that instigators of change tend to be more risk tolerant and to dislike conformity more. Our findings demonstrate the value of threshold models for understanding social tipping in a broad range of social settings and designing policies to promote welfare.

Author(s): James Andreoni, Nikos Nikiforakis, Simon Siegenthaler

Topic: Social Behavior: Norms and Morals, Social Behavior: Group Behavior
Link: www.nber.org/papers/w27310
[Back to session: Norms and Morals I](#)

Overall, in-group and out-group overplacement in known and unknown tasks: No gender differences

Noelia Rivera
Universidad Loyola Andalucia

ABSTRACT:

This paper explores gender differences in overplacement in two independent and unrelated tasks. The first refers to the performance in the Raven test, the second in a video presentation scored by external referees. While in the first task we expect subjects to have priors based on their own experience, for the second task we do not expect such experience. The latter case seems an ideal environment to test overplacement since participants have not ex-ante information to make predictions. In both cases, subjects receive monetary incentives depending on the accuracy of their beliefs regarding their own performance compared to other participants. We study overall overplacement – whether the subjects expect to outperform her actual outcome compared to the entire sample- and in/out-group overconfidence – whether the subject expect outperform participant of the same (different) sex than herself. We find that no evidence of men exhibiting higher level of overplacement in either environment.

Author(s): Pablo Brañas-Garza; Ernesto Mesa; Noelia Rivera
Topic: Social Behavior: Norms and Morals, Psychology and Biology: Gender and Individual Differences
[Back to session: Norms and Morals 1](#)

Moral repugnance and the role of agency

Hande Erkut
WZB

ABSTRACT:

Monetary transactions for goods or services such as human organs, surrogate motherhood, and sex are restricted or prohibited in many countries. They are perceived as inappropriate or repugnant. It is not well understood what causes repugnance. Using a lab experiment, we study whether lack of agency of a party to the transaction and extreme outcomes render transactions repugnant. We vary the agency of the transacting parties and the extremity of the outcome (listening to a painful tone versus waiting in the lab). Spectators decide ex ante whether to prohibit a transaction or not. Thereby, we can identify the causes of repugnance in an incentivized manner. Our results indicate that transactions with extreme outcomes are prohibited more often than those with less extreme outcomes. Prohibitions of transactions with extreme outcomes are frequent if one party has no agency and cannot reject an offer, or if only a third party has the power to decide. In contrast, weak agency due to limited information about the consequences of the transaction does not differ from full agency in terms of the likelihood to prohibit a transaction.

Author(s): Hande Erkut and Dorothea Kuebler
Topic: Social Behavior: Norms and Morals, Markets: Other
[Back to session: Norms and Morals 1](#)

Social Norms, Personal Norms and Image Concerns

Zvonimir Basic
Max Planck Institute, Bonn

ABSTRACT:

While social norms have received a lot of attention within economics, little is known about personal norms. In this paper, we propose a simple utility framework according to which people care about their monetary payoff, social norms and personal norms. We then design a novel two-part experiment to investigate the predictive value of personal norms across four different games. We show that personal norms — together with social norms and monetary payoff — are highly predictive of individuals' behavior. Personal norms are: i) inherently distinct from social norms across a series of economic contexts, ii) robust to an exogenous increase in social image concerns, which strengthens the predictiveness of social norms but does not weaken that of personal norms, and iii) complementary to social norms in predicting behavior, as a model with both personal and social norms outperforms a model with only one of the two norms. Our results support personal norms as a key driver of economic behavior, relevant in a wide array of economic settings.

Author(s): Zvonimir Basic, Eugenio Verrina
Topic: Social Behavior: Norms and Morals, Social Behavior: Other
[Back to session: Norms and Morals 1](#)

Do Monetary Penalties Discourage School Absenteeism Behavior?

elisabetta leni
University of Essex

ABSTRACT:

We study the impact of a policy introduced by the Department of Education of England in 2013. The policy intends to discourage term-time absenteeism by the deterrence effect of monetary penalties. As a consequence, parents receive fines for pupils' unauthorised holiday absences. Since the introduction of the regulation, the number of penalties issued has increased by more than six-fold to the point that in 2018-2019 local councils collected more than 5 million pounds from fines. However, reliable evidence concerning the efficacy of the policy is still lacking. Our identification strategy exploits the highly heterogeneous application of the penalty policy across Local Authorities. We focus on four neighbouring administrative areas and define treated and control group. Using school-level data on absences released by the Department of Education, we run a diff-in-diff model combined with a coarsened exact matching procedure and perform several robustness checks. Our results strongly indicate that the implementation of the penalty policy has led to an increase in the rate of absence for holiday reasons. This gives evidence that penalties may have crowded-out the intrinsic motivation for school attendance thus leading to an increase of the unwanted behavior.

Author(s): Elisabetta Leni, Xiao Yu
Topic: Social Behavior: Norms and Morals, Applied Economics: Other
[Back to session: Norms and Morals 2](#)

Unpacking moral wiggle room: self-image, social social-image, and self-selection

Danae Arroyos-Calvera
University of Warwick

ABSTRACT:

Avoiding information allows people the Moral Wiggle Room to behave less pro-socially. We unpack the effect of moral wiggle room along two dimensions: whether information is hidden from the recipient or the dictator; and whether generosity is influenced by the information condition, or whether instead less generous types self-select into hidden information states. Participants (n=1360) played a modified version of the standard dictator game consisting of three treatments differing in who knows the endowment and - importantly - whether the uncertainty is exogenously or endogenously determined. We found that it was the information dictators preferred, not the information they eventually received, that could predict generosity. Dictators who preferred to hide information from the recipient were the least likely to make a generous transfer.

Author(s): Danae Arroyos-Calvera, Daniel Read, Bruce Rival
Topic: Social Behavior: Norms and Morals, Games: Information
[Back to session: Norms and Morals 2](#)

Standard vs Random dictator games: The effect of role uncertainty on generosity

ERNESTO MESA-VAZQUEZ
UNIVERSITY OF VALENCIA

ABSTRACT:

Using a multiple-price list dictator game, this paper provides experimental evidence that the level of generosity is affected when we vary the probability that the dictator's decision will be implemented. We also show that framing matters for generosity in that subjects are less generous when their choices under role uncertainty is such that subjects perceive that they are in the role of dictators and know that their choices will be implemented with a certain probability, compared with a setting in which subjects are told that they are in the role of recipients and know that their choices will not be implemented with certain probability.

Author(s): Ernesto Mesa-Vazquez (University of Valencia & ERICES), Ismael Rodriguez-Lara (University of Granada & ESI Chapman University), Amparo Urbano (University of Valencia & ERICES)
Topic: Social Behavior: Norms and Morals, Games: Information
[Back to session: Norms and Morals 2](#)

Does a whistleblowing policy translate into more whistleblowing behavior when considering ostracism? An experimental Study

Sabrina Plass
University Paderborn

ABSTRACT:

Despite the merits of whistleblowing to uncover fraud cases within the organization and deter potential perpetrators of acting fraudulent, whistleblowers are often seen as traitors and face retaliation from organizational members in the aftermath of whistleblowing, which may explain the few cases observed. As a response, many organizations augmented their code of conduct with whistleblowing policies that account in the best case for whistleblower protection, wrongdoer punishment, and correction of wrongdoing. While at first sight, these changes in whistleblowing policies seem to provide a strong incentive for reporting wrongdoing of organizational members, we argue that it affects whistleblowing behavior to a far lower extent than expected. The reason is that potential whistleblowers who remain in the organization fear being ostracized and excluded by their colleagues from future interactions. These prospects might offset the benefits of blowing the whistle. We employ a laboratory experiment to investigate our research question and to demonstrate that the policies may not be able to minimize all uncertainties for potential whistleblowers.

KEYWORDS: Whistleblowing, Policies, Misconduct, Organizational Support, Ostracism, Experiment

Author(s): Behnud Mir Djawadi; Sabrina Schaefers
Topic: Social Behavior: Norms and Morals, Applied Economics: Labor Market
[Back to session: Norms and Morals 2](#)

Explicit and Implicit Belief-based Gender Discrimination: A Hiring Experiment

KAI BARRON
WZB Berlin

ABSTRACT:

Understanding discrimination is key to designing policy interventions that promote equality in society. Economists have studied the topic intensively, typically taxonomizing discrimination into either taste-based or (accurate) statistical discrimination. Using a hiring experiment in which we can rule out both of these sources of discrimination by design, we still detect substantial gender discrimination. We provide evidence of two forms of such discrimination, explicit and implicit belief-based discrimination. Both rely on statistically inaccurate beliefs but differ in how strongly they reveal the decision maker's motive. Our analysis further highlights the central role played by inaccurate stereotypes in generating discrimination and additionally demonstrates that contextual features of the choice environment are key in determining whether and how discrimination will manifest. We conclude by discussing how policy makers can design regulation that creates choice environments less amenable to discrimination.

Author(s): Kai Barron, Ruth Ditlmann, Stefan Gehrig, Sebastian Schweighofer-Kodritsch
Topic: Social Behavior: Norms and Morals, Decision Theory: Beliefs
[Back to session: Norms and Morals 3](#)

Corruption and Within-Country Stereotypes

Marcello Puca
University of Bergamo

ABSTRACT:

We conduct a hybrid experimental-observational study on college students to investigate whether the exposure to institutions of significantly heterogeneous quality affects their behavior and their stereotypes about others' behavior in a corruption experiment. The 2x2 between-subject experimental design varies: (i) the availability of

information on the geographic origin of the participants; and (ii) whether participants are matched with others from the same macro-region. Experimental results show that: (i) knowing the other's region of origin significantly increases the probability of engaging in corruption, but mostly when briber and bribee belong to different macro-regions; (ii) coming from municipalities with a lower contemporary and historical level of civic capital significantly increases the probability of engaging in corruption. Our findings suggest that the quality of institutions has a persistent effect on an individuals' internalized prosocial norms, and that these effects are evident even in a highly controlled laboratory setting.

Author(s): Buonanno, Paolo, Marcello Puca and Patrizia Sbriglia
Topic: Social Behavior: Norms and Morals, Social Behavior: Group Behavior
Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3617590
[Back to session: Norms and Morals 3](#)

Willful Ignorance and Moral Behavior: Evidence from the Lab and the Field

Raphael Epperson
University of Mannheim

ABSTRACT:

Individuals may avoid information about the consequences of their actions in order to circumvent moral concerns. We investigate this issue in the context of food consumption, where the decision to eat meat from factory farming negatively affects animal welfare. We conduct a pre-registered experiment to investigate consumers' demand for information on factory farming and use laboratory as well as field data to estimate how such information affects meat consumption. We find that about 30 percent of subjects avoid information on factory farming when it is costless. In the laboratory, information increases the likelihood to choose a voucher for a vegetarian meal by about 11 percentage points. This effect extends to the consumption behavior at the university canteens, where subjects who have received information are more likely to purchase vegetarian food products. Our findings show that consumers avoid adverse information on factory farming and that not obtaining such information leads to higher levels of meat consumption.

Author(s): Raphael Epperson and Andreas Gerster
Topic: Social Behavior: Norms and Morals, Applied Economics: Other
[Back to session: Norms and Morals 3](#)

Norm Formation and Endogenous Information Acquisition

Marie Claire Villeval
GATE (CNRS-University of Lyon) and IZA, Bonn

ABSTRACT:

We investigate experimentally how descriptive norms (what others do), injunctive norms (what others approve of) and behavior in the ethical domain are affected by the endogenous search for information, by means of an on-line mind game where individuals can misreport their outcomes to increase their earnings. Before reporting outcomes, subjects receive information from peers who played the game in the past. Across treatments we vary whether information is about peers' reporting behavior or about perceived injunctive norm. To collect information, subjects have to sample peers from two groups identified by a color (depending on whether norm or behavior was above or below median), or by a color and political affiliation. This allows us to measure whether information search is motivated self-servingly, depending on one's type and affiliation, and how endogenous social information affects behavior and the evolution of empirical and injunctive norms. Because of endogenous peer effects, we hypothesize that both norms and behavior become more lenient when subjects can choose their source of information. We investigate experimentally how descriptive norms (what others do), injunctive norms (what others approve of) and behavior in the ethical domain are affected by the endogenous search for information, by means of an on-line mind game where individuals can misreport their outcomes to increase their earnings. Before reporting outcomes, subjects receive information from peers who played the game in the past. Across treatments we vary whether information is about peers' reporting behavior or about perceived injunctive norm. To collect information, subjects have to sample peers from two groups identified by a color (depending on whether norm or behavior was above or below median), or by a color and political affiliation. This allows us to measure whether information search is motivated self-servingly, depending on one's type and affiliation, and how endogenous social information affects behavior and the evolution of empirical and injunctive norms. Because of endogenous peer effects, we hypothesize that both norms and behavior become more lenient when subjects can choose their source of information.

Author(s): Eugen Dimant, Fabio Galeotti, Marie Claire Villeval
Topic: Social Behavior: Norms and Morals, Social Behavior: Lying and Cheating
[Back to session: Norms and Morals 4](#)

Why high incentives cause repugnance

Robert Stuber
WZB

ABSTRACT:

I study morally controversial transactions and focus on those which are only objected to when they are coupled with high incentives. To this end, I run a preregistered field-in-the-lab online experiment with a large representative sample. Participants decide whether the researcher is allowed to offer varying monetary amounts of compensation (low and very high) in exchange for registering as a stem cell donor. I provide the following insights. First, some people have a preference for preventing controversial transactions that fundamentally depends on the incentives provided and that can be revealed using incentivized choice data. Second, most of the people who only object to offering monetary incentives when incentives are high do so, because offering high incentives draws in individuals with high reservation prices. Third, the objection to high incentives is most prevalent for people who consider the offer to be coercive.

Author(s): Robert Stuber
Topic: Social Behavior: Norms and Morals, Social Behavior: Other
[Back to session: Norms and Morals 4](#)

Incomplete Promises and the Social Norm of Keeping Promises

ABSTRACT:

While nobody denies that promises create an obligation for the promisor to take the promised action, few is known about how laymen perceive promissory obligations when circumstances change and there is broad scope for parties to interpret the promise as not covering the realized contingency. The literature on keeping promises has not studied how promisors, promisees, and neutral third parties form beliefs about how promisors behave, how promisees expect promisors to behave, and how third parties assess, from a normative standpoint, the immorality of breach when circumstances change and the promise did not explicitly address the contingency. Experimental results reveal how the incompleteness of a promise, as well as the fact that the parties did not foresee the contingency, affect the norm of keeping promises, leading to lower first-order and normative beliefs by promisors, promisees, and neutral individuals. Promisors strategically distort their beliefs in order to breach without incurring guilt or moral costs by violating the norm, but even neutral individuals believe that breach is more acceptable when the promise is incomplete, an effect that cannot be explained by motivated or self-serving beliefs, but rather by a true belief that breach under the status quo is different from breach when circumstances change. Several implications for the law of contracts are discussed.

Author(s): Sergio Mittlaender
Topic: Social Behavior: Norms and Morals, Social Behavior: Lying and Cheating
[Back to session: Norms and Morals 4](#)

How far will officials go to accept a bribe?

Hannes Titeca
University of Exeter

ABSTRACT:

With petty corruption being widespread in many countries this paper uses a simple experiment to explore some of the behavioural determinants of bribery. The type of bribe we look at is one that acts as a facilitation payment to expedite service delivery. In the experiment this corresponds to participants receiving their payment today rather than waiting up to 22 days for payment. As in the real world, such as bribe may have a negative externality in the sense that others are “pushed down the queue” and must wait even longer for service delivery. This experiment looks specifically at the choice of “officials” who are in the position of being able to accept or reject such a bribe offered by a “citizen”. If they accept, their payoff is increased but the time in which they are paid is unchanged. By accepting, someone else does however receive their payment sooner and (depending on the treatment) others may wait longer (the negative externality). The experiment is conducted online using a broad sample from countries with medium to low incomes and we find that officials do often reject the bribe despite the private incentive to accept. The bribe incurring a negative externality is found to significantly reduce the rate of bribe acceptance and incentivised first order beliefs about the proportion of participants accepting the bribe is strongly correlated with accepting the bribe.

Author(s): Lutfi Rahimi, Hannes Titeca
Topic: Social Behavior: Norms and Morals, Social Behavior: Other-regarding Preferences
[Back to session: Norms and Morals 4](#)

Flexible Microcredit: Effects on Loan Repayment and Social Pressure

Anett John
CREST Paris

ABSTRACT:

Flexible repayment schedules allow borrowers to invest in profitable yet risky projects, but practitioners fear they erode repayment morale. We study repayment choices in rigid and flexible loan contracts. To separate strategic repayment choices from repayment capacity given income shocks, we conduct a lab-in-the-field experiment with microcredit borrowers in the Philippines. Our design allows us to observe social pressure, which is considered both central to group lending, and excessive in practice. In our rigid benchmark contract, repayment is much higher than predicted under simple payoff maximization. Flexibility reduces excessive social pressure, but comes at the cost of reduced loan repayment. We present theoretical and empirical evidence consistent with a strong social norm for repayment, which is weakened by the introduction of discretion in repayment timing. Our results imply that cooperative behavior determined by social norms may erode if the applicability of these norms is not straightforward.

Author(s): Kristina Czura, Anett John, Lisa Spantig
Topic: Applied Economics: Economic Development, Social Behavior: Norms and Morals
Link: www.cesifo.org/DocDL/cesifo1_wp8322.pdf
[Back to session: Norms and Morals in Markets](#)

Monetary Policy, Efficiency Wages and Employment: Experimental Evidence on a Missing Link

Cornelia Strauss
Behavioral and Institutional Economics

ABSTRACT:

A frequently addressed, yet prevailing puzzle in economics is why wages do not fall sufficiently in recessions to avert surges in unemployment. In this paper, we test the hypothesis that the nominal money supply affects employment although the agents in the economy can freely adjust nominal wages. This hypothesis covers a complete causal chain from monetary policy to employment. Our paper studies a stylized labor market with flexible nominal wages from a theoretical as well as an experimental perspective. In the paper money serves the same three roles it does in real life, namely it is a medium of exchange, a unit of account and a – temporary – store of value. First results suggest that social preferences are influenced by nominal terms and induce economy-wide downward rigid wages.

Author(s): Max Albert and Cornelia Strauss
Topic: Markets: Macroeconomics, Social Behavior: Norms and Morals
[Back to session: Norms and Morals in Markets](#)

Morals in multi-unit markets

Andreas Ziegler
University of Amsterdam

ABSTRACT:

Recent findings support the hypothesis that markets partially erode morals, as measured by decreased concerns towards damages for a third party (Falk & Szech, 2013). So far, moral erosion has been studied in markets where participants are restricted to trade single units. In doing so, two market forces which can contribute to selfish behavior and outcomes are neglected: (i) the replacement logic, according to which people justify immoral trading behavior with their belief that others will take advantage if they do not trade themselves; (ii) market selection, i.e., the fact that the least moral traders determine quantities and prices at the margin. In a laboratory experiment, we compare markets with single-unit trading to markets where multiple units can be traded. We find that, in contrast to single-unit markets, unrestricted multi-unit market outcomes are statistically indistinguishable from purely self-interested competitive-equilibrium predictions. It is especially the replacement logic that drives this finding. When this market force is active, 83% of subjects engage in trading for Euro 0.20 gains to traders while inflicting losses of Euro 1.50 to UNICEF. This percentage drops to 16% and 10% in single-unit markets and individual decision-making, respectively. In addition, we find that (i) market experience leads to biased social learning, whereby subjects believe that others are more immoral than they actually are; (ii) erosion of moral costs persists partially after multi-unit markets; (iii) changes in social norms are not driving these results.

Author(s): Theo Offerman, Giorgia Romagnoli, Andreas Ziegler
Topic: Markets: Other, Social Behavior: Norms and Morals
[Back to session: Norms and Morals in Markets](#)

What Money Can Buy: How Markets Promote and Transmit Values

Sili Zhang
University of Zurich

ABSTRACT:

This paper studies whether market exchange can promote and transmit the values held by market participants. Specifically, we investigate the conjecture that consumers prefer to exchange with sellers whose behavior reflects consumers' values and that this, in turn, leads to public support for those values by counterparts seeking improved market outcomes. We first use a survey experiment to document, among a broad set of respondents, a preference for trading with counterparts who support one's value. We then document in a laboratory experiment that consumers prefer exchanging with counterparts who express support for their values, even when the exchange has no impact on the actual promotion of those values. Specifically, we find that consumers' willingness-to-pay is increasing in sellers' donations to organizations supported by consumers, even though the donations have already been made and cannot be influenced by consumers' purchasing decisions. In turn, sellers anticipate such concern and donate more in support of consumers' values, but only when there are potential mutual benefits from market exchange. Our results contrast with arguments that market exchange reduces the importance of moral values.

Author(s): Roberto Weber; Sili Zhang
Topic: Markets: Other, Social Behavior: Norms and Morals
[Back to session: Norms and Morals in Markets](#)

Non-selfish behaviour: Are social preferences or social norms revealed in distribution decisions?

Nina Weber
King's College London

ABSTRACT:

People frequently behave non-selfishly in situations where they can reduce their own payoff to help others. It is typically assumed that such pro-social behaviour arises because people are motivated by a social preference. An alternative explanation is that they follow a social norm. We test with two survey experiments (N=2,408) which of these two explanations can better explain decisions people make in a simple distribution game under three different elicitation mechanisms. Unlike previous studies, we elicit preferences and perceived social norms directly for each subject. We find that i) norm-following better explains people's distributive choices compared to social preferences and ii) lack of confidence in one's social preference –itself explained by weaker social identification— predicts norm-following. Our findings imply that the Pareto criterion has weaker (than previously thought) foundations for welfare evaluations, but this effect may be attenuated in societies with stronger social identification. Perhaps unexpectedly, but unsurprisingly given i) above, we find that different mechanisms for eliciting social preferences have no effect on distribution decisions.

Author(s): Shaun Hargreaves Heap, Konstantinos Matakos, Nina Weber
Topic: Social Behavior: Other-regarding Preferences, Social Behavior: Norms and Morals
Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3657431
[Back to session: Other-regarding Preferences I](#)

Distributional Preferences and Conditional Cooperation in Prisoner's Dilemmas

Kyeongtae Lee
University of Nottingham

ABSTRACT:

We examine how distributional preferences affect behavior in sequential prisoner's dilemmas. We estimate individual distributional preferences by using a modified dictator game and investigate individual behavior in 24 sequential prisoner's dilemmas in which payoffs vary in each game. Trade-offs between own payoffs and other's payoffs and the degree of aheadness aversion predict subjects' decisions: subjects with other-regarding preferences are more likely to conditionally cooperate and cooperate as a first-mover. Our findings shed light on how conditional cooperation is influenced by distributional preferences.

Author(s): Simon Gächter, Kyeongtae Lee, Martin Sefton
Topic: Social Behavior: Other-regarding Preferences, Games: Other
[Back to session: Other-regarding Preferences I](#)

Does the COVID-19 Pandemic Affect People's Social and Economic Preferences? Evidence from China

King King Li
Shenzhen Audencia Business School, Shenzhen University

ABSTRACT:

This study investigates the effect of the COVID-19 pandemic on people's preferences including social preference in terms of trust and trustworthiness, risk attitude, ambiguity attitude, and time preference. We compare the preferences of 5382 subjects in three sets of large-scale online experiments with samples drawn from provinces across mainland China before (Studies 1 and 2) and after (Study 3) the COVID-19 pandemic. We test two competing hypotheses regarding social preference. First, we examine whether the outbreak as a collective threat induces more pro-social behavior by enhancing ingroup cohesion and cooperation. Second, we test whether the pandemic leads to a reduction in pro-social behavior due to the expectation that the related economic downturn will have a negative impact on income. We find that after the outbreak, the subjects overall are more trusting (7% higher) and more trustworthy (12% higher), which suggests the first effect dominates. We also find that the subjects are more risk averse and less patient after the outbreak, which is consistent with the idea that the fear generated by the pandemic induces risk aversion and impatience. Finally, using two large mobility datasets derived from anonymized mobile phone records, we show that people's preferences are not affected by social distancing.

Author(s): King King Li, Bo Huang, Tony Tam, Ying-yi Hong
Topic: Social Behavior: Other-regarding Preferences, Social Behavior: Other
[Back to session: Other-regarding Preferences 1](#)

Free, Fine and Fee: Crowding Out of Prosocial Behavior and Framing Effects in the Lab

Rafael Teixeira
University of Amsterdam

ABSTRACT:

There is a growing number of examples showing that fines might backfire and crowd out pro-social motivation. To better understand this phenomenon, we use a Dictator Game with an extra payment associated with the dictator taking money from the receiver. This design allowed us to isolate the crowding out in the most direct representation of social preferences. We use two formats of extra payment, mimicking a fee or a fine. The results show two different aspects: Crowding out for those subjects who make the extra payment, taking around 13% more money in both fee and fine. Partial crowding in for individuals who do not participate in the market (taking no money) and the fee is, in general, 10% more effective than the fine. The results also indicate that the subjects' endowment inequality plays an essential role in the size of those phenomena.

Author(s): Rafael Teixeira
Topic: Social Behavior: Other-regarding Preferences, Social Behavior: Norms and Morals
Link: docs.google.com/viewer?a=v&pid=sites&srcid=ZGVmYXVsdGRvbWFpbmxyYWZhbWx0ZWl4ZWlyYXNwYWdlfGd4OjltNmYzZTkxMTI5MmI0OWU
[Back to session: Other-regarding Preferences 1](#)

Principal's Distributive Preferences and the Incentivization of Agents

Max Lobeck
Paris School of Economics

ABSTRACT:

Do principals' distributive preferences affect the allocation of incentives within firms? We document a robust relationship between French employers' fairness preferences and the incentive contracts they choose for their workers. To establish causality, we run a Principal-Agent lab experiment in a firm-like setting. Principals must choose piece-rate wage contracts for two workers that differ in terms of ability. Workers have to choose an effort level that is not contractible upon. Principals are either paid in proportion to the output produced (Stakeholder treatment) or paid a fixed wage (Spectator treatment). We study how principals trade off incentive concerns (motivating workers to maximize output) and their own normative distributive preferences. We find that, despite the firm-like setting and the moral hazard situation, principals do hold egalitarian concerns, but they are sensitive to both extensive and intensive margin incentives. We characterize the heterogeneity in distributive preferences by positing a utility function that incorporates the principal's other-regarding preferences and we estimate it using a finite mixture model. We use these estimates to make counterfactual analyses and show that principals' egalitarian preferences gain in efficiency when workers hold relative income concerns.

Author(s): Max Lobeck, Sophie Cetre
Topic: Social Behavior: Other-regarding Preferences, Applied Economics: Labor Market
[Back to session: Other-regarding Preferences 2](#)

Moral Values, Consumption and Identity Signaling

Florian Schneider
University of Zurich

ABSTRACT:

Many companies do not want individuals with certain moral values to buy their products, which seems puzzling from the perspective of profit maximization. This paper provides a potential rationale for companies' behaviors based on consumer preferences: consumers seek to signal desirable moral values by avoiding products popular with people with bad moral values. In two laboratory experiments, I provide causal evidence that demand for a product is lower if its customer pool consists of individuals with undesirable moral values. The first study shows such an effect in a setting where choices are publicly observable and thus can serve as public signals of consumers' moral values. The second study applies a double blind procedure and demonstrates that this effect extends to the domain of self-signaling. One implication of these results is that it can be profitable for companies to avoid certain types of customers. My findings indicate that identity signaling motives likely affect consumer behavior in many contexts.

Inequality, Loss Aversion, and Cooperation

HUANREN ZHANG
University of Southern Denmark

ABSTRACT:

We use a lab experiment to investigate how inequality and loss aversion influence cooperation in one-shot prisoner's dilemmas. Using a strategy method, subjects indicate whether they will cooperate or defect in the positive-payoff games and the negative-payoff games. We introduce 9 different combinations of endowments into both categories of the games, some with inequality and some without. Games in the gain domain and games in the loss domain have a one-to-one correspondence, making it easier to investigate the framing effect. The analysis shows that, holding other things equal, players are less likely to cooperate in the loss domain. In both domains, disadvantageous inequality significantly decreases cooperation, while advantageous inequality does not have a significant effect. In addition, players' beliefs on the opponents' tendency to cooperate and the social value orientation can predict their likelihood of cooperation.

Author(s): Huanren Zhang
Topic: Games: Other, Social Behavior: Other-regarding Preferences
[Back to session: Other-regarding Preferences 2](#)

Strategic versus in-group motivations for a bystander to intervene

Katarina ?ellarova
Masaryk University, Brno, Czech Republic

ABSTRACT:

We use a laboratory experiment to study the role of strategic and in-group motives in bystander's decision making. We devise a simple repeated game played in groups of three subjects with one proposer and two followers. Then the proposer chooses the discrete portion of initial endowment that she wants to take from a follower of her choice. In the next step, another follower, i.e., bystander, decides whether she wants to intervene for all possible amounts that the proposer could take. At the end of the round, computer pairs the decision of bystander with the proposer's decision. If the bystander intervenes, she pays a small cost, but reallocation does not take place, and all players end up with an initial endowment. If she does not intervene, reallocation takes place. This game is played repeatedly in a partner matching and with the same proposer. We study two factors that could have impact on bystander's decision – probability that she can become victim and membership to social group. We find that a higher chance of being chosen as the victim next time significantly increases the probability that bystanders will intervene. This result is robust even in environment of different social identities among triplets. However, the victim being outgroup decreases intervention just when bystander knows that he cannot become a victim.

Author(s): Katarina ?ellarova, Ond?ej Kr?al, Rostislav Stanek
Topic: Social Behavior: Other-regarding Preferences, Social Behavior: Norms and Morals
[Back to session: Other-regarding Preferences 3](#)

Spillovers From Incentive-Schemes on Distributional Preferences and Expectations

Matthias Greiff
Clausthal University of Technology

ABSTRACT:

In a setting where workers are strongly incentivized to engage in competition in certain tasks, this may influence their willingness to cooperate in other tasks. We analyze the spillovers of incentives schemes to distributional preferences and beliefs. In the first task, individuals are matched in pairs and work on a real effort task. In the second task, we measure distributional preferences and beliefs about distributional preferences. Between treatments we vary the incentive scheme for the real effort task (competitive incentives and team incentives) and the feedback participants receive. In the absence of feedback, we find positive spillovers on preferences if participants are incentivized by competitive or team incentives. Positive spillovers on preferences stem from strategic interdependence because under both competitive and team incentives a participant's payoff depends on another participant's performance. With feedback about own and other's performance, the spillover effects depend on the incentive scheme. If feedback is provided under competitive incentives, we find large negative spillovers on preferences, but only for losers. For winners, there are small but insignificant spillovers. Apparently, losing a competition has a strong negative effect of distributional preferences. For the treatment with team incentives and feedback we find negative spillovers on preferences for winners (i.e., participants with a higher performance) and positive spillovers for losers. Winners "punish" losers, who benefited from winners' high effort in the real effort task, and that losers "reward" winners, who worked in order to increase losers' earnings in real effort task. We find no evidence for spillovers on beliefs.

Author(s): Matthias Greiff and Marcus Giamattei
Topic: Social Behavior: Other-regarding Preferences, Applied Economics: Labor Market
[Back to session: Other-regarding Preferences 3](#)

When rich do (not) trust the (new) rich: Experimental evidence on the effects of positive random shocks in the trust game

Ismael Rodriguez-Lara
Universidad de Granada

ABSTRACT:

This paper studies whether rich people trust more to rich than they do to poor people, and whether their behavior is affected by how rich people become rich. To this aim, we study behavior in a trust game where first-movers are initially endowed more than second-movers but the occurrence of a positive random shocks can eliminate the level of inequality by increasing the endowment of the second-mover before the decision of the first-mover. Our results suggest that both the level of inequality and the occurrence of the positive random shock influence behavior in the trust game. In particular, we find that second-movers are inequality averse (i.e., they return a smaller

share of the generated funds when they have a lower endowment than first-movers), and they are also more trustworthy after a positive random shock have occurred to them. While first-movers seem to anticipate that second-movers are inequality averse (i.e., the send less when there is inequality in their favor), they do not appear to behave strategically when second-movers benefited from the random positive shock; in fact, in treatments with equality of endowments, first-movers send less to second-movers when this is result of a positive random shock that boosted the endowment of the second-mover, compared with the case in which first and second-movers were initially given the same level of endowment.

Author(s): Hernan Bejarano, Joris Gillet, Ismael Rodriguez-Lara
Topic: Social Behavior: Other-regarding Preferences, Games: Other
[Back to session: Other-regarding Preferences 3](#)

Shifting the reward for kind delegation

Yadi Yang
Tilburg University

ABSTRACT:

We conduct an online experiment to examine the delegation of kind decisions. Existing experimental research shows that responsibility attribution can be diluted by delegating to a third party, with a focus on punishment for the delegation of unkind decisions, but little evidence has been found on responsibility attribution for kind delegation. We implement a delegated dictator game with a design similar to Bartling and Fischbacher (2012) and conduct additional treatments that allow recipients to reward the other players instead of punishing them. We find confirming evidence for the responsibility-diluting effect of delegation both in treatments with punishment and in treatments with rewards. In addition, the change in rewarding patterns is not a mirror-image of that in punishment patterns. We also find that delegation decisions come from dictators who would choose the fair allocation had the delegation option been impossible.

Author(s): Cedric Argenton, Jan Potters, Yadi Yang
Topic: Social Behavior: Other-regarding Preferences, Social Behavior: Other
[Back to session: Other-regarding Preferences 3](#)

Intertemporal and Social Preferences predict compliance in a Social Dilemma: An application in the context of COVID-19.

Merel van Hulsen
Erasmus University Rotterdam

ABSTRACT:

In our paper, we examine the role of intertemporal and social preferences to explain cooperation in social dilemmas. Recently, the COVID-19 pandemic caused an acute social dilemma in the Netherlands. In this dilemma, citizens had to decide whether to comply with the guidelines of the government regarding the "intelligent" lockdown and thus to base their actions on group serving preferences or not to comply and act according to their own payoffs. Through an online survey, using a general population sample of 1,019 adult citizens of the Netherlands, we measured people's consideration of future consequences (CFC), consideration of others (COO) and compliance with the guidelines provided by the government to control the spread of COVID-19. Both COO and CFC positively relate to self-reported compliance. Moreover, there is a significant negative interaction between both. We thus find that an increase in COO as well as an increase in CFC increases compliance with the guidelines but that the marginal effects of COO and CFC are lower for higher values of CFC and COO respectively. Of these two, COO appears to have the largest influence on compliance. Apart from these two variables, gender, age, perceived risk to others, perceived compliance by others and the opinion on government reaction also had a significant effect on compliance. These findings emphasize the importance of both social as well as intertemporal preferences in the prediction of cooperation in social dilemmas.

Author(s): M. A. J. van Hulsen, N. J. A. van Exel & K. I. M. Rohde
Topic: Social Behavior: Other-regarding Preferences, Decision Theory: Preferences
[Back to session: Other-regarding Preferences 4](#)

Social distance and delegation: altruism or expected reciprocity?

Hamideh Mohtashami Borzadaran
University of Birmingham

ABSTRACT:

Previous research has demonstrated that individuals are willing to delegate tasks to shift the blame and avoid taking direct responsibility for selfish behaviour. Our main framework is a principal-agent game in which principals can either decide themselves how much money to share with a recipient or can hire agents who make sharing decisions on their behalf. In our recent study, we offer evidence that the likelihood of delegation decreases as social ties between individuals increase. In a new series of experiments, we examine experimentally potential motives explaining why people delegate less as social distance decreases. Our focus is on two motives: altruistic behaviour and expected reciprocation from future interactions. To study these effects, we implement a within-subjects design where we vary the social distance and the anonymity of the decisions made between the principal and the recipient. Our results suggest that altruistic motives explain most of the variation in principals' delegation decisions.

Author(s): Michalis Drouvelis and Hamideh Mohtashami Borzadaran
Topic: Social Behavior: Other-regarding Preferences, Social Behavior: Other
[Back to session: Other-regarding Preferences 4](#)

Market Transparency and Corporate Social Responsibility

Sebastian Schaefers
University of Basel

ABSTRACT:

Market Transparency and Corporate Social Responsibility Extended Abstract JEL Classification: C92, D62, D83, M14 Keywords: Market transparency, Information, Social Responsibility, Externalities, Experiments A vast literature in economics studies how information about others' decisions influences one's own. An important finding in this literature is that social information can promote pro-social behavior. This result carries over to environmentally-friendly consumption decisions: informing customers of their neighbours' consumption can effectively reduce the use of water (Ferraro et al., 2011; Ferraro and Price, 2013; Ferraro and Miranda, 2013; Brent et al., 2015) and residential energy (Allcott, 2011; Ayres et al., 2013; Costa and Kahn, 2013; Allcott and Rogers, 2014). While private households are significant actors in a country's energy usage, they are not the predominant ones. More energy savings can be achieved by influencing suppliers' decisions of which consumer goods to produce (Stern, 1992). Whether market transparency—suppliers' information on the actions of their rivals—influences prosocial behavior or suppliers, that is, corporate social responsibility, and if so, in which direction, has remained largely unexplored. This is the question that we study in this paper. How market transparency influences price setting and production decisions of oligopolists is a vividly discussed topic among industrial economists. Two opposite forces seem to be at work: on the one hand, in the spirit of Stigler (1964), detailed feedback on competitors' past conduct allows for the signaling of intentions and monitoring and thereby enhances collusion which makes markets less competitive.² On the other hand, detailed information increases the competitiveness of markets as it allows firms to imitate their most successful rivals (Vega-Redondo, 1997).³ The net effect depends on the precise information content, on the type of interaction, and on the number of competitors—in particular, with more than two firms and no communication collusion is hardly ever observed (see, e.g., Huck et al. (2004), Fonseca and Normann (2012), Horstmann et al. (2018), and Freitag et al. (2019)). While, intuitively, one would think that market transparency dampens corporate social responsibility if it increases price competition, there exists no study that directly tests the relationship between transparency and pro-social behavior of suppliers. Our paper is a first step towards filling this gap. In our paper, we study how varying information conditions (transparency) influences externality production (corporate social responsibility) in the laboratory. The key design feature of our experiment is that we vary the feedback information suppliers receive between the rounds of play. In one treatment, suppliers receive a detailed account of all their competitors' actions — product choice and price setting — and profits, in another treatment, they merely observe averages. Finally, there is a treatment where suppliers have no information at all on their competitors' actions and profits. Consumers' information is held constant over all treatments. We build on the experimental design of Bartling et al. (2015). They consider a competitive product market in which producers decide on a price and on which of two product types they want to offer for sale. We call these two types 'dirty' (polluting) and 'clean' (non-polluting). The dirty product yields a negative externality for a third party outside the market but costs nothing to produce, whereas the clean product is externality-free but has a strictly positive production cost. Otherwise the products are homogenous. Consumers choose whether to buy and if they decide to buy, which type. The standard equilibrium prediction for such a market is that only the dirty good is traded. Bartling et al. (2015) find that, in their baseline condition, markets converge rapidly to a stable outcome in which roughly 45% of the products traded are actually clean. Clean products are transacted at higher prices than the dirty ones but the price premium is less than the additional production cost. The producers in these markets share, on average, the additional costs with the consumers and, thus, cannot fully relegate to them the burden for preventing negative social impacts. As a consequence, offering the clean product leads to lower average profits for firms than offering the dirty product. Here is where the variation of the informational structure potentially matters: if firms can directly observe the negative consequences of clean production on their profits and imitate the most successful firms, dirty production may spread in the market. In other words: market transparency enables imitation which enhances externality production and lowers corporate social responsibility. This is the prediction that our paper aims to test. Our paper contributes to the literature on one of the most controversially discussed issues in social sciences, namely, whether markets erode social values. A panoply of economic experiments supports an answer to that question in the affirmative. For example, using neutral framing induces more cooperative behavior than economic framing in experimental posted-offer markets (Hoffman et al., 1994; Franciosi et al., 1995). Moreover, priming experimental subjects to think of a market context can reduce the importance of moral considerations in nonmarket interactions (Cappelen et al., 2013). Similarly, when participants are primed with money they behave more individually and less prosocially (Vohs et al., 2006). In more recent contributions, Falk and Szech (2013) and Kirchler et al. (2016) provide evidence suggesting that market interactions increase individuals' willingness to impose negative externalities on uninvolved third parties. In line with Bartling et al. (2015), however, our findings suggest that socially responsible behavior can survive in markets. References Albæk, S., P. Møllgaard, and P. B. Overgaard (1997). Government-assisted oligopoly coordination? A concrete case. *Journal of Industrial Economics* 45 (4), 429–443. Allcott, H. (2011). Social norms and energy conservation. *Journal of Public Economics* 95 (9–10), 1082–1095. Allcott, H. and T. Rogers (2014). The short-run and long-run effects of behavioral interventions: Experimental evidence from energy conservation. *American Economic Review* 104 (10), 3003–37. Altavilla, C., L. Luini, and P. Sbriglia (2006). Social learning in market games. *Journal of Economic Behavior & Organization* 61 (4), 632–652. Ayres, I., S. Raseman, and A. Shih (2013). Evidence from two large field experiments that peer comparison feedback can reduce residential energy usage. *The Journal of Law, Economics, and Organization* 29 (5), 992–1022. Bartling, B., R. A. Weber, and L. Yao (2015). Do markets erode social responsibility? *Quarterly Journal of Economics* 130 (1), 219–266. Benson, B. L. and R. M. Feinberg (1988). An experimental investigation of equilibria impacts of information. *Southern Economic Journal* 54 (3), 5–35. Bohnet, I. and R. Zeckhauser (2004). Social comparisons in ultimatum bargaining. *Scandinavian Journal of Economics* 106 (3), 495–510. Brent, D. A., J. H. Cook, and S. Olsen (2015). Social comparisons, household water use, and participation in utility conservation programs: Evidence from three randomized trials. *Journal of the Association of Environmental and Resource Economists* 2 (4), 597–627. Cappelen, A. W., E. Ø. Sørensen, and B. Tungodden (2013). When do we lie? *Journal of Economic Behavior & Organization* 93, 258–265. Cason, T. N. and V.-L. Mui (1998). Social influence in the sequential dictator game. *Journal of Mathematical Psychology* 42 (2–3), 248–265. Costa, D. L. and M. E. Kahn (2013). Energy conservation “nudges” and environmentalist ideology: Evidence from a randomized residential electricity field experiment. *Journal of the European Economic Association* 11 (3), 680–702. Dufwenberg, M. and U. Gneezy (2002). Information disclosure in auctions: an experiment. *Journal of Economic Behavior and Organization* 48 (4), 973–997. Falk, A. and N. Szech (2013). Morals and markets. *Science* 340 (6133), 707–711. Feinberg, R. M. and C. Snyder (2002). Collusion with secret price cuts: an experimental investigation. *Economics Bulletin* 3 (6), 1–11.

Author(s): Steve Heinke, Catherine Roux, Sebastian Schaefers
Topic: Social Behavior: Other-regarding Preferences, Markets: Other
[Back to session: Other-regarding Preferences 4](#)

Endogenous Game Choice and Giving Behavior in Distribution Games

Emin Karagozolu
Bilkent University

ABSTRACT:

List (2007) and Bardsley (2008) introduced the “taking game”, where the strategy space of the dictator allows him to take money from the passive player. Their findings cast doubt on the “pure altruism” interpretation for dictator game giving since subjects who assumed the role of the dictator in the taking game gave less than their counter-parts in the dictator game. In these experiments, as in most experiments, the games subjects play are exogenously assigned by the experimenter. However, in many real life interactions, agents choose (or have a say regarding) the type of contract, protocol, or procedure to be employed. We first conducted an experiment (N = 268) where the game to be played (dictator game or taking game) is not exogenously assigned but it is rather the choice of the passive player, in the experimental treatment. Our experiment has between-subjects design, and has three treatments, two of which serve as control treatments: (i) exogenously assigned dictator game (EX-D), (ii) exogenously assigned taking game (EX-T), and (iii) passive subjects choose which game to be played (EN). We denote the endogenously chosen dictator (taking) game with EN-D (EN-T). We hypothesize that (i) the dictators in the taking game give less than the dictators in the dictator game do, (ii) passive players choose the dictator game more frequently than they choose the taking game, (iii) the mere fact that the game played in EN-D is the passive player's choice makes passive players responsible for it, and as a consequence dictator game giving is lower in EN-D than in EX-D, and finally (iv) giving in EX-T and EN-T are identical. Our experimental results are strongly in line with all of these hypotheses, and thus highlight the importance of endogenous selection into distributive games. We also conducted a survey (N = 296), and asked respondents to predict the behavior in the experiment. A significant majority of them correctly guessed the results. Moreover, the text analysis of their answers to our open-ended questions show that the potential reasons they gave for their guesses are in line with the supporting arguments we provided for our hypotheses (e.g., responsibility, agency, accountability). The main message of the paper is in line with the recent work of Smith and Wilson (2018), who report very different behavior in voluntary ultimatum games compared to exogenously given ultimatum games.

Author(s): Emin Karagozolu and Elif Tosun
Topic: Social Behavior: Other-regarding Preferences, Methodology: Experimental Design, Tools and Practices

Exposure to economic inequality at the age of 8 enhances prosocial behaviour in adult life

Pablo Branas Garza
Universidad Loyola Andalucia

ABSTRACT:

Children as young as 3–4 years old are already concerned about inequality and declare that equality is a norm that should be followed.¹ At the age of 3 to 8, they develop a strong preference for equality, which is typically reflected in both “envy” and “compassion”,^{2,3} that is, aversion to disadvantageous and advantageous inequality, respectively.⁴ Further studies suggest that inequality aversion does not continue increasing after that age, but rather exhibits an inverse-U shape relation with age in childhood and adolescence, with a peak at 8 years old.^{3,5} Since children are particularly sensitive to inequality at the age of 8, it is an open question how exposure to real economic inequality at this age modulates prosocial behaviour in adult life. Here, we link generosity in dictator game experiments conducted among Spanish university students ($n > 400$) with existing macro-level data on income inequality within the region they lived as children. The data show that individuals who were exposed to higher levels of inequality at the age of 8 are more generous in adult life. Interestingly, exposure at older ages has no impact on generosity. Our results extend previous findings on the development of egalitarianism by showing long-lasting effects of childhood inequality experiences in adult life. If prosocial behaviour is (partly) developed as a reaction to an unequal environment, then inequality might be counteracted in the future.

Author(s): Branas-Garza, Pablo and Caldentey, Pedro and Espin, Antonio M. and Garcia, Teresa and Hernandez, Ana
Topic: Social Behavior: Other-regarding Preferences, Applied Economics: Charitable Giving

Link: mpra.ub.uni-muenchen.de/101567/

[Back to session: Other-regarding Preferences 5](#)

Decomposing Trust

Roel van Veldhuizen
Lund University

ABSTRACT:

Trust is thought to be an important driver of economic growth and other economic outcomes. Previous studies suggest that trust may be a combination of risk attitudes, distributional preferences, betrayal aversion, and beliefs about the probability of being reciprocated. We compare the results of a binary trust game to the results of a series of control treatments that remove the effects of one or more of these components of trust by design. This allows us to decompose variation in trust behavior into its underlying factors. Our preliminary results suggest that beliefs are the main driver of trust, and that the additional components only play a role when beliefs about reciprocity are sufficiently optimistic. We also show that our design-based estimates differ from regression-based estimators used in previous work due to the role of measurement error and omitted variable bias in the latter approach.

Author(s): Dirk Engelmann, Jana Friedrichsen, Roel van Veldhuizen, Pauline Vorjohann, Joachim Winter
Topic: Social Behavior: Other-regarding Preferences, Methodology: Experimental Design, Tools and Practices

[Back to session: Other-regarding Preferences 5](#)

Why do people avoid sharing situations? Testing guilt-aversion versus self-image concerns.

Dominik Meier
University of Basel

ABSTRACT:

It has been shown that subjects avoid situations that allow for sharing both in the lab and in the field, even at a cost. Traditional social preferences cannot explain this behavior. Instead, guilt-aversion and self-image concerns have been proposed to explain the avoidance of such situations. There is supporting evidence for both motives, but it is not clear which motive is more important. We test this by letting subjects play a dictator game and after a seven day break a dictator game with an exit option. We operationalize guilt by eliciting second-order beliefs and self-image concerns by eliciting personal norms. Previous research has shown that injunctive norms can explain behavior in the dictator game with an exit option, but we argue that personal norms are more appropriate in such a private setting. As previous studies, we use a between subject design where in one group recipients will not be informed about the game, allowing us to theoretically rule out the guilt motive in this not informed condition. Subjects in the informed condition were willing to give up significantly more money to avoid the dictator game (36% of the endowment) than subjects in the not informed condition (22% of the endowment). Although subjects in the informed condition are willing to pay more to avoid the game, they on average also give more conditional on playing the game than participants in the not informed condition. This suggests that guilt both drives subjects out of sharing situations but also propels them to give once the situation can no longer be escaped. The importance of the guilt-aversion motive is also backed by the mixed logit models used to fit the data: avoiding guilt has a higher utility weight than conforming with one's personal norms in the decision to avoid the game. In contrast to the dictator game, personal norms cannot explain choice behavior when an exit option is available. We also used a more psychology oriented way of operationalizing the two motives by using the TOSCA-3 guilt and shame questionnaire. But this data had no explanatory power. In summary, our results suggest that people avoid sharing situations primarily to avoid guilt and not to preserve their self-image.

Author(s): Dominik Meier, Jorg Rieskamp, Markus Schobel
Topic: Social Behavior: Other-regarding Preferences, Social Behavior: Norms and Morals

[Back to session: Other-regarding Preferences 5](#)

Over and Under Commitment to a Course of Action in Decisions from Experience

Doron Cohen
Technion

ABSTRACT:

Previous studies of effort-investment decisions highlight two contradicting biases: Over-investment that reflects “escalation of commitment”, and under-investment that suggests a tendency to give up too early. This paper clarifies the conditions that trigger these biases by focusing on two factors: The decision mode (ongoing decisions vs. planning in advance), and the probability each search effort will be costly. Analysis of ongoing decisions reveals a reversed sunk-cost effect: Most participants stopped too early when searching was frequently costly but stopped too late when searching was usually rewarding. Comparison of ongoing and planning decisions reveals an interaction: Planning in advance increased search when searching was frequently costly, but decreased search when most search efforts were rewarding. These results favor a model assuming reliance on small samples and contingent re-evaluation: A plan to continue is re-evaluated after a loss, and a plan to stop is re-evaluated after a gain.

Author(s): Cohen, Doron; Erev, Ido
Topic: Decision Theory: Learning, Decision Theory: Preferences
Link: osf.io/dawj7/
[Back to session: Preferences I](#)

Crowding-out the in-group bias: a possible paradox of populist policies?

Eugenio Levi
Free University of Bozen-Bolzano

ABSTRACT:

An in-group bias in pro-sociality has been frequently observed in social psychology and economics (e.g. for the latter, see Chen and Li, 2009, and Hargreaves Heap and Zizzo, 2009). In this paper, we examine with a dictator's game experiment whether a revealed in-group bias in social preferences in a first phase is crowded-out by the introduction of material incentives designed to encourage in-group biased behaviour in a second phase (similar to Gneezy and Rustichini, 2000). This test matters because such 'crowding-out' will influence the efficacy of in-group bias related policy interventions. For instance, populist or nationalist governments often introduce policies to make hiring a foreigner more difficult or to establish barriers to trade. The fine is ineffective in our experiment and points to the existence of crowding-out. In particular, we find that those who reveal the in-group bias social preference in the first phase reduce the extent of their bias in the second phase. Furthermore, and this is the part that explicitly refers to a social identification mechanism, we find that the reduction in the in-group bias occurs because the allocation to own group members falls.

Author(s): Shaun Hargreaves Heap, Eugenio Levi, Abhijit Ramalingam
Topic: Decision Theory: Preferences, Social Behavior: Norms and Morals
[Back to session: Preferences I](#)

Is There a Preference for Competition?

Lina Lozano
Maastricht University

ABSTRACT:

Recent research has identified the willingness to compete as an important determinant of individual differences in labor market outcomes. However, there is no consensus yet as to what the underlying factors behind these findings are. Are individuals who are willing to compete simply more capable, more confident, more tolerant of risk, or are they competing because they enjoy competition per se? In this study, we use a series of carefully-designed laboratory experiments to identify whether a pure preference for competition is indeed an important determinant of individuals' willingness to enter tournaments. Our design improves on previous work in that it generates a rich dataset of individual-level choices. This allows us to test whether choices to enter tournaments are consistent with GARP and to estimate with a high degree of certainty the extent to which these choices are explained by a preference for competition.

Author(s): Lina Lozano and Ernesto Reuben
Topic: Decision Theory: Preferences, Methodology: Experimental Design, Tools and Practices
[Back to session: Preferences I](#)

Endogenous gender segregation

Vegard Sjurseike Wiborg
University of Oslo, Department of Economics

ABSTRACT:

If individuals perceive preferences as gender-dependent, they might ascribe informational value to the choices made by other men and women. In this paper, I investigate this potential signalling effect of the preceding decisions choice made by men and women, on the choice of subsequent male and female decisions makers. To this end, I lay out a static choice model and I perform an online experiment, to test the predictions, where subjects choose between jobs solely based on summary statistics about individuals who have previously been subjected to the same choice. In the Part 1 of the experiment, subjects are sequentially presented with eight pairs of jobs, called A and B. For each pair, they choose and perform either job A or B. The jobs consist of tasks that potentially differ on three dimension: topic, risk and payment structure in general. Each job is tailored to create more or less gender imbalance in each pair of jobs. Before making each of their eight decisions, subjects are given brief descriptions of each job. I implement three between subjects treatment in Part 2 to examine how people use gender compositions in jobs from Part 1 as decision variables when characteristics of jobs are unobservable. In the first intervention, subjects are randomly allocated to the $\textit{Equality}$ and $\textit{Segregation}$ treatment. In both treatments subjects are told to choose either job A or job B. Instead of receiving information about job characteristics, they observe summary statistics regarding the individuals choosing job A and B in Part 1. The summary statistics include the fraction of men (women) choosing job A and B, the average age of individuals choosing each job, and the fraction of individuals that has kids in each job. Subjects in the Equality treatment are presented with a pair of jobs chosen by equally many men and women in Part 1, while subjects in the Segregation treatment are presented with a pair of jobs in which the majority of men and women chose job A and B, respectively. According to the model, segregation would reproduce itself in Part 2. Moreover, the model predicts that the preferences of men and women choosing job A would be different from the preferences of subjects choosing job B, in the Segregation treatment. The second intervention sheds light on the informativeness of observing the distributions of both genders in Part 1, in job A and B. All subjects choose between the same two jobs where a majority of men and women chose job A and B, respectively, in Part 1. The information provided to the subjects differ in the \textit{Uni} and \textit{Dual} treatment. Subjects in the former only observe the distribution of their own gender over jobs from Part 1, while subjects in the Dual treatment observe both. The model predicts that the absence of the other gender's distribution makes the location of the dividing line ambiguous, leading subjects in both tails to choose the job dominated by their own gender. Hence, the introduction of the second distribution should uniquely pin down the dividing line and lead to a higher fraction choosing the other job. The third intervention includes tests the reciprocal effects of gender segregation on subjects' beliefs regarding the gender differences in performance. All subjects are presented to the same task performed by respondents in Part 1.

While subjects in the \textit{Info} treatment get the information that a large share of men than women chose this particular task in Part 1, subjects in the \textit{No Info} treatment do not. Subjects are asked to consider whether men or women did better on the tasks in Part 1 of the experiment. Additionally, subjects are asked whether they believe they would have done better or worse than average. This third intervention is not based on the choice model, but is important to understand the potentially reciprocal nature between beliefs and gender composition. If individuals update their beliefs based on observed choices of men and women, segregation in the labor market could potentially manifest itself through change in beliefs. The experiment was conducted with 800 American men and women. Stata do-files, power tests and a pre-analysis plan containing hypotheses and empirical approach was uploaded to the AEA-registry (<https://doi.org/10.1257/rct.6031-1.0>) prior to the experiment. The final dataset will be assembled by the end of July.

Author(s): Vegard Sjurseike Wiborg
Topic: Decision Theory: Preferences, Games: Information
[Back to session: Preferences 1](#)

Eliciting Time-Preferences with Continuous MPL

Benjamin Prisse
Loyola University

ABSTRACT:

Since Coller et al. (1999) Multiple Price List have been used to measure time preferences. Subjects are asked to choose between an amount of money in the present and a larger amount of money in the future. Andreoni et al. (2012) introduced the Convex Time Budget, allowing subjects to differentially allocate money between present and future, potentially improving precision of measurement but also increasing the complexity of the task. In this paper we introduce the continuous version of Multiple Price List, a new measure of time preferences synthesizing simplicity of MPL and precision of CTB. Results suggest that cMPL is robust and improves precision of time-preferences measurement.

Author(s): Benjamin Prisse, Pablo Brañas-Garza
Topic: Decision Theory: Preferences, Methodology: Experimental Design, Tools and Practices
[Back to session: Preferences 2](#)

Natural experiment: Exposure to the Covid-19 pandemic and generosity

Antonio Alfonso
Loyola Andalucia

ABSTRACT:

The Covid-19 pandemic generated a public debate about the psychological consequences of the exposure to the pandemic environment. As a key determinant of success, prosocial behavior receives particular attention while different countries combat the pandemic. However, along with signs of increased solidarity, we observe antisocial behaviors. The evidence regarding how prosociality adapts to adversarial events is also mixed. Using data from an online experiment with ~1k participants in Spain, we study how social behavior evolved in a period in which Covid-19-associated deaths in Spain increased fourfold. In our experiment, participants could donate a fraction of a €100 prize to a charity. We find that donations decreased in the period under study. Our analysis of the psychological mechanisms behind the detected decrease in solidarity highlights the key—but independent—role of expectations about others' behavior, perceived mortality risk, and (alarming) information in behavioral adaptation. Keywords: Generosity, Covid-19, Experiments

Author(s): D. Jorrat, P. Brañas-Garza, A. Alfonso, A.M. Espin, T. Garcia, J. Kováčik
Topic: Decision Theory: Preferences, Applied Economics: Charitable Giving
Link: psyarxiv.com/6ktuz
[Back to session: Preferences 2](#)

Imperfect Foresight and Intertemporal Choice

Miao Jin
Peking University

ABSTRACT:

This paper investigates whether imperfect foresight affects intertemporal choice using three experiments. We first exogenously introduce forecasting difficulty to a given period and find that subjects avoid allocating money to this period. We then use summer vacation as the natural period of increased forecasting difficulty for the student subjects. We find that the subjects avoid allocating money to the summer. However, after writing down their specific plans for a summer vacation, subjects are more willing to allocate money to that period. These findings together provide compelling evidence for the role of imperfect foresight on intertemporal choice.

Author(s): Miao Jin, Jian Li, Juanjuan Meng, Jingwei Sun
Topic: Decision Theory: Preferences, Decision Theory: Ambiguity
[Back to session: Preferences 3](#)

Economic Conditions Do Not Change Discriminatory Behavior

Regine Oexl
University of Innsbruck

ABSTRACT:

It is commonly believed that undesirable actions individuals take are partially due to emotional distress caused by the state of the world and not the underlying character of the individual. Of particular interest to economists is the supposed link between underlying economic circumstances an individual finds themselves in and this individual's choices of socially harmful behavior. Though correlations between economic instability and undesirable social behavior are claimed to have been established, clean causal inference is often lacking. Additionally, prior studies typically focus on a special subset of the population which calls into question the generalizable nature of the result. In

the current study, we analyze if increases in economic instability lead to increases in taste-based discrimination. We utilize the effect of the unexpected restrictions from Covid-19 as an exogenous, but asymmetric, shock on the economic stability of college undergraduate students and use an incentivized online survey to test if this shock leads to differences in taste-based discrimination. We find no differences in discriminatory behavior of those who are more affected by the shock on our three main metrics measuring taste-based discrimination. Our findings are in support of the rational choice model and against common behavioral explanations.

Author(s): Anna Rita Bennato, Glenn Dutcher, Regine Oexl

Topic: Decision Theory: Preferences, Social Behavior: Other-regarding Preferences
[Back to session: Preferences 3](#)

Preferences for mixing in multiple-choice questions

Jingcheng Fu
National University of Singapore

ABSTRACT:

While multiple-choice questions are widely used in standardized IQ tests to measure cognitive skills, performance may be affected by non-cognitive skills. We randomly assign 2986 participants of an IQ test to one of the following three scoring rules. In the control group, for each question, participants choose only one option and score if the correct option is chosen. The other scoring rules allow choosing one or more options. In the outcome mixing treatment, the score is equally split among the chosen options. In the probability mixing treatment, one of the chosen options is marked with equal probability. Participants choose to mix in 31% and 19% of the questions in the outcome mixing and probability mixing treatments, and scores are lowered by 0.10 and 0.07 standard deviation compared to the control group. The observed effects of the outcome mixing treatment are partially explained by risk preference. Our results also shed light on models with preferences for mixing.

Author(s): Jingcheng Fu, Xing Zhang, Songfa Zhong

Topic: Decision Theory: Preferences, Field Experiments: General
[Back to session: Preferences 3](#)

Time for Tea: Measuring Discounting for Money and Consumption without the Utility Confound

Amma Panin
World Bank

ABSTRACT:

We conduct a field experiment in India comparing inter-temporal discount rates for money and the consumption of tea. We apply a novel method that allows us to directly access the discount function under discounted expected utility, while avoiding the utility confound that has bedeviled most previous studies. We find significantly more discounting for tea than for money. We find no difference in hyperbolicity. Analyzing the data in a Bayesian framework, we can indeed accept the null hypothesis of no hyperbolicity for either tea or money.

Author(s): Mohammed Abdellaoui, Emmanuel Kemel, Amma Panin, Ferdinand Vieider,

Topic: Decision Theory: Preferences, Decision Theory: Risk
[Back to session: Preferences 3](#)

Reference-dependent choice bracketing

Pauline Vorjohann
Humboldt University of Berlin

ABSTRACT:

I derive a simple and generally applicable theoretical model of choice bracketing from two behavioral axioms on top of expected utility. The first behavioral axiom establishes a direct link between narrow bracketing and correlation neglect. The second behavioral axiom identifies the reference point as the place where broad and narrow preferences are connected. The narrow bracketer is characterized by an inability to process changes from the reference point in different dimensions simultaneously. As a result, her trade-offs between dimensions are distorted. While she disregards interactions between actual outcomes, she appreciates these interactions mistakenly with respect to the reference point. Since the narrow bracketer's ability to think multidimensionally is preserved at the reference point, my model resolves the general incompatibility of narrow bracketing and budget balance. Furthermore, it allows me to isolate the effects of narrow bracketing in the absence of loss-aversion. Finally, the model reveals an interesting connection between narrow bracketing and the use of budgeting heuristics. In addition to the theoretical contribution, I present the results of an experiment to test the predictions and underlying assumptions of my model.

Author(s): Pauline Vorjohann

Topic: Decision Theory: Preferences, Social Behavior: Other
[Back to session: Preferences 4](#)

Turning-on Dimensional Prominence in Decision Making: Experiments and a Model

Ayala Arad
Coller School of Management, Tel Aviv University

ABSTRACT:

Many choices involve a large number of dimensions that ought to be considered before reaching a final decision. It is well accepted that decision makers sometimes place more weight on salient dimensions. But what makes one dimension more salient than another? Koszegi and Szeidl (2012) and Bordalo et al. (2013) suggest that dimensions are more prominent if, roughly speaking, the variance of their values in the choice set is larger. We provide experimental evidence of another determinant of salience—whether dimensions are turned-on or turned-off. Intuitively, a dimension of an alternative is turned-on if its value is in the range of its attractive facet. In one study, we show that introducing a small interest rate on checking accounts may actually decrease allocations to checking accounts and increase the share of riskless investments. We provide evidence that the small interest rate highlights or turns-on the safe gains dimension, bumping up its decision weight while shrouding other

considerations, such as liquidity. Consequently, choices shift from the checking account to safe investments with superior returns. In another study, social preferences expressed over two unequal allocations are reversed depending on whether a third available allocation is equal or not. In this case, the all-equal split turns on egalitarian considerations that shift preferences toward equality even when expressed over unequal splits. We present the Turned-on-Dimensions (ToD) model that draws on Koszegi and Szeidl (2012) and adds a discontinuous channel to the determination of decision weights, which allows to accommodate our findings.

Author(s): Ayala Arad and Amnon Maltz

Topic: Decision Theory: Preferences, Decision Theory: Bounded Rationality

Link: www.tau.ac.il/~aradayal/ToD.pdf

[Back to session: Preferences 4](#)

Vicinity Bias

Niklas Ziemann
Universitat Potsdam

ABSTRACT:

This paper studies whether a preference reversal in the spatial dimension - similar to the one reported in the temporal dimension - occurs. In a controlled laboratory experiment, we measure spatial preferences by eliciting preferences for the provision of goods at different locations. To isolate spatial preferences from any direct-use value of the goods, we study such preferences for goods associated with existence values. We find that individuals put a special weight on the provision of such goods in their immediate vicinity despite the non-use character of these goods. This "vicinity bias" which reflects the spatial counterpart to "present bias" causes a preference reversal. Interestingly, individuals do not prefer such goods which are relatively nearer to them once immediate vicinity is not involved.

Author(s): Niklas Ziemann, Lisa Bruttel

Topic: Decision Theory: Preferences, Applied Economics: Charitable Giving

[Back to session: Preferences 4](#)

Value and Use of Information

Ro'i Zultan
Ben-Gurion University of the Negev

ABSTRACT:

Information is useful because it can reduce uncertainty and lead to better decisions. Recent work documents that people value for information is also non-instrumental, in the sense that they reveal preference for information in settings where such information does not inform decisions. For example, people may demand non-instrumental information that confirms their initial beliefs or information that resolves uncertainty earlier. Non of these studies, however, compared instrumental and non-instrumental value for information in the same setting, while controlling for possible misperceptions of the value of information. We study preferences for instrumental and non-instrumental information. By controlling the experimental environment and recovering beliefs formed in the task, we can account for potential (mis)perceptions of probabilities. This allows us to decompose the value of information by considering objective and subjective instrumental as well as non-instrumental value. Thus, this paper brings together the literature on instrumental value for information, non-instrumental value for information, and deviations from Bayesian updating. Participants in the experiment were required to take an action, which yielded a positive payoff if and only if it was aligned with the (unknown) state of the world. Before choosing an action, the participant chose whether to receive a signal from a biased or an unbiased source. We controlled the instrumental value of the information sources by manipulating the prior on the state of the world and the informativeness of the unbiased source. Furthermore, eliciting posterior beliefs and the beliefs over the distribution of the signal conditional on the source allows us to decompose the participants' expected utility to the statistical components of belief and value. We find systematic deviations from Bayesian updating with participants overestimating the informativeness of the unbiased source. We estimate a generalized Bayesian model to identify the source of these deviations, and use cluster analysis to identify two individual types. One type is the Tversky-Kahneman base-rate neglect or representative heuristic type, which ignores the prior and forms posteriors (almost) solely based on the likelihood ratio of the signal. The other type is an anchoring type, which largely sticks to the prior and only partially updates according to new information. We study the choice between information sources by estimating a random utility model that incorporates expected utility, expected marginal value, non-instrumental value, and subjective beliefs. We find that choices are driven not only by instrumental value, but also by expected utility and 'bias aversion'. Although we find that subjective beliefs overestimate the value of the unbiased source, these are not sufficient to explain the deviations from the Bayesian benchmark. We conclude that people tend to choose the source with the higher instrumental value, although there are substantial systematic deviations from the benchmark model. While belief updating deviates from the Bayesian benchmark, we show that these deviations do not drive choices, hence deviations in choices can be attributed to non-instrumental value. People assign non-instrumental value to the unbiased source, but also tend to choose the source with potentially higher instrumental value even if they will not (need to) utilize the information.

Author(s): Aniol Llorente-Saguer, Santiago Oliveros and Ro'i Zultan

Topic: Decision Theory: Preferences, Decision Theory: Beliefs

[Back to session: Preferences 4](#)

Evaluation on Individuals versus Evaluation on Groups: Evidence from a Public Goods Game Experiment

Fenqi Guo
University of Zurich

ABSTRACT:

Despite the well-known fact that individuals respond to feedback, the understanding of how groups react towards evaluations they receive is limited. In a finitely repeated Public Goods game environment, we investigate various evaluation methods, to explore the impact of non-monetary feedback on cooperation level. According to the evaluation type and order, our design consists of one control setup (no evaluation, denoted by C) and five treatment setups: Individual Disapproval (I), Group Disapproval (G), first-Group-then-Individual Disapproval (G-I), first-Individual-then-Group Disapproval (I-G), and simultaneous Individual-and-Group disapproval (I&G). Our results show that: (1) Contributions among different evaluation systems have the following order: $C = G = I \& G < I = I - G < G - I$. (2) The main determinant of the rating of the evaluator is the deviation of the assessed individual or group's contribution from the average. (3) Individual evaluation based on the results in the current period can statistically significantly promote contribution in the next period, with a higher dissatisfaction score leading to an increase in the next period contribution, but the group evaluation has no such effect. Based on these findings, we conclude that group evaluation itself has no significant effect on the individual's contribution behavior towards public goods, but having the groups evaluated before the individual evaluation can strengthen the effect of individual disapproval, thereby indirectly affecting the

cooperation level. Our research sheds light on the design of performance evaluation of collective projects and provides us with a better understanding of the underlying mechanism on the effect of feedback on performance.

Author(s): Fenqi Guo (University of Zurich); Yunwen He (Tsinghua University); Jie Zheng (Tsinghua University)

Topic: Public Choice: Public Goods and Common Pool Resource, Games: Other

[Back to session: Public Goods 2](#)

Social framing effects in leadership: preferences or beliefs?

Michalis Drouvelis
University of Birmingham

ABSTRACT:

We experimentally study the impact of framing effects in a sequential social dilemma game. Our between-subjects design consists of two group level (“Wall Street” vs. “Community”) and two individual level (“First (Second) Movers” vs. “Leaders (Followers)”) frames. We find that average contributions are significantly higher when the game is called the Wall Street game than when it is called the Community game. However, the social framing effect disappears when we control for players’ first-order and second-order beliefs. Overall, our evidence indicates that social frames enter people’s beliefs rather than their preferences.

Author(s): Edward Cartwright and Michalis Drouvelis

Topic: Public Choice: Public Goods and Common Pool Resource, Social Behavior: Group Behavior

[Back to session: Public Goods 2](#)

Persuasion Strategies and Cooperation

Sven Fischer
Brunel University London

ABSTRACT:

In repeated three player public good game laboratory experiments we control for possible persuasion strategies. We distinguish between three communication tactics - rational, soft, and hard tactics - and negative vs. positive frames, as well as early and late communication. We find that only hard tactics consistently result in significantly higher cooperation than in a control treatment without communication and than in treatments with soft tactics. In some cases, hard tactics also outperform rational tactics. The effect of frames on cooperation is negligible as well as communication tactics employed later in the game.

Author(s): Daniel John Zizzo and Sven Fischer

Topic: Public Choice: Public Goods and Common Pool Resource, Social Behavior: Communication

[Back to session: Public Goods 2](#)

Alternative Assurance Payment Schemes in Threshold Public Goods Provision: An Experimental Investigation

Rongrong Fu
Humboldt University of Berlin

ABSTRACT:

Recent literature has witnessed a number of mechanisms extended from the provision point mechanism in funding threshold public goods. Some of these mechanisms were designed to reduce or eliminate non-provision equilibria in public goods games. In this paper, we compare experimentally three (to some extent) theoretically equivalent assurance payment schemes proposed independently in the literature for threshold public goods provision, all of which significantly reduce or eliminate non-provision equilibria: dominant assurance contract (DAC, Tabarrok, 1998), refund bonus (RB, Cason and Zubrickas, 2017), and assurance payment (AP, Li et al., 2014). All three mechanisms encourage commitments to contribute by offering assurance payments (rewards) to would-be contributors if, in the end, the group fails to provide the good: DAC specifies an assurance for a take-it-or-leave-it offer which also includes a predetermined contribution for provision and the minimum number of acceptance, RB rewards contributors proportional to their contributions, and AP pays an assurance payment once a minimum offer level is reached, all in case of provision failure. Although theoretically similar, different implementations result in significantly different outcomes in the lab. AP and DAC dominate generally in provision rate with both homogeneous and heterogeneous agents and RB performs less favorable with heterogeneous agents. The key insight is that a fixed explicit assurance payment in AP and DAC plays an effective role in coordinating individual and group contributions to improve the private provision of threshold public goods.

Author(s): Rongrong Fu, Zhi Li

Topic: Public Choice: Public Goods and Common Pool Resource, Unknown: Unknown

[Back to session: Public Goods 2](#)

Incentives for cooperation in teams - Sociality meets decision rights

Britta Butz
RWTH Aachen

ABSTRACT:

We investigate the effect of a donation incentive tied to contributions to a public good when group members may decide on the size of the donation to be made. An up to 20 % donation of the public good was implemented either mandatorily or voluntarily. In the Vote treatment, groups could either decide in favor of or against a donation of 20 % of the public good; in the Vote Share treatment, subjects could decide on a donation share of between 0 % and 20 %. Results show that a large percentage of the participants votes in favor of implementing a donation share in both treatment variations. The decision right itself stabilizes contribution levels in the public good game over rounds. Results indicate that voting in favor of a 20 % donation share or implementing a high donation share in the Vote Share treatment has positive effects on contributions levels compared to an exogenously implemented donation share.

Anger and Strategic Behavior: A Level-k Analysis

Sergio Alessandro Castagnetti
Warwick University

ABSTRACT:

Anger is an important driver in shaping economic activities, particularly in instances that involve strategic interactions between individuals. Here we test whether anger impairs the capacity to think strategically, and we analyze the implications of our result on bargaining and cooperation games. Accordingly, with a preregistered experiment (Experiment 1), we externally induce anger to a subgroup of subjects following a standard procedure that we verify by using a novel method of text analysis. We show that anger can impair the capacity to think strategically in a beauty contest game. Angry subjects choose numbers further away from the Nash equilibrium, and earn significantly lower profits. A structural analysis estimates that there are twice as much level-zero players in the treated group than in the control group. Furthermore, with a second preregistered experiment (Experiment 2), we show that this effect is not common to all negative emotions. Sad subjects do not play significantly further away from the Nash equilibrium than the control group in the same beauty contest game of Experiment 1, and sadness does not lead to more level-zero play.

Author(s): Alessandro Castagnetti, Eugenio Proto
Topic: Games: Repeated Games, Psychology and Biology: Emotions
[Back to session: Repeated Games](#)

When both players choose dominated actions: Underweighting rare events in 2-player repeated games.

Ori Plonsky
Technion - Israel Institute of Technology

ABSTRACT:

Studies of individual agents who make repeated decisions with feedback reveals robust evidence that agents behave as if they believe “it won't happen to me”, a phenomenon coined underweighting of rare events. We experimentally show that the tendency to underweight rare events persists in 2-person repeated game with stochastic payoffs, and that other agents can learn to exploit it. In our games, most choices of participants assigned to the role of Player 1 are of a stochastically dominated action that leads to a large expected loss over the equilibrium prediction (which provides zero with certainty). Moreover, we find that the participants assigned to the role of Player 2 can learn this tendency of their counterparts and are therefore likely to choose a deterministically dominated action that implies that Player 1 gets the worst possible outcome on average but is rewarded most of the time. That is, because most Player 1s behave as if they underweight rare events, both agents learn to choose dominated actions. These results cannot be captured with any of the common models for strategic play but can be captured by assuming agents rely on small samples of similar past experiences.

Author(s): Ori Plonsky and Yefim Roth
Topic: Games: Repeated Games, Psychology and Biology: Cognition
[Back to session: Repeated Games](#)

On The Value of Alert Systems and Gentle Rule Enforcement in Addressing Pandemics

Yefim Roth
University of Haifa

ABSTRACT:

The recent COVID-19 pandemic poses a challenge to policy makers on how to make the population adhere to the social distancing and personal protection rules. The current research compares two ways by which tracking smartphone applications can be used to reduce the frequency of reckless behaviors that spread pandemics. The first involves the addition of alerts that increase the users'benefit from responsible behavior. The second involves the addition of a rule enforcement mechanism that reduces the users'benefit from reckless behavior. The effectiveness of the two additions is examined in an experimental study that focuses on an environment in which both additions are expected to be effective under the assumptions that the agents are expected-value maximizers, risk averse, behave in accordance with cumulative prospect theory (Tversky & Kahneman, 1992), or behave in accordance with the Cognitive Hierarchy model (Camerer, Ho & Chong, 2004). The results reveal a substantial advantage to the enforcement application. Indeed, the alerts addition was completely ineffective. The findings align with the small samples hypothesis, suggesting that decision makers tend to select the options that led to the best payoff in a small sample of similar past experiences. In the current context the tendency to rely on a small sample appears to be more consequential than other deviations from rational choice.

Author(s): Roth, Yefim1, Plonsky, Ori2, Shalev, Edith3, and Erev, Ido2
Topic: Social Behavior: Group Behavior, Games: Repeated Games
[Back to session: Repeated Games](#)

Risk Taking during a Global Crisis: Evidence from Wuhan

Tobin Hanspal
Charles University, Institute of Economic Studies, Prague

ABSTRACT:

We conducted a repeated survey on risk taking behavior across a panel of subjects in Wuhan, China – ground zero of the Coronavirus pandemic – before and after the outbreak began. Our baseline survey was administered on October 16th, 2019 among graduate students in Wuhan prior to the COVID-19 outbreak. 47% of the students in our sample returned home to other provinces in China for semester break in early January before the province of Hubei and the city of Wuhan was locked down with strict quarantine orders on January 23rd, 2020. We administered a follow up survey to the same subjects, capturing their geolocation information on February 28th. We use variation in exposure across different Chinese cities and provinces to measure the impact of the Coronavirus pandemic on subjects'willingness to take risk. We find that

subjects' allocations of wealth to hypothetical risky investments decrease monotonically based on the strength of their exposure to the pandemic. However, subjects uniformly report substantially lower general preferences for risk regardless of their exposure. Higher levels of exposure leads subjects to reduce beliefs in their own luck and sense of control and in turn, form more pessimistic beliefs on the economy and social conditions. We provide evidence that short-term changes in risk taking may stem more so from changes in beliefs and optimism than from general risk preferences. Our results suggest that more closely held formative experiences have large, negative, and acute effects on economic preferences during a crisis.

Author(s): Di Bu, Tobin Hanspal, Yin Liao, Yong Liu
Topic: Decision Theory: Risk, Decision Theory: Beliefs
Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3559870
[Back to session: Risk I](#)

Individual trade-off between insurance and self-protection: An experimental study

Morgane Plantier
Laboratoire de Sciences Actuarielle et Financiere (SAF)

ABSTRACT:

Since the Ehrlich Becker's seminal paper (1972), there is a debate, both theoretical and empirical, on the substitutability and complementarity between prevention and insurance. While much is known about prevention as self-insurance, little is known about whether substitutability or complementarity dominates in the self-protection context. We propose an original lab-experiment to examine the individual trade-off between insurance and self-protection from an empirical perspective in a controlled environment. The participants can pay to increase their insurance coverage and/or also consent to a self-protection effort to reduce the risk. The experimental results are compared to theoretical outcomes where self-protection effort is costly and is not observed by insurers. We find that individuals reduce their insurance coverage when self-protection is available even though the latter is not optimal. We also observe a strong moral hazard effect of insurance coverage on self-protection decision-making concluding to a substitutability relationship between both. Finally, it appears that the type of insurance contract could influence the individual decisions in terms of preventive activities. For any insurance coverage level, we find in the context of compulsory insurance that individuals invest more in self-protection when contract is imposed (vs. chosen contract). These experimental results provide support for the self-protection design, and have implications for insurance market. Keywords: Insurance; Self-protection; Laboratory experiments JEL classification: D81, C91

Author(s): Morgane Plantier, Claire Mouminoux, Jean-Louis Rulliere
Topic: Decision Theory: Risk, Applied Economics: Other
[Back to session: Risk I](#)

(Dis-)Appearance of Cyclical Choices: An Experimental Test of Intransitive Theories for Choice under Risk

Svenja Hippel
University of Wurzburg

ABSTRACT:

The recent introduction of novel context-dependent theories for choice under risk (e.g., Bordalo, Gennaioli and Shleifer: "Salience Theory for Choice under Risk", QJE, 2012) has sparked a renewed and increasing interest in intransitive theories that relax the transitivity axiom of expected utility theory. These theories, which allow the underlying preference relation to violate transitivity, make predictions regarding the systematic appearance and disappearance of choice cycles. In a series of classroom experiments, we re-address the question whether the behavior of individuals whose choices involve cyclical preferences are adequately described by the general intransitive regret-theoretic model that encompasses salience theory. Specifically, we are interested in whether the choice cycle exhibited by a given individual (dis-)appears as predicted by generalized regret theory if the probabilistic aspects of the choice situation change. In a strict within-subject design, which sets our study apart from earlier studies, subjects make multiple pairwise choices between a first lottery that pays a high amount with a relatively low winning probability, a second lottery that pays a lower amount with a higher winning probability, and a third degenerate lottery that pays the lowest amount with certainty. In a first experiment, we systematically vary the ratio of winning probabilities and find that more than 70% of choice cycles (dis-)appear in the predicted way. However, this treatment manipulation does not allow to discriminate between the general regret-theoretic model and theories which are transitive at their core but allow for mistakes. Therefore, in a second experiment, we vary the juxtaposition of the lottery outcomes. Experimental results suggest that choice cycles (dis-)appear randomly, not following a systematic pattern.

Author(s): Fabian Herweg, Svenja Hippel, Daniel Muller
Topic: Decision Theory: Risk, Decision Theory: Preferences
[Back to session: Risk I](#)

Separating True Preferences from Noise and Endogenous Effort

Tomas Jagelka
University of Bonn - Institute for Applied Microeconomics

ABSTRACT:

We propose a two-stage model of decision-making under risk which explicitly accounts for the fact that any observed choice is preceded by a decision on whether to exert effort. We analyze data from a representative sample of over 1,000 individuals each of whom made choices on 55 incentivized tasks of two different experimental designs for eliciting risk preferences. We demonstrate that our model can be used to evaluate the noise content of a given experimental design and to de-bias risk aversion estimates when necessary. While the two lottery designs we study were used interchangeably in the past, we estimate that a change from the more complex design to the more intuitive one results in a 30% decrease in (rational) inattention. Failure to properly account for decision errors results in estimates of risk preferences biased up to 50% compared to their true values.

Author(s): Christian Belzil and Tomas Jagelka
Topic: Decision Theory: Risk, Decision Theory: Preferences
Link: drive.google.com/file/d/1JU1XF3ISoFWmXOPwbyrkqWZb19UOiBQw/view
[Back to session: Risk I](#)

Comparing two risk measures to predict Alameda Seven health behaviors and health outcomes

Donata Bessey
Yonsei University

ABSTRACT:

In this study, I compare two measures of risk attitude and their ability to explain the probability of adapting the Alameda Seven health behaviors (i.e., smoking, drinking excessively, being overweight or obese, experiencing stress, following a healthy diet, exercising, and sleeping enough) using data gathered in an incentivized economic experiment in the Republic of Korea. The measures used are the lottery developed by Holt and Laury (2002), henceforth H&L, and the one-item risk measure suggested by Dohmen et al. (2011), henceforth D. Unlike previous research, I also include a measure of cognitive ability and information on respondents' Big Five personality traits in regressions. Data were collected in a paper-and-pencil experiment. Undergraduate students were used as subjects, with no restrictions based on major, age, or gender, but the requirement that they must be freshmen. Experimental instructions were pre-tested in March 2018. Three experimental sessions were conducted later in March and in April 2018, with a total of 178 subjects participating. After deleting observations with missing values, a total of 136 subjects remained. During all experimental sessions, subjects first took two subtests from the Wechsler Adult Intelligence Scale (WAIS) to serve as a measure of cognitive ability. In the second part, subjects participated in a lottery choice task using menu choices (Holt and Laury 2002). The number of safe choices they made was used as a measure of their risk aversion. In the third part, subjects answered a questionnaire containing items on the Alameda Seven health behaviors that were derived from the Canadian Community Health Survey (Statistics Canada 2016). The health behaviors were measured by subjects' self-reported answers. In order to facilitate the comparison of possible effects of both risk measures, I present estimated coefficients from probit regressions for the determinants of health behaviors. The dependent variables were re-coded as follows: 1 if the respondent stated that their (mental) health was "excellent," "very good" or "good", as opposed to "fair" or "poor", 1 if their stress level was "extremely stressful", "quite a bit stressful" or "a bit stressful", as opposed to "not very stressful" or "not at all stressful", 1 if their sleep quality corresponded to the highest two possible levels, 1 if they had at least one portion of fruit or vegetables per day during the last week, 1 if they exercised at least an average of 30 minutes per day during the last week, 1 if their BMI was above 25 (which is "overweight" by Western standards and "obese" by Korean standards). In the fourth part, subjects answered a 15-item short version of the Big Five inventory (Gerlitz and Schupp, 2005, Lang et al., 2007) and a questionnaire containing items on their gender, age, and family background as well as the one-item risk measure suggested by Dohmen et al. (2011). Finally, payments were determined and subjects were paid according to their choices in all experimental tasks. Regression results suggest that, when controlling for the aforementioned traits and including further control variables, H&L is positively correlated with the probability of experiencing higher stress levels and D is positively correlated with the probability of smoking, suggesting that neither risk measure is appropriate to identify those at risk of adapting unhealthy behaviors. These findings are at odds with some of the previous evidence reporting correlations of D with more risky health behaviors, such as Szrek et al. (2012) or Brailovskaia et al. (2018). There are several possible reasons for this finding, the first one being the relatively small sample size (n = 136) and the resulting lack of statistical power that might be responsible for the few statistically significantly estimated coefficients. The second one might be a measurement issue, as using binary outcomes in regressions is inevitably linked with loss of information. Finally, lack of domain independence could serve as an explanation for the differing results across Alameda Seven health behaviors analyzed here and shows the further need to develop risk measures (Coppola 2014, Frey et al. 2017, Pedroni et al. 2017, Bran and Vaidis 2020).

Author(s): Donata Bessey
Topic: Applied Economics: Other, Psychology and Biology: Other
[Back to session: Risk 2](#)

The Common-Probability Auction Puzzle

M. Kathleen Ngangoue
New York

ABSTRACT:

This paper presents a puzzle in the behavior of experimental subjects in what we call common-probability auctions. In common-value auctions, uncertainty is defined over values while, in common-probability auctions, uncertainty is defined over probabilities. We find that in contrast to the substantial overbidding found in common-value auctions, bidding in strategically equivalent common-probability auctions is consistent with Nash-equilibrium. Additional treatments reveal that subjects valued the auctioned items equally, implying that differences in bidding behavior originate in the strategic uncertainty of the auction.

Author(s): Kathleen Ngangoue, Andrew Schotter
Topic: Markets: Auctions, Decision Theory: Risk
Link: [1d384c81-c58f-40e6-81c8-8ca6bae2b1ec.filesusr.com/ugd/8b088f_a87e1fcc8a764507a93e08c6a5912e2a.pdf](https://filesusr.com/ugd/8b088f_a87e1fcc8a764507a93e08c6a5912e2a.pdf)
[Back to session: Risk 2](#)

This time is different: On similarity and risk taking after experienced gains and losses

Steve Heinke
University of Basel

ABSTRACT:

How do experienced prior loss or gains affect risk-taking? A large literature reports significant but seemingly inconsistent effects of prior outcomes on risk-taking. We resolve these inconsistencies by proposing a similarity based mechanism determining which outcomes are jointly evaluated and state conditions under which we expect no behavioral changes. In line with our theory, we find in a pre-registered experiment, that the less similar a prior decision situation is in task-relevant dimensions, the weaker is the effect of the prior outcomes on the current decision; variation in non-task relevant dimensions will not change the impact of prior outcomes.

Author(s): Steve Heinke, Adrian Leuenberger, Jorg Rieskamp
Topic: Decision Theory: Risk, Psychology and Biology: Cognition
Link: www.dropbox.com/s/w98jrgvtsjnl3k3/Heinke_Leuenberger_Rieskamp_2020_This%20time%20is%20different_On%20similarity%20and%20risk%20taking%20after%20exdl=0
[Back to session: Risk 2](#)

To Pay or Not to Pay: Measuring Risk Preferences in Lab and Field

Diego Jorrat
Universidad Loyola Andalucia

ABSTRACT:

Individual risk preferences are relevant for understanding daily decision-making. While measuring them in the field is critical for policy, current methodologies tend to be costly, which in turn reduces their use in the field. For example, the risk preference measure of [Holt \(2002\)](#) relies on a dozen of choices among lotteries involving monetary payments. There are three important issues with this type of measurements: i) the procedure is long and therefore time consuming, ii) paying to subjects is costly and iii) solving lotteries at individual level generates inequality among participants. While the first two issues create economic problems, the latter raises moral concerns. This study tests a short version of the Holt and Laury (2002) measurement, relying on hypothetical versus monetary payments as payoffs. Moreover, we test its reliability in both lab and field settings in three countries. Our study shows that the short and long version of HL produces the same results in the lab. Using the short HL version in the lab (Spain) and field (Honduras and Nigeria), we observe that paying or not for the measurement of risk preferences produces the same findings. Thus, our low-cost approach makes the measurement of risk preferences simpler, faster and cheaper in the lab and field. Our study was pre-registered before data collection took place in the three countries.

Author(s): Pablo Brañas, Lorenzo Estepa, Diego Jorrat, Victor Orozco, Ericka Rascon

Topic: Special Topic: Experimental Payments, Decision Theory: Risk

[Back to session: Risk 2](#)

Measuring Efficiency and Risk Preferences in Dynamic Portfolio Choice

Jacopo Magnani
Emlyon Business School

ABSTRACT:

This paper uses non-parametric methods to study the efficiency (Dybvig, 1988) and risk-profile (Varian, 1988) of dynamic portfolio choices. We design an experiment which varies the number of states (complexity), and includes an equivalent static Arrow-Debreu problem. The results suggest that complexity reduces efficiency, as does lower cognitive ability. Efficiency is also lower in the static problem, and in the dynamic task inefficiency is mostly driven by a form of stop-loss strategy. Further, we find that a representative agent exhibits decreasing absolute risk aversion and constant relative risk aversion, despite significant individual heterogeneity.

Author(s): Jacopo Magnani, Jean Paul Rabanal, Olga Rud, Yabin Wang

Topic: Decision Theory: Risk, Decision Theory: Preferences

Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3564208

[Back to session: Risk 3](#)

Comparing risk elicitation in lotteries with visual or contextual framing aids

Lorenzo Estepa Mohedano
Universidad Loyola

ABSTRACT:

Risk preferences elicitation in the lab usually involves subjects facing complex tasks such as the assessment of probabilities or expected values, for example through a multiple price list (MPL). In this context the decisions of the subjects may be dominated by errors, rather than by their true risk preferences. In this paper, we want to check whether the use of different instruments to measure risk preferences may affect the outcome. We implement a reduced version of Holt & Laury (2002) with 5 decisions. Our experiment consists of two treatments with visual aids while the untreated subjects correspond to the classical MPL (lists); in all cases the lottery structure was the same. In the first treatment the visual aid mechanism for probabilities shows a pie chart, and the second treatment the visual aid shows copies of local money bills and beans to illustrate probabilities. The critical question is whether using traditional MPL may generate different outcomes than using visual and contextual framing. The experiment was carried out in a rural area of Honduras. Risk aversion coefficients of a CRRA utility function were obtained using maximum likelihood structural estimation with error structure specification (Holt and Laury, 2002; Harrison, 2008; Harrison and Rutström, 2008). We also considered the consistency of decisions and response time (time needed to complete the task). Our findings do not show significant differences between treatments in any of the measures; visual and context framing aids do not offer different results than traditional MPL in the reduced version of Holt & Laury (2002). Hence, this paper suggests that adding intuitive instruments to illustrate probabilities or the lottery structure, that in principle would improve subjects' understanding of the task, does not affect the outcome in terms of the estimated coefficients, consistency or response time. These results are particularly relevant for development economics and socio-demographics panels.

Author(s): Lorenzo Estepa Mohedano, Maria Paz Espinosa

Topic: Decision Theory: Risk, Methodology: Experimental Design, Tools and Practices

[Back to session: Risk 3](#)

Risk-receptiveness statements predict increased risk appetite in retail structured investment

Doron Sonsino
Sarnat school of Business Administration, Center for Academic Studies, Or Yehuda and Ben-Gurion University, Economics Department

ABSTRACT:

Extended abstract: The external validity of survey-based risk preference statements for incentivized risk-taking is under debate and the evidence appears mixed (compare, for example, Dohmen et al., 2011 and Crosetto and Filippin, 2016). The current note presents evidence for significant but moderate correlations (around 0.20 for a sample of N=134 subjects) between stated receptiveness to risk and the willingness to invest in framed-field structured deposits. Our stated risk attitude question slightly adapted the SOEP (German Socio-Economic Panel) general risk attitude item, asking the respondents to rank their willingness to take risk, in private and professional life, on a 1-10 scale. The task was introduced in two incentivized laboratory experiments designed to characterize the preferences of potential retail investors over simple structured deposits in light of Cumulative Prospect Theory (CPT). The market for retail structured investment instruments has strongly expanded over the last decades and the experiments were designed to test the hypothesis that context-specific increased risk appetite of private investors explains the strong demand and disappointing performance of such instruments (e.g., Jørgensen et al., 2011; Henderson and Pearson 2011; Célérier and Vallée 2017). The first experiment used a two-step program to elicit the certainty equivalents of yearly framed-field uncertain deposits whose return is derived from the performance of the FTSE index. The program first used the exchangeability method (Baillon, 2008) to elicit median (P50) and quartile forecasts for the FTSE return along the investment period. The elicited forecasts were then used to construct individually tailored deposits; e.g., a prototype deposit paying 8% or -2% depending on whether FTSE return exceeds the P50, was presented as paying the 8% or -2% depending on whether FTSE \geq 10% for subjects with P50=10%. The Certainty Equivalents (CEs) of the individual deposits were elicited in short sequences of binary choice problems based on a simple bisection algorithm. Direct analysis of the data and CPT estimations brought non-standard results, confirming that the subjects

exhibit increased risk appetite in the context of retail structured investment. In particular, the subjects appear to reach for substantial-enough gains (showing convexity with respect to small gains) and optimistically underweight low-likelihood losses when evaluating the uncertain deposits. The robustness of the results was tested in the second experiment where the deposits were presented in terms of probability distributions over returns; e.g., the (8% or -2%) deposit building on P50, was now presented as a yearly deposit that pays 8% or -2% with equal 0.5 probabilities. The results were similar to those of the first experiment and equality of the CEs or the estimated CPT parameters could not be rejected. The SOEP-like willingness to take risk measure was included in the post-experimental questionnaires of both experiments. The questionnaires also presented a 44-problems big five personality test and asked for backgrounds in finance and socio-demographic information. The links between the verbal risk preference statements (henceforth abbreviated as SOEP) and the willingness to invest in the structured deposits shows in significant correlations between SOEP and the elicited CEs and also reflects in the correlations between SOEP and the CPT estimates of individual preferences. The mean deviation of the elicited CEs from the expected returns on the deposits, for example, is positive +7.9% for the 67 subjects with SOEP>5 compared to negative -12.9% for the 67 subjects with SOEP≤5 (p<0.02). The mean subjective weight of 0.25 loss probability (W(-0.25)) is 0.18 for the risk-seeking compared to 0.23 for the risk averse (p<0.01). The willingness to invest in the deposits does not correlate with personality or educational backgrounds and the stated risk preference is the only variable robustly showing significance in multivariate regressions. The SOEP-CEs correlations are generally stronger for the risky deposits compared to the uncertain deposits and comparisons between males (N=84) and females (N=50) suggest that SOEP shows stronger predictive power for gain-only, full capital protection, deposits (compared to mixed gain-loss deposits) for the females, while showing stronger predictive power for mixed gain-loss deposits (compared to gain-only deposits) for the males. While preceding studies with positive results for stated risk attitudes illustrate that survey-based risk preference measures correlate with risk-taking in standard applications, the current results interestingly propose that non-incentivized SOEP-like statements correlate with the willingness to take risk in a setting where incentivized subjects systematically deviate from common characteristics of decision under risk or uncertainty. The talk will first survey the two experiments and the evidence for non-standard preferences (the paper is available at <http://www.bgu.ac.il/~sonsino/papers/>) and then proceed to discussing the SOEP correlations.

Author(s): Doron Sonsino, Yaron Lahav, Yefim Roth
Topic: Decision Theory: Risk, Decision Theory: Preferences
[Back to session: Risk 3](#)

Experiencing Risk: Higher-order Risk Attitudes in Description- and Experience-based Decisions

Eyal Ert
Hebrew University

ABSTRACT:

Risky decisions are often characterized by imprecision about consequences and their likelihoods that can be reduced by information collection, and by unavoidable background risk. This paper addresses both aspects by eliciting risk attitude, prudence and temperance in decisions from description and decisions from experience. The results reveal a novel description-experience gap for prudence, and replicate the known gap for risky decisions. While widespread prudence has been observed in decisions from description, we find no evidence of prudent decision making from experience. In decisions from experience people are strongly influenced by the sampled mean, while skewness plays a smaller role than in decisions from description.

Author(s): Christoph K. Becker, Eyal Ert, Stefan T. Trautmann, Gijs van de Kuilen
Topic: Decision Theory: Risk, Decision Theory: Learning
[Back to session: Risk 3](#)

The Effect of Reporting Institutions on Tax Evasion: Evidence from the Lab

Topi Miettinen
Hanken School of Economics and Helsinki GSE

ABSTRACT:

We study the effects of different tax reporting mechanisms in experimental double auction markets in the laboratory. The sales tax is paid by the seller, and we compare market outcomes in a no-tax condition to cases where (i) tax evasion is impossible, (ii) taxes can be evaded but there is an exogenous (low) audit probability, or (iii) there is double-reporting by both the buyer and the seller, and the seller's audit probability is endogenously increased if her tax report is inconsistent with the buyer's report. The latter case mimics the use of so called third-party reporting in tax enforcement. We find that third-party reporting effectively deters evasion, and deterrence also has real effects on market outcomes: market clearing prices, quantities and overall efficiency return to the levels observed when tax evasion was impossible. When reporting is costly to buyers, they report significantly less trades. Tax compliance by sellers however remains at a relatively high level, even though payoffs would be maximized for both parties if no trades were reported. This suggests that the mere possibility of the existence of third party information may be a fairly effective deterrent on tax evasion, and tax administrators might consider making their information sources more widely publicized.

Author(s): Kaisa Kotakorpi, Satu Metsalampi, Topi Miettinen, Tuomas Nurminen
Topic: Markets: Other, Social Behavior: Lying and Cheating
Link: drive.google.com/file/d/16Z2Qasd-hRPYvUkMkhM516GhjY2FNz0f/view
[Back to session: Social and Anti-social Preferences](#)

Learning about Ethnic Discrimination from Different Information Sources

Darya Korlyakova
Center for Economic Research and Graduate Education - Economics Institute

ABSTRACT:

We experimentally study what information sources - experts or ordinary people - are the most influential in terms of shifting beliefs about an emotionally loaded issue such as ethnic discrimination. We also examine whether the most influential sources are most frequently chosen. For this purpose, we develop a design whose main novel feature is to combine random provision of information from distinct sources with endogenous information acquisition from the same sources. We find that individuals move their beliefs most in response to information from experts, namely researchers studying ethnic minorities and human resource managers. Exogenous adjustments in beliefs do not induce changes in attitudes to ethnic minorities. Consistent with the strength of belief updating, more individuals choose information from experts over information from ordinary people. Experts are perceived to be more accurate which could account for larger belief responses to their information and stronger preference for it. Even though many individuals do not identify with experts, the influence of social distance is not strong enough to counteract rational behavior at the aggregate level. The findings have implications for information dissemination policies.

First-Mover Preference and Social Image Concerns in Bargaining Experiments

Fanny Schories
Hamburg University

ABSTRACT:

We examine first-mover preferences in bargaining situations via ultimatum and dictator game experiments. Subjects bid for the proposer/dictator role in a second-price auction. We examine the willingness to pay for the first-mover advantage in two settings: When the payout for the subsequent game is made in private and when it is made in front of the opposing player. Purely selfish preferences would predict the first-mover to share only a minimal part of the pie in either treatment and thus to have a willingness to pay for this role that is almost as large as the surplus itself. However, manifold experiments have proven the minimum offer hypothesis wrong: in ultimatum games proposers offer a substantial share of the surplus to the responder, partly due to other-regarding preferences on both sides and thereby also the (accurate) fear of low offers being rejected. Even in dictator games, where no fear of rejection can discipline the first-mover, strictly positive amounts are shared. We follow a similar argument as Benabou and Tirole (2006) and Andreoni and Bernheim (2009) in that the offer made by the first-mover is a signal that reveals information about her preference type, a motive which is stronger in the treatment with visible payment. Regarding the results, auction bids are much lower than predicted by game theory. Contrary to the hypotheses, we do not find significantly higher ultimatum offers in the treatment, but the responder behavior differs: responders are more likely to reject an offer if they meet the proposer after the experiment. The dictator experiment will be run in August 2020 and we hypothesize the treatment differences to be stronger, because the dictator has even more bargaining power than the ultimatum proposer.

Author(s): Christos Litsios, Fanny Schories

Topic: Games: Bargaining, Social Behavior: Other-regarding Preferences

[Back to session: Social and Anti-social Preferences](#)

Free to Fail? Paternalistic Preferences in the U.S.

Henning Hermes
NHH Bergen / Department of Economics

ABSTRACT:

We study paternalistic preferences by implementing a novel, large-scale experiment, where “Choice Architects,” 14'000 people sampled from the general population of the U.S., have the option to intervene and prevent “Choosers,” additionally sampled real individuals, from making consequential mistakes. Our data show that the nature of a paternalistic intervention affects peoples'willingness to intervene substantially. People are much more willing to provide information than to restrict freedom of choice, even when the resulting outcome is identical. The most common paternalistic type are libertarian paternalists, who are willing to act paternalistically, unless this involves restricting others'freedom of choice. The fraction of libertarian paternalists is particularly large among people with at least a completed college degree, but the distribution of paternalistic types is otherwise unrelated to the Choice Architects'background characteristics, including political orientation. Additional treatments identify respect of others'freedom of choice as the main motive driving libertarian paternalists. The provision of controlled evidence on paternalistic preferences contributes to a better understanding of prevailing norms, policies, and institutions in society.

Author(s): Bjoern Bartling, Alexander W. Cappelen, Henning Hermes, Marit Skivenes & Bertil Tungodden

Topic: Public Choice: Other, Applied Economics: Other

[Back to session: Social and Anti-social Preferences](#)

Can ATMs Get Out the Vote? Evidence from a Nationwide Field Experiment

Joao Pereira dos Santos
Nova School of Business and Economics

ABSTRACT:

We report on a large-scale (randomized) field experiment we designed and conducted to assess ATMs (automatic teller machines) capacity to “get out the vote”. This is a heretofore unexploited method of voter mobilization. Our experimental design used the full universe of functioning ATMs in Portugal, which benefits from a sophisticated world class system, with wide national coverage. We randomly selected a set of treatment civil parishes, where a civic message took over the totality of ad time in ATM's, which we compare with a set of control civil parishes where advertisements ran as usual. The ATM campaign we follow was active for three days immediately before and during the 2017 local elections in Portugal. Although we do not achieve statistical significance on a stable but small magnitude of the direct treatment effect α , when we consider the intensity of treatment, for both the entire campaign period and the weekend, results show a statistically significant increase in the likelihood of voting. All three proxies for treatment intensity we employ, i.e., the number of cards used, the number of operations, and the number of withdrawals, deliver robust positive coefficients. Placebo tests using turnout rates in previous elections do not show significant coefficients, strengthening our interpretation of the experimental results. We ran a post-treatment survey around ATMs located in two neighbouring civil parishes of Lisbon, one treated, the other not, one week after the local elections. We found a sizeable difference in recall between the treatment and control groups.

Author(s): Jose Tavares, Pedro Vicente

Topic: Public Choice: Voting and Rent Seeking, Field Experiments: General

[Back to session: Voting and Rent Seeking](#)

Preferences over Taxation of High-Income Individuals: Evidence from a Survey Experiment

Dirk Engelmann
Humboldt University Berlin

ABSTRACT:

Mobility of high-income individuals across borders puts pressure on governments to lower taxes. A central tenet of the corresponding textbook argument is that mobile individuals react to tax differentials through migration, and in turn immobile households vote for lower taxes. It is not clear, however, to which extent this is true. In particular, political ideology might influence voting on taxes. We vary mobility and foreign taxes in a survey experiment within the German Internet Panel (GIP), with more than 3,000 households participating. We find that ideology matters: left-leaning high-income individuals choose higher taxes than right-leaning ones, and center-right leaning individuals tend to emigrate more when the domestic tax is high. These findings are in line with the comparative-static predictions of a simple model of inequality aversion when the parameters vary with ideology. The treatment effects also qualitatively confirm model predictions how voters take mobility of high-income earners into account when choosing domestic taxes.

Author(s): Dirk Engelmann, Eckhard Janeba, Lydia Mechtenberg, Nils Wehrhofer
Topic: Public Choice: Voting and Rent Seeking, Public Choice: Other

[Back to session: Voting and Rent Seeking](#)

Automation and the Future of Work: How Rhetoric Shapes the Response in Policy Preferences

Karen Jeffrey
King's College London

ABSTRACT:

I conduct a survey experiment to test how individuals' preferences for redistributive policies respond to news of their vulnerability to an automation-induced labor market shock. As respondents feel more vulnerable, their preferences for redistributive policies remain constant or decline. However, introducing rhetoric that causes respondents to view automation-induced inequality as unfair increases preferences for several redistributive policies. The effects are pronounced among more-educated respondents - a group expected to increasingly be affected by automation in future. This suggests that, going forward, rhetoric may become increasingly influential in terms of the political viability of a redistributive policy response to automation.

Author(s): Karen Jeffrey
Topic: Public Choice: Voting and Rent Seeking, Applied Economics: Labor Market

Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3493878

[Back to session: Voting and Rent Seeking](#)

Media Bias and Elections --- An Experimental Study

Junze Sun
European University Institute

ABSTRACT:

We construct an election game to study the electoral impacts of biased media. We derive a set of testable predictions. We test these in a laboratory experiment and find that observed election outcomes and vote shares are well predicted. We find no support, however, for our prediction that the relationship between election outcome and media bias is non-monotonic; i.e., ex ante, a candidate's winning probability will first increase and then decrease as the media becomes more biased towards her. Voter turnout is much less responsive to media bias than predicted. We argue that observed voting behavior can be explained, to a substantial extent, by three behavioral mechanisms: (a) distinct levels of rationality for candidate choice and turnout decisions, (b) conservative belief updating, and (c) 'partial competition neglect', where voters underestimate the correlation between the information released by media and the closeness of elections.

Author(s): Junze Sun, Arthur Schram, Randolph Sloof
Topic: Public Choice: Voting and Rent Seeking, Games: Information

Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3538831

[Back to session: Voting and Rent Seeking](#)

The Tragedy of Misbehavior

Shuguang Jiang
Zhejiang University of Finance & Economics

ABSTRACT:

We study misbehavior as a social dilemma using a repeated die-in-a-cup experiment in a group setting. The pursuit of individual interest motivates subjects to claim higher numbers. But when the total reported number of a group reaches a certain threshold, this generates an endogenous risk of collective failure. We vary the group size and collectivism vs. individualism priming in a 2x2 treatment. We observe a high level of dishonesty in all treatments which leads to the tragedy of misbehavior that 84.2% of participants' payoff is less than the reservation payoff expected from honest behavior and subjects cannot coordinate to escape this tragedy with experience growing. Subjects in a large group claim a significantly higher number than subjects in a small group. Collectivism priming leads to lower claim in the first few periods than individualism priming but finally convergence to a high level of dishonesty in the last few periods. The effect difference between collectivism vs. individualism priming is larger in a small group than in a large group.

Author(s): Shuguang Jiang, Maire Claire Villeval
Topic: Social Behavior: Lying and Cheating, Social Behavior: Norms and Morals

[Back to session: Lies and Deception 1](#)

Predicting choice averse and choice loving behavior in a field experiment with actual shoppers

David Ong
Jinan University-University of Birmingham Joint Institute

ABSTRACT:

A large body of chiefly laboratory research has attempted to demonstrate that people can exhibit choice aversive behavior (CAB), i.e., a lower probability of an active choice, from cognitive overload when faced with many options. However, meta-analyses of these studies, which are generally of one or two product lines, reveal conflicting results. Findings of CAB are balanced by findings of choice loving behavior (CLB). Unexplored is the possibility that many consumers may purchase in order to reveal their tastes for unfamiliar products, rather than attempt to forecast their tastes before purchase. I model such 'sampling-search' behavior and predict that the purchases of unfamiliar consumers increase with the available number of varieties for popular product lines and decrease for niche product lines. To test these predictions, I develop a measure of popularity and surveyed 1,440 shoppers for their preferences over 24 product lines with 339 varieties at a large supermarket. 35,694 shoppers were video recorded after the varieties they faced on shelves were randomly reduced. As found in the meta-studies, both CLB and CAB were observed. However, in accordance with the prediction, the probability of CLB increases with the number of available varieties for popular product lines, whereas CAB increases with available varieties for niche product lines.

Author(s):

Topic:

[Back to session: Field Experiments 3](#)

Public Exposure and Default Behavior in Public Good Lending

ANNING XIE

Renmin University of China

ABSTRACT:

Public exposure is an important non-monetary instrument to address the problem of moral hazard in incomplete contracts. This study uses a laboratory experiment to examine the effects of publicly implemented punishment on default behavior through the channels of reputation loss and feelings of shame. Participants play a repeated public good game with possible individual gains through borrowed public funds. The experimental treatments include whether individual defaulting behavior and punishments are announced to the public and whether the public good game is followed by future interactions in a trust game. We find that the effects of shaming sanctions and reputation concerns are both significant, and that they reduce the rate of loan default in the case of public exposure or future interactions. Moreover, the two effects reinforce each other such that the default rate is lowest when public exposure is followed by a future trust game. Non-defaulters in the public good game are trusted more in future interactions. However, there may be insufficient feedback in the endogenous punishment mechanism, such that the total gains of defaulters may remain higher than that of non-defaulters. Our results provide important insights for public policies related to punishment exposure.

Author(s): Anning Xie, Xianghong Wang

Topic: Social Behavior: Norms and Morals, Public Choice: Public Goods and Common Pool Resource

[Back to session: Public Goods 1](#)


Gift Contagion in Online Groups: Evidence from WeChat Red Packets

Tracy Xiao Liu

Tsinghua University

ABSTRACT:

Gifts are important instruments to bond interpersonal relationships. Using 36 million online red packets on WeChat, we employ a natural experiment approach to identify in-group contagion of gift giving. We find that, on average, receiving one more dollar causes a recipient to send 18 cents back to the group within the subsequent 24 hours. Moreover, this effect is much stronger for "luckiest draw" recipients, which suggests a group norm for gift giving. Additionally, we find that gift contagion is affected by in-group friendship network properties, such as the number of in-group friends and the local clustering coefficient.

Author(s): Yuan Yuan, Tracy Xiao Liu, Chenhao Tan, Qian Chen, Alex  Sandy' Pentland, Jie Tang

Topic: Applied Economics: Other, Social Behavior: Other-regarding Preferences

[Back to session: Gifts and Giving](#)

How can Prosocial Incentive Keep Motivating Workers? Use Self-Chosen Goal as a Tool

Yuxin Su

Claremont Graduate University

ABSTRACT:

The prosocial incentive is a way of motivation where workers' payments are associated with an additional reward to the charities. It is now widely accepted by the firms because it helps build the corporate culture, and boosts employee's morale, performance, and job satisfaction. However, recent studies have shown that with the increase of the reward size, prosocial incentive can hardly further motivate workers. To overcome this drawback, we implement a self-chosen goal scheme along with the incentive. We design an online experiment where participants are asked to set a goal for themselves at the beginning of the encoding tasks. The reward is paid only when participants achieve their goals. Our results show that self-chosen goals, together with prosocial incentives, affect ones' motivation and performance through the number of goals and the goal-achievement. In particular, the mission matched participants, who have a chance to contribute to a cause that they believe in, set higher (but achievable) goals, and are more motivated than the mission mismatched participants.

Author(s): Yuxin Su

Topic: Applied Economics: Charitable Giving, Social Behavior: Other-regarding Preferences

[Back to session: Work and Labour Markets 1](#)

Leaders with Responsibility or Authority: Women Underrepresentation and Efficiency Loss

Xu Jiang

Renmin University of China

ABSTRACT:

Women are underrepresented at the highest levels of leading positions for internal and external reasons. In this paper, we examine gender differences in leadership preference and leading behavior by introducing leadership of one dimension – leading by disciplining – into a public good game. The experimental design includes two pairs of treatments: framing the leading task as responsibility or authority and selecting group leaders by willingness to lead or by voting. We find evidence that while generally women are less willing and less voted to lead compared to men, they are more motivated for leadership in authority-framing task. More importantly, female leaders contribute more and are more efficient when leading in responsibility-framing task and when selected by willingness. This implies that, in occasions where tasks emphasize responsibility and leaders are self-promoted, female leaders can potentially enhance efficiency.

Author(s): Xu Jiang, Xianghong Wang
Topic: Applied Economics: Labor Market, Psychology and Biology: Gender and Individual Differences
[Back to session: Gender](#)

Negotiating down the Gender Wage Gap

Pushkar Maitra
Monash University

ABSTRACT:

This paper examines the gender wage gap in Vietnam. We decompose this gender wage gap into explained and unexplained components. Using nationally representative data, we find that the unexplained component is the entire source of the gender wage gap. How much of this unexplained component reflects pure discrimination? Using surveys and lab-in-the-field experiments we obtain data on observables (endowments) and unobservables (the propensity to negotiate and risk preferences) that are likely to have significant effects on wages and labour market outcomes. Controlling for propensity to negotiate in the wage regression can reduce the unexplained component of the wage gap by up to 15.5 percent. Including risk in the wage regression results in up to a 16.4 percent decline of the unexplained component. Controlling for both of the variables can reduce the unexplained component by up to 24 percent. Our results suggest that disregarding gender differences in preferences can lead to an overestimation of the magnitude of gender discrimination in labour markets.

Author(s): Pushkar Maitra, Ananta Neelim, Chau Tran
Topic: Applied Economics: Economic Development, Applied Economics: Labor Market
[Back to session: Work and Labour Markets 2](#)

Fund manager performance incentives and asset bubbles? An experimental study

Mei Gao
Zhejiang University

ABSTRACT:

With the growing prominence of funds in the asset market, the performance incentives, which are usually employed to compensate fund managers in proportion to the degree to which they “beat the market,” receive more extensively analysis by economists, experts in organizational behavior, and the business press. We consider the effect of fund managers' performance incentives on the asset prices in an experimental market. Twelve subjects were randomly assigned as a fund manager or an investor in each market, and each fund manager was paired fixedly with an investor. Half subjects acting as fund managers traded stocks in a market, while investors could withdraw and reinvest their money. We used three types of performance incentives for fund managers. In the linear treatment, fund managers' payoff is proportional to their return. In the convex treatment, they earned a higher proportion of return exceeding the market's median performance. In contrast, in the concave treatment, they would pay the penalty equivalent to a higher proportion of return less than the market's median return. We show that benchmark-linked convex incentives and concave incentives could lead fund managers to overprice stocks more severely than linear incentives. The concave incentives can always drive asset prices to a higher level than the convex and linear incentives. At the same time, the bubbles burst more quickly and violently in the later period under convex incentives than the concave and linear incentives. It seems that loss aversion influences trading behavior and asset bubbles. Our findings help us understand the role of fund managers' performance incentives in the financial crisis.

Author(s): Mei Gao, Xiaolan Yang
Topic: Markets: Finance, Markets: Market design and Matching
[Back to session: Behavioral Finance 1](#)

Revealing Risky Mistakes through Revisions

Zachary Breig
The University of Queensland

ABSTRACT:

We define a choice which is modified, absent any informational change, as a mistake. In an experiment, we allow subjects to choose from budgets over binary lotteries. To identify mistakes, we allow subjects to revise a subset of their original choices. These mistakes are prevalent: subjects modify over 75% of their original choices when given the chance. The revised decisions are closer to being consistent with several normative measures of decision quality. Subjects make mistakes more often when inexperienced and when choosing over small probabilities.

Author(s): Zachary Breig; Paul Feldman
Topic: Decision Theory: Preferences, Decision Theory: Risk
Link: zacharybreig.com/papers/RMR.pdf
[Back to session: Risk and Uncertainty 2](#)

The Effect of Task Choice and Task Assignment on the Gender Earnings Gap: An Experimental Study

Xiaofei (Sophie) Pan
Bryant University

ABSTRACT:

Previous studies explain the gender earnings gap by gender differences in choosing competitive and higher-paying jobs. However, little is known about whether and how women's earnings are affected when they choose more challenging jobs. In this study, we use a novel identification strategy to investigate 1) how the gender earnings gap arises from individuals' self-selecting into different tasks and 2) whether mobilizing women to work on the tasks typically preferred by men increases women's earnings and decreases the earnings gap. Our results show that men who prefer the hard and higher-paid task are more likely to obtain higher earnings regardless of the task they are assigned. In contrast, we find that women obtain higher earnings when they work on a hard and higher-paid task even if their initial task choice is the easy and lower-paid one. Moreover, we find that men's task choice is determined by their productivity and ability considerations, while women's task choice is determined by their risk and competition preferences. Our results imply that mobilizing women to work on the more challenging and rewarding tasks reduces the gender earnings gap without hurting the benefits of men.

Author(s): Kai Ou and Xiaofei Pan

Topic: Applied Economics: Labor Market, Psychology and Biology: Gender and Individual Differences

[Back to session: Gender](#)

Climate policies under collective risk: Provision of local irrigation systems in the lab and field

Shuwen Li
Shanghai Jiao Tong University

ABSTRACT:

The increasing frequency of extreme weather events has imposed new challenges to small farmers, especially in developing countries. In this paper, we aim to find efficient ways for governments to partner with the local farmers so that modern irrigation channels can be constructed to avoid losses from drought. Using a framed threshold public goods game of loss avoidance, we focus on testing whether government subsidies increase rate of successful irrigation system provision. We collect data in the field using farmers in rural Henan, China, as well as in the lab using college students in the US. Results show that with no subsidy, the rate of provision is below the social optimum. Subsidies substantially increase the likelihood the irrigation project is undertaken, though groups remain under-insured in relation to the social optimum. A one-to-one matching subsidy appears to be at least as effective as lump-sum grants under same budget, and the success rate is significantly higher with the former scheme than the latter under high risk of loss in the field.

Author(s): Shiyao Zhai, Shuwen Li, Daniel Houser

Topic: Public Choice: Public Goods and Common Pool Resource, Social Behavior: Group Behavior

[Back to session: Environment and Resources](#)

The faster you run, the further you fall behind: Incomplete adaptation of reference points

Marcus Roel
Beijing Normal University

ABSTRACT:

People get used to their environment, their consumption, the stimuli they face. However, evidence suggests that they do not adapt to all stimuli equally. We develop a theoretical model of adaptation in order to explore the behavioral implications of different amounts of adaption. In our model, a myopic, loss-averse decision maker repeatedly chooses from a set of outcomes. When making a decision, she compares those outcomes against her reference point. Her reference point either fully or incompletely adapts to her choice. Under full-adaptation, her current choice becomes the reference point for her next decision. Under incomplete adaptation, the reference point only adapts in some but not all dimensions to her choice. We show that both forms of adaptation result in complete, transitive, and consistent preferences and that preference can be cyclical. In settings that comprise outcomes with a benefit and a cost dimension, we show that a decision maker who does not adapt to costs chooses outcomes with weakly more benefits and costs than a decision maker who fully adapts. If the decision maker does not adapt to benefits, she will choose outcomes with weakly less benefits and costs than a decision maker who fully adapts. Applications include labor-choice problems, job switching, mental health, and whether people consume and work too much.

Author(s): Marcus Roel

Topic: Decision Theory: Preferences, Psychology and Biology: Other

Link: drive.google.com/file/d/1UJX2TUPQcnB0q0G_caVINvXp7aitIXs6

[Back to session: Bounded Rationality and Learning 2](#)

The Cross-section of Return and Risk Relationship: New Evidences from Portfolio Diversification Strategies

Abhijeet Chandra
Indian Institute of Technology Kharagpur

ABSTRACT:

In recent decades, low-risk stocks provide higher returns than riskier stocks. This contradicts a well-established market theory of higher risk-higher return. The distorted relationship between risk and return over the last few years has been attributed to factors such as the risk aversion tendency among investors and the steadily growing practices of index investing by fund managers. Motivated by the emerging theory of upended risk-return relationship, we argue that the positive risk-return relationship hypothesis is true to a certain level of risk, however, beyond that threshold, the relationship between risk and return breaks down and they behave independently. We argue that for lower and moderate levels of risk, the returns are positively correlated and compensate for the incremental risk undertaken by investors, however, when the risks tend to be substantially higher, the return behaves independently irrespective of changing risk levels. Such a situation provides investors and risk managers to observe riskiness in the market very closely to formulate their investment choices. Investors would refrain from taking risky positions when the market seems to be very volatile as this might necessarily provide returns commensurate with the higher risks.

Author(s): Saharsh Pugalia and Abhijeet Chandra

Topic: Markets: Finance, Markets: Other

Link: ssrn.com/abstract=3505520

[Back to session: Financial Markets](#)

Insurance Advice as a Signalling Device in Markets: Evidence from a Lab Experiment

Ben Grodeck
Monash University

ABSTRACT:

We design and test a novel advice mechanism aimed at promoting trust and cooperation in markets with asymmetric information. Sellers are given the option to advise buyers whether to purchase third-party insurance against the potential losses from sellers' noncooperative behavior. A Bayesian model suggests that both cooperative and noncooperative sellers will advise buyers not to purchase the insurance. Once this advice has been given, noncooperative sellers are less likely to pursue self-interest due to guilt aversion. Experimental data from a buyer-seller game shows that, compared to a market where there is no opportunity to give advice, in the market that contains the advice mechanism, sellers are more likely to cooperate and buyers are more likely to purchase the product from the sellers who advise not to purchase the insurance. The number of sellers who advise not to purchase the insurance increases over time. As a result, more efficient transactions take place when the advice mechanism is implemented.

Author(s): Franziska Tausch, Erte Xiao, Chengsi Wang

Topic: Markets: Market design and Matching, Social Behavior: Communication

[Back to session: Learning from Others](#)

Alliance and Conflict: A Network Formation Experiment

Lu Dong
Nanjing Audit University

ABSTRACT:

We study the rise of alliance and conflict in a network formation game. Effective alliance needs mutual consent while contest can be unilateral. The contest success function is to compare the number of corresponding parties' effective alliance. In a laboratory experiment, we find players quickly converge to either peace equilibrium or n-to-1 conflict equilibrium. The continuous time feature imbedded in the experiment allows us to examine the dynamics of the network formation process.

Author(s): Lu Dong, Lingbo Huang, Jaimie Lien, Jie Zheng

Topic: Games: Networks, Games: Contests

[Back to session: Time Preference and Dynamic Behaviour](#)

The Effect of Cognitive Ability on Cooperation, Forgiveness, and Leniency in Infinitely Repeated Public Goods Game Experiments

Tsz Kwan Tse
Osaka University

ABSTRACT:

We experimentally investigate the relationship between cooperative behavior and cognitive ability in infinitely repeated public goods games under the increasing probability of continuations, focusing on the relationship between cognitive ability and strategy profile. We use two methods to investigate the types of strategies employed by subjects: the strategy frequency estimation method and one-period-ahead strategy method. We find that most subjects who cooperate are lenient and forgiving and that subjects with higher cognitive ability tend to be more cooperative, forgiving, and lenient under increasing probability of continuations. However, we do not find the same trend among low cognitive ability groups, as they behave similarly even as the probability of continuations increases.

Author(s): Tetsuya KAWAMURA, Tsz Kwan TSE

Topic: Games: Repeated Games, Public Choice: Public Goods and Common Pool Resource

Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3401944

[Back to session: Individual Differences and Identity](#)

When reciprocity becomes a habit: Do experiences as online market sellers increase trustworthiness?

Wenbo Zou
University of California, Davis

ABSTRACT:

In this paper, we conduct a lab-in-the-field experiment of a simple one-shot trust game among residents in a rural county in northern China. Comparing individuals who do and do not open their own online stores decided by their social ties to the two townships of e-commerce center, we find the experience as online market sellers seems to improve individuals' levels of trustworthiness. We conjecture that such an effect, which contrasts with previous evidence on markets' detrimental impact on morality, can be attributed to the existence of an instant feedback system in online markets. To investigate this possibility, we then conduct a laboratory experiment of an infinitely repeated market game with information asymmetry, followed by a one-shot trust game. We do not find that adding a ratings system similar to the real-world online feedback systems increases sellers' trustworthiness, though it does improve the market efficiency, and unexpected the buyers' trustworthiness too. Results from the two experiments putting together suggest that experiences in online markets can shape trust, but besides the the feedback system, the specific patterns of influence may also be subjected to other market features such as competition.

Author(s): Wenbo Zou, Jinjie Wang, Jubo Yan

Topic: Social Behavior: Other-regarding Preferences, Markets: Other

[Back to session: Norms and Pro-social Behaviour](#)

Group Identity and Social Learning

Xue Xu
School of Economics, Nankai University

ABSTRACT:

Social learning is an important source for individuals to gather information and update beliefs to make economic and political decisions. People whose behaviors are observed and the observers, can have either the same or different social (group) identities. In this experimental study, we examine whether group identity affects social learning. In particular, we aim at answering two questions. First, do people put more weight on social information when learning from in- compared to learning from out-group members? Second, with social learning games in which people update their beliefs first after observing others' choices and then observing a private signal, Filippis et al. (2016) find that, if the private signal accords with the information contained by others' choices, people weigh the signal as a Bayesian agent would do; if the private signal contradicts the social signal, people put considerably more weight on the private signal. Do people differ in this asymmetric pattern of belief updating between observing choices of in-group and out-group members? We induce minimal groups in the social learning experiment by Filippis et al. (2016). We mainly compare the treatment in which subjects observe choices of in-group members to the treatment in which subjects observe choices of out-group members. We find that people do favor the social information from in-group members compare to out-group members.

Author(s): Xue Xu; Wenbo Zou

Topic: Social Behavior: Other, Psychology and Biology: Other

[Back to session: Beliefs 5](#)

The misery of spending down the nest egg

Yu Gao
Peking University

ABSTRACT:

Empirical research on happiness and retirement found that retirees with higher annuitization level were more satisfied with their lives, and maintained their satisfaction throughout retirement; retirees without annuities became less satisfied over the years (Panis, 2004). However, even after controlling for income, wealth, health, gender, marital status, age and so on, it is still possible that people with and without annuities are different in other unobserved attributes. Do people behave differently, and feel differently when spending down from a flow vs. a lump-sum? To identify the effect of flow payment, we conducted a field experiment on colleague students where we assigned subjects randomly into these two payment schemes. We found that flow payment makes people spend more, and feel less anxious about money. People's ST-TW scale interacts the treatment effect: the treatment effect decreases if the person has a higher ST-TW score (a person with higher ST-TW score means that it is difficult for her to control spending).

Author(s): George Loewenstein, Xianghong Wang, Peter Wakker

Topic: Applied Economics: Other, Applied Economics: Economic Development

[Back to session: Behavioral Finance 1](#)

Belief elicitation in the presence of self-signaling: does it matter who and how you ask?

Nina Xue
Monash University

ABSTRACT:

Beliefs are increasingly recognised as an important driver of behaviour. However, eliciting beliefs can be challenging as any revelation mechanism has the potential to 'contaminate' beliefs. We design an experiment to compare beliefs about giving, elicited using different elicitation methods against a benchmark that is not susceptible to motivated reasoning. To test whether beliefs can help explain the difference between altruistic and warm glow motivations for giving, we introduce a novel procedure for both isolating warm glow motives and distinguishing it from altruistic motives. We find that merely incentivising beliefs is not sufficient to eliminate the 'bias' created by image concerns. However, beliefs may be 'debiased' by using the Karni (2009) method, or by increasing the time lag between the decision and elicitation. We also show that warm glow donors hold more pessimistic beliefs than altruistic donors (but only when beliefs are not incentivised) and demonstrate higher cognitive flexibility. Our findings have practical implications for those studying beliefs that may be prone to self-signaling biases.

Author(s): Lata Gangadharan, Philip Grossman, Nina Xue

Topic: Applied Economics: Charitable Giving, Decision Theory: Beliefs

[Back to session: Gifts and Giving](#)

What's in a Face? An Experiment on Facial Information and Loan Approval Decision

Juanjuan Meng
Peking University

ABSTRACT:

This paper studies how seeing the facial photo of an applicant matters for the loan approval decision using a lab experiment with real P2P loan data. We vary whether to provide facial information (in the form of score or the actual photo) in a within-subject design. Despite the fact that facial information can indeed predict repayment behavior, we find that receiving facial information does not improve the quality of the approval decision. This is because subjects have various biases in evaluating facial information and they also tend to overly rely on such information in making loan approval decisions.

Author(s): Zeyang Chen Yu-Jane Liu Juanjuan Meng Zeng Wang

Topic: Games: Information, Social Behavior: Lying and Cheating

[Back to session: Lies and Deception 1](#)

Self-Commitment for Cooperation

Jie Zheng
Tsinghua University, School of Economics and Management

ABSTRACT:

Methods and mechanisms for sustaining cooperation in Prisoner's Dilemma settings have been of tremendous interest across disciplines. In this study, we present a new mechanism for promoting cooperation via self-commitment, with the features of clear prediction, easy implementation, voluntary participation, and almost-belief-free equilibrium. Players have the option to voluntarily put a fraction of their endowment into a deposit account, and mechanisms differ based on the rule for the deposit being refunded and the size of deposit. Based on the strength of the rule for cooperative behavior, the game is either transformed into a situation in which placing a deposit and cooperating only with other deposit holders is a subgame perfect Nash equilibrium, or relies on non-monetary payoffs in order to promote cooperation. We implement the mechanism in three different settings. In the first setting, students in an undergraduate economics course play the game for extra credit points on their final exam, and are matched with a fellow student in the class ex-post. In the second setting, US Mechanical Turk workers play the game with another worker. The third setting is a traditional laboratory experiment with 4 different treatments of 2 by 2 design (level of restriction and size of deposit). Our experimental results show that the self-commitment mechanism successfully separates cooperators from defectors ex-ante, with an overall take-up rate of over 50 percent for the one-shot experiments. In addition, between 65 and 80 percent of those taking up the commitment subsequently chose cooperation. Our results also imply that learning is important when subjects are not familiar with the mechanism. These results suggest that our mechanism could be useful, both in sorting individuals based on their preferences for cooperation, as well as in promoting socially efficient outcomes.

Author(s): Jaimie W. Lien (Chinese University of Hong Kong); Jie Zheng (Tsinghua University)

Topic: Games: Coordination, Games: Other

[Back to session: Games](#)

Present-biased time preference for monetary rewards - a meta-analysis

Xueting Wang
The University of Sydney

ABSTRACT:

Quasi-hyperbolic discounting is one of the most well-known and used models to capture self-control problems. The underlying assumption of the model is that agents have a "present bias" toward current consumption, as all future rewards are downweighted relative to rewards in the present, in addition to the standard exponential discounting of delayed rewards. To create a meta-analytic dataset of present bias estimates, we searched all major research databases using the intersection of a set of methodology keywords with a set of topic keywords. Of 2,351 articles from this search, both published and unpublished, 716 survived a title and abstract screening with inclusion criteria "relates to time preference" and "has empirical content". Through full-text screening, 110 articles survived with inclusion criterion "reported point-estimated present bias parameter", and a further 78 with inclusion criterion "present bias can be inferred". We calculate the "average" present bias for monetary rewards and investigate how the type of study (e.g. experimental vs. observational; field vs. lab), methodology (e.g. convex time budget, longitudinal), subject pool, payment method, and publication status of a study affect the estimated magnitude of present bias.

Author(s): Stephen Cheung, Agnieszka Tymula, Xueting Wang

Topic: Decision Theory: Other, Unknown: Unknown

[Back to session: Time Preference and Dynamic Behaviour](#)

Getting Benched When You Give the Least: An Effective Mechanism for Public Good Provision

Jaimie Lien
The Chinese University of Hong Kong

ABSTRACT:

We propose an intuitive mechanism to address the social dilemma present in public goods provision, which we refer to as the Bench Player Mechanism (BPM). Our experiment shows that a policy of excluding previous low contributors from participating in public good games, thus withholding the benefits of future public goods from them, successfully increases the contribution levels attained. We find two main factors that make BPM effective: One is that BPM disciplines and punishes free-riding behavior, serving as a deterrent to past offenders; The other is that BPM serves as a warning to those players who are not currently being punished, enhancing their contributions as well.

Author(s): Jaimie W. Lien, Jie Zheng

Topic: Public Choice: Public Goods and Common Pool Resource, Social Behavior: Group Behavior

[Back to session: Punishment](#)

Snipings in Soft-close Online Auctions

Yunlong Wang
CAS

ABSTRACT:

Sniping is a common strategic behavior in online auctions with hard-close. It is widely believed that sniping is an unfair practice to other bidders that may also harm the auction platform, and the introduction of soft-close largely discourages sniping. We argue, both theoretically and empirically, that soft-close cannot eliminate the advantage of sniping. The key reason is that proxy bidding is not allowed in many platforms and consequently many bidders are unable to be fully concentrated during the auction. Using large-scale data from Alibaba Judicial Auction, an online soft-close first-price auction platform, we provide significant evidences for the existence of snipers, and find that, compared with nonstrategic bidders, their winning chances are significantly higher and winning prices are significantly lower.

Author(s): Yunlong Wang, Zhigang Cao, Xiaoguang Yang

Topic: Markets: Auctions, Markets: Auctions

[Back to session: Auctions I](#)

Peer effects on complex financial decisions

Priyadarshi Banerjee
Indian Statistical Institute

ABSTRACT:

Author(s):

Topic:

[Link: "Field evidence suggests individuals' financial decisions may depend on those of their peers. We experimentally studied a full information environment with financial decision problems viewed as complex or cognitively demanding ones. After subjects made investment decisions, some were allowed to observe their peers' choices and revise their earlier decisions. Analysis of revision decisions revealed evidence of peer effects. Variation in the level of difficulty of the decision problem caused variation in the revision rate. We argue this is consistent with a social learning interpretation of peer effects in the current setting, but not with one based on preferences or salience."](#)

[Back to session: Behavioral Finance I](#)

An Experimental Implementation of Cooperative Games

Ailin Leng
Nanjing Audit University

ABSTRACT:

I propose a continuous time frame to experimentally implement cooperative games. The proposed procedure is not restricted by the set of players or the characteristic function and can be applied to any cooperative game with transferable utility. A classic buyer-seller cooperative game is implemented as an example. In Treatment 1, any of the two buyers can form coalitions with any of the three sellers. In Treatment 2, Buyer 1 and Seller 1 cannot trade, i.e., the coalition including only Buyer 1 and Seller 1 contains zero payoffs. The two treatments have an identical theoretical prediction according to the core; Each buyer claims one unit of the payoff and each seller gets nothing. Results show that while buyers claim significantly higher amounts than sellers, sellers still keep a portion of the surplus. Moreover, one seller is usually left out and gets zero payoffs. The core correctly predicts the payoff of the excluded seller in a single game, while the Shapley value correctly predicts the average payoffs over periods.

Author(s): Ailin Leng

Topic: Games: Bargaining, Methodology: Experimental Design, Tools and Practices
[Back to session: Games](#)

Stuck in the Wisdom of Crowds: Majority Rule or Maximum Confidence?

Yunwen He
Tsinghua University

ABSTRACT:

It is well-acknowledged that collective knowledge can be significantly affected by social influences. However, the understanding of when and how the “wisdom of crowds” helps or harms knowledge at an individual level remains incomplete. We provide subjects with the task of answering 50 factual and uncontroversial true or false trivia questions, with the opportunity to revise their answers (in some treatments) after having received varying levels of information about other subjects' answers and confidence self-assessments at the aggregated level in an independent session. The results show that information about other subjects' answers improves performance on easy questions, but often negatively affects performance on difficult questions. Observing the answers of other subjects also improves performance for those with less knowledge originally. Subjects in the moderate information condition outperform those under either the low or high information conditions, implying an optimal level of social information provision, in which the majority rule and the maximum confidence rule complement one another. The results enhance our understanding of the differing effects of information provision under different social conditions, and also confirm the empirical popularity of majority rule as a heuristic.

Author(s): Jaimie W. Lien (The Chinese University of Hong Kong), Jie Zheng (Tsinghua University)

Topic: Decision Theory: Learning, Decision Theory: Beliefs
[Back to session: Learning from Others](#)

Contingent Reasoning and Dynamic Public Goods Provision

Evan Calford
Australian National University

ABSTRACT:

Individuals often possess private information about the common value of a public good. Their contributions toward funding the public good can therefore reveal information that is useful to others who are considering their own contributions. This experiment compares simultaneous and sequential contribution decisions to determine how hypothetical contingent reasoning differs in sequential decisions. The timing of individuals' sequential contribution decisions is endogenous. Funding the public good is more efficient with sequential than simultaneous decisions in equilibrium, but this requires the decision-maker to understand that in the future they can learn from past events. Our data reveal considerable heterogeneity across subjects, with some fully “cursed” who fail to condition on information revealed by others' contributions and others who appear fully rational.

Author(s): Evan M. Calford and Timothy N. Cason

Topic: Public Choice: Public Goods and Common Pool Resource, Games: Other
[Back to session: Time Preference and Dynamic Behaviour](#)

The Impact of Injected Social Power: Field Evidence from Vervet Monkeys

Xiu Chen
Hong Kong University of Science and Technology

ABSTRACT:

On a field experiment basis, we study the effect of injected social power on social behaviors of three wild groups of vervet monkeys. In each group, we empowered two individual monkeys by guaranteeing their instrumental role in cooperation to obtain food rewards in the treatment phase, and compared their social behaviors to those in the control phase. We find that the empowered individuals receive significantly more affiliative behaviors and become more intimidating towards others. They also become more socially influential with an increase of their eigenvector centrality within their social networks. In the presence of these empowered individuals in the treatment phase, the habitual high-ranking, dominant monkeys initiate more aggressive behaviors towards others in the group, who in return become tamer towards the dominant monkeys.

Author(s): Xiu Chen, Roberta Dessi, Riccardo Pansini, Xiaojian Zhao

Topic: Social Behavior: Group Behavior, Social Behavior: Other

[Back to session: Groups and Leaders](#)

A Novel Experimental Test of Truthful Bidding in Second-Price Auctions with Real Objects

Antonio Rosato

University of Technology Sydney

ABSTRACT:

We propose a novel experimental design to identify deviations from truthful bidding in private-value second-price auctions with real objects. Our design combines a second-price auction with a multiple price list format. The multiple price list is individual specific and derived from the outcome of the auction. This allows us to compare subjects' bids in the auction with their choices in the multiple price list format and thus to directly identify over- and under-bidding. Moreover, we also compare bidding in real-object auctions vs. induced-value auctions. We find significant deviations from truthful bidding in real-object auctions as well as in induced-value ones. In both types of auctions, under-bidding is somewhat more prevalent than over-bidding; yet, the latter has a bigger magnitude, especially in induced-value auctions.

Author(s): Shane Frederick; Antonio Rosato; Agnieszka Tymula

Topic: Markets: Auctions, Methodology: Experimental Design, Tools and Practices

[Back to session: Auctions 1](#)

Waterfall illusion in risky choice

Agnieszka Tymula

University of Sydney

ABSTRACT:

Based on recent discoveries in economics, neuroscience, and psychology, we hypothesize that pure exposure to high-value or low-value rewards can change people's valuation of gambles and confirm this hypothesis in a laboratory experiment. In particular, the same participants within the same experimental session provide higher valuations for the same gambles after they have been exposed to low-value rewards than after they have been exposed to high-value rewards. These results are consistent with the current understanding of how the nervous system encodes rewards and imply that even brief experiences that do not change wealth can impact an individual's valuations.

Author(s): Julie Guo and Agnieszka Tymula

Topic: Psychology and Biology: Neuroeconomics, Decision Theory: Risk

[Back to session: Risk and Uncertainty 2](#)

Socially Embedded Risk Taking

Daniel John Zizzo

University of Queensland

ABSTRACT:

This paper reports the results of an experiment on how the social environment affects individual risk-taking. Subjects repeatedly play an individual investment task by which they choose how much to invest in a more than an actuarially fair lottery. Specifically, there is a 50% chance the amount a participant invests will be tripled or a 50% chance the investment will be lost. We use a 2 x 2 factorial design by which we vary: (i) whether the subjects initially observed high or low investment social prompts, based on previous investment decisions by a different sample of subjects; (ii) whether social group feedback is provided after each period. We find that risk-taking is a function of social group feedback. Initial social prompts shape initial investment levels, leading to mean investment levels that are double in size in the high prompt treatment relative to the low prompt treatment. In contrast, between treatments that received the same social prompts, investments in the first period of the experiment are roughly equivalent, providing evidence of robustness in the role of social prompts on increasing initial investments. We find evidence that the impact of social prompts persist beyond the first period, as the mean investment across subjects who participated in the high prompts treatments were 25% higher relative to subjects who received the low prompts. If and only if ongoing social feedback is provided, social learning takes place, leading the low prompt subjects to tend to converge with time to the mean level of investment of high prompt subjects. Such convergence, however, hides considerable inter-group investment rates heterogeneity. As an implication of the social interdependence of risk-taking, we predict that social norms in investment endogenously evolve for each group by which investment tends to be clustered by social group. In support of this prediction, we find that investment rates cluster by social groups, leading to path-dependent evolution of investment levels.

Author(s): Alexandros Karakostas, Giles Morgan and Daniel John Zizzo

Topic: Decision Theory: Risk, Social Behavior: Group Behavior

Link: www.danielzizzo.com

[Back to session: Risk and Uncertainty 1](#)

Extortion and contribution game: rationality versus fairness

Boyu Zhang

Beijing Normal University

ABSTRACT:

Extortion and exploitation stem from universal unequal relationship and are ubiquitous in nature and society. Despite extortion, cooperation still prevails in exploitee and extortioners show certain fairness, which challenge classical evolutionary theory and continue to perplex scientific communities. Although much effort has been dedicated to cooperative and altruistic behaviors, a model for capturing the interplay between extortionate and cooperative behaviors is still lacking. Here we introduce an extortion-contribution game, in which an extortioner exploits productions of a contributor, and the latter can respond by adjusting contributions. We study the game by both behavioral experiments and theoretical analysis, finding that fairness can indeed dominate if interactions between extortioners and contributors are stable. The reciprocal relation stems from a self-sacrificing tit-for-tat strategy used by contributors to resist extortion. In contrast, without stable interactions, extortioners become extremely greedy but contributors still cooperate and suffer from exploitation. An evolutionary model based on reputation effect is provided to explain the findings and predict the competition between fairness and greed. The results of our game is capable of interpreting many phenomena related with extortion, fairness, cooperation and reciprocal relations in unequal environments, and deepen our understanding of many self-organized behaviors in the society and co-evolution in nature.

Author(s): Boyu Zhang

Topic: Decision Theory: Bounded Rationality, Games: Repeated Games

[Back to session: Games](#)

Increased risk taking, not loss tolerance, drives adolescents' propensity to gamble more under peer observation

Xueting Wang
The University of Sydney

ABSTRACT:

Relative to adults, adolescents make more welfare-decreasing decisions, especially in the presence of peers. The consequences of these decisions result in substantial individual and societal losses in terms of lives lost, injury, hospitalization costs, and foregone opportunities. In this paper, we used laboratory experiments with younger (12-17 years old) and older (18-24 years old) adolescents to identify which economic preference is affected by peer observation in adolescence — risk attitudes in gains, risk attitudes in losses, and/or loss aversion. We found that while observed by peers, older adolescents become more risk-tolerant both in gains and in losses but more loss averse. We discuss potential mechanisms driving the result and its implications for policy.

Author(s): Agnieszka Tymula, Xueting Wang

Topic: Decision Theory: Risk, Unknown: Unknown

[Back to session: Risk and Uncertainty 1](#)

Lying for Efficiency or Fairness?

Jinglan (Caroline) Zhang
UC Santa Barbara

ABSTRACT:

A relationship between lying behavior and social preferences has often been proposed in explaining patterns of lying aversion (ex. Erat and Gneezy, 2012; Houser, Vetter and Winter, 2012; Maggian and Villeval, 2015). We assess subjects' preferences over social allocation and their lying tendencies in the analogous scenarios using a novel multinomial version of a 'mind cheating game'(ex. Garbarino, Slonim and Villeval, 2017), which allows different degrees of lying and is independent of social image and reputation concerns. Our study allows us to observe how individual preferences over fairness and efficiency are associated with the willingness to lie for one's self and others. Selfish and spiteful lies are prevalent among those with strong spiteful preferences in the allocation task, while those subjects with efficiency-oriented preferences tend to tell efficient lies on behalf of others. However, among those with a strong preference for fairness in allocations with own-payoff consequence, lying on behalf of fairness concerns is less apparent in the data. The empirical patterns suggest that individuals with a strong preference for efficiency in such scenarios are more likely to lie for fairness concerns, while those with a strong fairness preference may be more likely to lie out of self-interest.

Author(s): Jaimie Lien, Jinglan Zhang, Jie Zheng

Topic: Social Behavior: Lying and Cheating, Social Behavior: Other-regarding Preferences

Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3584066

[Back to session: Lies and Deception 1](#)

Does Communication Help to Coordinate on Early Adoption of New Technologies?

Ayse Gul Mermer
University of Amsterdam, CREED

ABSTRACT:

Adoption of new technologies and competition are at odds when the lessons from experimenting with new technologies are public goods, resulting in underinvestment in innovation. This results in underinvestment in innovation compared to the socially optimal level. One way to overcome this market failure is to allow communication among firms to potentially foster innovation, yet it is considered as a violation of anti-cartel law by authorities. In this paper, we theoretically and experimentally investigate the potential role of communication in the uptake of new technologies by the industry. We develop a theoretical model to reflect the public good character of investing in a risky new technology and introduce communication as a coordination device into our model. In our benchmark game, players choose their investment times for adopting new technology (or not adopting), which will succeed or fail with 50-50 probability. The player with the earliest investment time pays the cost of investment, while everyone enjoys the returns on investment. The cost is divided equally in the case of simultaneous investment, while more than one investment has no additional value. Communication is added to this benchmark game to see the effect on investment times. In our experiment, we implement communication by allowing players to have free chat before deciding their investment times. We find that the opportunity to communicate helps firms to adopt a new technology earlier, while the effect is significant when the market concentration is low (when there are 2 firms), but insignificant when the market concentration is high (when there are 4 firms). This is driven by the fact that when market concentration is low firms agree on a coordinated action majority of the time, while when market concentration is high firms fail to agree on a coordinated action at least half of the time, sweeping away the positive effect of communication.

Author(s): Ayse Gul Mermer, Sander Onderstal, Joep Sonnemans

Topic: Games: Coordination, Public Choice: Public Goods and Common Pool Resource

[Back to session: Learning from Others](#)

Contagion in sequential financial markets: An experimental analysis

Ronald Peeters
University of Otago

ABSTRACT:

Within an experimental financial market, we study how information about the true dividend of an asset, that is available to some traders, is absorbed in the asset's price when all traders have access to past trading prices of another asset that was traded in a separate market. We consider two treatments: in one, the dividends of the two assets are independent; in the other, they are positively correlated. Since accurate information is available in the own market, trade prices observed in the other market should not affect closing prices according to the rational expectations equilibrium. We find that prices reasonably converge towards the rational expectations equilibrium if the dividend of the own asset is high. There are no significant treatment effects; though, if anything, there is a higher market efficiency if the dividends are correlated. In contrast, if the dividend of the own asset is low, we find that asset prices are significantly further away from rational expectations equilibrium if dividends are correlated, which is mainly caused by the instances where prices in the other market were high. Asset prices being excessively high indicates that correlation between markets highly obstructs the information transmission from the informed to the uninformed traders in this case.

Author(s): Ronald Peeters, Helena Veiga, Marc Vorsatz

Topic: Markets: Finance, Decision Theory: Learning

[Back to session: Financial Markets](#)

Managers Under Uncertainty: Evidence from a Lab-in-the-Field Experiment

Lingfang (Ivy) Li
Fudan University

ABSTRACT:

We conducted an experiment to test whether managers differ from other people in their ambiguity attitudes. Unlike preceding studies, ours investigated both ambiguity attitude and an ambiguity-generated insensitivity between managers and others. The former attitude captures the general liking or disliking of uncertainty, while the latter displays one's sensitivity towards uncertainty. Our findings reveal no significant difference in ambiguity aversion between managers and others while the sensitivity of managers towards uncertainty is significantly weaker than for other people.

Author(s): Zhenxing Huang, Jia Yang

Topic: Decision Theory: Ambiguity, Field Experiments: General

[Back to session: Work and Labour Markets 2](#)

Representation, Peer Pressure, and Punishment in Repeated Public Goods Game

Doruk Iris
Sogang University

ABSTRACT:

The possibility of costly punishing proved to be one of the best institutions that could sustain cooperation in public goods games. Given the results, researchers suggested using sanctioning mechanisms to tackle problems at a global scale such as climate change, international security, pandemic diseases. However, these decisions are not taken at the individual level, but people rely on a "representative" in such situations. So, we ask, in a repeated linear public goods game: • Do representative behavior differ from individual behavior in terms of their contributions to the public good and also punishing others? • What is the impact of non-binding peer pressure from non-representatives to their representatives on their contribution to the public good and punishment decisions? While the prediction of the standard model assuming rational and self-interested players does not differ for the behavior of individual and representative, with or without preference communication, we find that there are significant differences.

Author(s): Hyoyoung Kim, Jinkwon Lee, Alessandro Tavoni

Topic: Public Choice: Public Goods and Common Pool Resource, Social Behavior: Group Behavior

[Back to session: Punishment](#)

Poverty Reduction Policy Enhances Economic Rationality

Songfa ZHONG
National University of Singapore

ABSTRACT:

This study examines the effect of poverty reduction policy on economic rationality. Here we consider the poverty-reduction program in China—the designation of national poverty household in 2013 based on an income criterion and specific interventions targeting the designated households. In addition to administrative data, we also conduct an experiment at the end of the program, in which subjects make a series of decisions with respect to different budget lines. Our experiment enables us to measure economic rationality—the degree of consistency with utility maximization based on revealed preference theory. Employing a fuzzy regression discontinuity design, we observe that the program not only raised per capita income in poverty-stricken areas by 97.8%, but also increased the economic rationality of the poor. These findings have important implications for the global cause of poverty alleviation and economic development.

Author(s): Wenchao Li, Junjian Yi

Topic: Applied Economics: Economic Development, Decision Theory: Preferences

[Back to session: Field Experiments 3](#)

Outgroup Comparisons Raise Individual Contributions

Danielle Kent
Macquarie University Australia

ABSTRACT:

This study examines the effects of outgroup social comparisons on individual contributions to a public account. Two competing models are put forward to explain how outgroup comparative information might affect contribution preferences: conformity and competition. This study varies upward and downward comparative information to experimentally test the drivers of contribution choices in a standard public goods experiment game. In this study, both upward and downward social comparisons led to higher contributions. Individuals appear not to be conforming to the group feedback but competing against it. These results suggest that firms might motivate free-riders to contribute greater effort by introducing social comparisons on team performance, notwithstanding of whether the comparisons are upward or downward.

Author(s): Danielle Kent
Topic: Public Choice: Other, Social Behavior: Group Behavior
[Back to session: Groups and Leaders](#)

Social antagonism, identity-driven beliefs, and loss avoidance: Evidence from Guinea

Klarizze Puzon
Osaka University, Japan

ABSTRACT:

This paper explores the interplay among identity, beliefs, and conflict behavior in a developing country setting. By designing an artefactual field experiment in Guinea, we investigate the following: Does social identity affect aversion to conflict losses? If so, do beliefs and expectations play a significant role? Using a hawk-dove game of conflict, we randomly assign individuals to matching treatments, varying in terms of ethnic diversity. We make ethnic identity salient using information on respondents' region of origin: Either they are from Upper Guinea (Malinke) or Middle Guinea (Fulani). In general, we find evidence for loss avoidance. There is reluctance to engage in mutual conflict in low-stake environments where doing may lead to negative earnings. We then explore how beliefs act as a mechanism by which conflict operates. We found that ethnically homogeneous pairs exhibit reciprocity. This is most obvious among those from Upper Guinea. They are more likely to cooperate if they expect fellow in-group members to cooperate. We observe the opposite, however, for heterogeneous pairs. Those interacting with an out-group tend to display self-serving, materialistic behavior, i.e. choose conflict if they expect cooperative behavior from a partner with a regional affiliation different from theirs. Complemented with collected survey data on social antagonism, our results also indicate that low levels of antagonism, measured by high out-group trust and low language diversity, are found to encourage loss avoidance and hamper materialism. We show that in a low payoff environment, a highly socially antagonistic individual is 50% likely to display materialistic behavior, compared with only around 30% for less socially antagonistic individuals. Our findings have important lessons on the adverse consequences of ethnic cleavages on conflict behavior, especially when economic growth prospects are low.

Author(s): Klarizze Puzon, Ruth Tacneng, Thierno Barry
Topic: Field Experiments: General, Social Behavior: Other
[Back to session: Individual Differences and Identity](#)

Do Higher Wage Offers Attract More Job Applications? A Field Experiment on Directed Search

Haoran He
Beijing Normal University

ABSTRACT:

We explore the impact of wage offers on job applications, testing implications of the directed search model. We use a field experiment conducted on a Chinese job board, with real jobs for which we randomly varied the wage offer across three ranges. We find that higher wage offers raise application rates overall, and also raise application rates for job seekers whose reservation wages are capped at the upper bound of the lowest wage offer range (with a smaller increase); and the rising is stronger for those who has higher probability of getting the jobs. The latter type of evidence is critical in distinguishing between random and directed search models. These results lend support to directed search models while showing that the evidence for directed search without considering reservation wage can be overstated.

Author(s): Haoran He, David Neumark, Qian Weng
Topic: Applied Economics: Labor Market, Field Experiments: General
[Back to session: Work and Labour Markets 2](#)

Time Costs and Search Behavior

Maros Servatka
Macquarie Graduate School of Management

ABSTRACT:

We experimentally investigate the effect of time costs on search behavior in a decision task framed as selling houses. Although the sequential search is not only costly but also time-consuming, the effect of time cost has been neglected in the literature. Time cost is usually unknown ex ante and its presence and duration must be inferred as the search progresses. We disentangle the effect of time cost per se from people's (in)ability to perceive time delay. We also compare the effect of time cost with the effect of monetary cost. We find that time costs reduce search. Furthermore, people infer the time cost relatively well as the impact of the inferred time cost is similar to the explicitly announced time cost. The monetary cost reduces search more than the inferred and announced time cost, signifying that the monetary cost is more salient.

Author(s): Yu-Chin Hsiao, Simon Kemp, Maros Servatka, Matt Ward, and Le Zhang,
Topic: Applied Economics: Other, Decision Theory: Other
[Back to session: Time Preference and Dynamic Behaviour](#)

Asset Pricing with Ambiguous Signals: An Experimental Study

Te Bao
Nanyang Technological University

ABSTRACT:

This paper explores how ambiguous signals and ambiguity aversion influence individuals' expectations and the pricing of assets in experimental financial markets. Epstein and Schneider (2008) suggest that when faced with such ambiguous information, ambiguity-averse investors maximize expected utility under a worst-case belief as in Gilboa and Schmeidler (1989) about the quality of the ambiguous signal. In line with the theory, we find that subjects' degree of ambiguity aversion is positively correlated with their expectations about the variance of ambiguous signals. These signals matter for the determination of asset prices. We find that price volatility is significantly larger under ambiguous signals. Our findings provide evidence in support of the idea that ambiguous information and ambiguity aversion may be a source of mispricing and excess volatility in financial markets.

Author(s): Te Bao, John Duffy and Jiahua Zhu
Topic: Decision Theory: Ambiguity, Markets: Finance
Link: www.socsci.uci.edu/~duffy/papers/AmbiguityBDZ.pdf
[Back to session: Financial Markets](#)

Rumor, information disclosure and food market fraud

Shanshan Huang
Nanjing University of Finance and Economics

ABSTRACT:

Serious information asymmetry induces adverse selection problem in emerging food market. Consumers are difficult to identify the real quality of food before and even after consumption. Firms can use the trust characteristics of food and their own information advantages to seek illegal interests. In this experimental study we treated food grade products and press sellers to actively maintain their reputation and reduce quality fraud. Whereas a negative rumor decreases the buyer's purchase desire and increases the cost of maintaining the long-term reputation. The seller adopts the strategy of increasing selling price as a signal of high quality to cheat the buyer's short-term purchase. On the other hand, in the presence of information disclosure environment where the buyer has a 10% probability to know the product grade, we find that a positive rumor in the market increases the supply of high-end products due to a decrease in information asymmetry; whereas a negative public opinion will increase the supply of medium and high-end products, improve the quality of market products as a whole, and reduce the behavior of quality fraud.

Author(s): Wen Fan, Shanshan Huang, Tianguo Qiao
Topic: Games: Information, Applied Economics: Other
[Back to session: Lies and Deception I](#)

Reference-Dependence in Students' Exam Performance and Effort Provision

Jingyi Meng
Nankai University

ABSTRACT:

Author(s):
Topic:
Link: ["This paper studies the double-sided effects of the aspiration level as a reference point for students. My results show that students set targeted grades as their reference points and reveal loss aversion, evidenced by a significant discontinuity in their evaluations of performances at the achievement of targeted grades. On the other hand, targeted grades have positive effects on students' effort provision. Further dynamic analyses show that if a student fails to achieve his previous target, he is more likely to downward adjust his reference point, which leads to a subsequent reduction in effort provision. My results point out the educators' dilemma of choosing between the short-term student satisfaction and long-term benefits from effort incentivization. A policy implication is that educators can participate in students' target-setting procedure and help students to set appropriate targets that create incentives while not hurting their performance satisfaction."](#)
[Back to session: Work and Labour Markets I](#)

Risk Attitude and Risk Preference: An Experimental Investigation

Satarupa Mitra
Indian Institute of Management, Bangalore India

ABSTRACT:

Can survey measures predict utility based preference? Dohmen et al. (2011) show survey measure to be a valid predictor of actual risky behavior. Taking this further, we try to map the risk attitudes with utility based preferences viz. risk averse, risk neutral and risk loving. Risk attitudes is measured similar to Dohmen et al. (2011) using survey question. They ask respondents to give a global assessment of their willingness to take risks. The exact wording being: "How do you see yourself: Are you generally a person who is fully prepared to take risks, or do you try to avoid taking risks? Please tick a box on the scale, where the value 0 means: 'not at all willing to take risks' and the value 10 means: 'very willing to take risks'." For eliciting risk preference Incentive-compatible measures of risk preference, Holt and Laury (2002) and Gneezy and Potters (1997) are employed. We find that subject do not show consistency in their choices. There is significant non zero probability of them being risk averse (risk lover) in lottery choices despite choosing higher (lower) risk on the survey scale.

Author(s): Ritwik Banerjee, Satarupa Mitra, Priyoma Mustafi, and K.C. Adaina3
Topic: Decision Theory: Risk, Decision Theory: Preferences
[Back to session: Risk and Uncertainty I](#)

Do as I say, not as I do: break(ing) norms and leadership

Theodore Alysandratos
Nottingham Trent University

ABSTRACT:

The role of leadership in organizational and societal outcomes has received a lot of scholarly attention. More recently, an emerging literature focuses on the role of norms and norms misperception in individual and collective outcomes. We present results utilising a natural experiment and combining experimental and observational data that bridge these two lines of inquiry. In late April 2020, we collected data in the United Kingdom that document a strong norm of following government guidelines regarding the lockdown. We also found that participants a) sent lower amounts to non-compliers in a trust game and b) contributed lower amounts in a public goods game when placed in groups consisting of non-compliers. In late May it was widely publicized in the press that the Chief Adviser to the Prime Minister of the United Kingdom had undertaken activities which may have violated those guidelines. Nevertheless, he was not reprimanded in any way. Ten days after the revelation of the misdeed, we implemented a three-armed intervention. The first arm was a baseline, identical to the first round. In the second arm, we added a text informing the participants of the actions of the Chief Adviser. In the third arm, we informed them, in addition, of the strong compliance norm we documented in April. In the second round, we find the same behavior in the trust and public goods game as in the first round. Reminding the participants of the actions of the Chief Adviser has a weak negative effect. However, adding the information regarding the prevailing norm has a strong negative effect: participants' behavior towards non-compliers becomes more similar to their behavior towards compliers. We interpret this as evidence of norms erosion because of a leader breaking the norm. We complement our experimental data with Google Mobility Data. Using a regression discontinuity design, we find that activity outside the home increased in the days following the revelation of the actions of the Chief Adviser.

Author(s): Theodore Alysandratos, Thorsten Chmura, Zhe Liang
Topic: Social Behavior: Norms and Morals, Social Behavior: Lying and Cheating
[Back to session: Lies and Deception 3](#)

Truth-Telling, Lying, and Guessing: An Experimental Study on Incentivized Information-Reporting Behavior

Wenjing Huang
Tsinghua University

ABSTRACT:

Despite of the fact that dishonest behavior has been well studied in the literature, the understanding of how information environment and reporting format influence individual's reporting behavior is limited. We consider an incentivized information-reporting experiment, where the state can be either high, medium, or low, and some information regarding the state is revealed to a decision-maker before he/she sends his/her report of the state information, which determines the decision-maker's payoff. We categorize individuals' behavior into three types: truth-telling, lying, and guessing, and study how their behavior is affected by the information they receive and the way they are requested to report. Depending on whether the subject receives full, partial, or no information regarding the state, and whether the required report format is deterministic or probabilistic, our within-subject two-dimensional design consists of in total 6 treatments. The experimental results on deterministic report show that, (1) the frequency of H-report in the full information treatment "H" scenario is higher than that in the no information treatment, which is again higher than that in the partial information "M or L" scenario, suggesting that the psychological cost of guessing is higher than truth-telling but less than lying; (2) Within the full information treatment, the frequency of truthful report among the three scenarios has the following ranking: "H" > "M" > "L"; (3) Subjects tend to report "I don't know", which provides them with equal chance of receiving the payoff associated with each state, when the high-payoff state "H" is denied through partial information provision or no information is provided. Differences in the behavioral pattern are also shown between deterministic reporting and probabilistic reporting. The discrepancies indicate that there exist two conflicting factors influencing the probabilistic report results: On the one hand, participants have more incentive to misreport through randomization; On the other hand, participants may feel more pressure when they input the possibility percentages, which reduces the rate of lying. Our findings confirm that guessing is an ambiguous but significant type of behavior, distinguishing from lying and truth-telling, and our study provides a better understanding regarding how information environment and report format lead to honest or dishonest behavior. Keywords: truth-telling; lying; guessing; information; probabilistic report

Author(s): Wenjing Huang (Tsinghua University); Jaimie Lien (The Chinese University of Hong Kong); Jie Zheng (Tsinghua University)
Topic: Social Behavior: Lying and Cheating, Decision Theory: Beliefs
[Back to session: Lies and Deception 3](#)

On the consistency of latent risk preferences across contexts

Andreas Ortmann
UNSW

ABSTRACT:

Abstract There are presently more than 100 ways how to elicit risk preferences. Unfortunately, the results of the different elicitation mechanism [EMs], often differ (and occasionally even contradict each other), making it difficult to identify latent risk preferences. Many EMs have not yet been compared directly to each other. Also, the comparisons that have been made have been afflicted by problematic design and implementation choices, as well as questionable estimation techniques. Specifically, we are interested in understanding why various EMs, or contexts, provide risk-preference estimates that often are inconsistent across EMs even if the domain (another potential contextual variant) is the same. Robust elicitation of latent risk-preferences remains a challenge for scholars and policymakers alike, given their importance for (the calibration of) many economic models. Our research complements the literature by providing response on the following: 1) What is the degree of consistency and convergence within, and across revealed [Random Lottery Pair Design, Multiple Price List, Random Compound Lotteries, Dynamic Experimental Estimation of Preferences, Staircase Task, Portfolio Choice, Portfolio Choice in Two Stages, Bomb Risk Elicitation Task] and stated [Domain-Specific Risk-Taking and Socio-Economic Panel Study]? 2) Is there a difference between risk-preference estimates obtained through various groups of EMs such as those encompassing static and dynamic decision-making models i.e. does the dynamic consistency exists and how is it related to elicited risk-preference estimates? 3) Is there logical choice consistency in decision-making under risk and what is the relevance of the multiple switching behaviour [MSB]? 4) How noise specification affects risk-preference estimates and which utility model and parametric specifications fit best our data? 5) What is the difference in the risk attitudes elicited through revealed and stated or hypothetical EMs i.e. whether the hypothetical bias exists and how it matters? 6) How socio-demographic and personal characteristics, state and life events are moderating risk-preference estimates across contexts i.e. what are determinants of conditional context consistency? Key words: consistency, context, elicitation methods, hypothetical bias, noise, risk-preferences, utility models JEL codes: C91, D81, D91

Author(s): Filip Fidanoski, Vinayak Dixit, AO
Topic: Decision Theory: Risk, Methodology: Experimental Design, Tools and Practices
[Back to session: Risk and Uncertainty 1](#)

Dominated Contracts in Team Production

Simin He
Shanghai University of Finance and Economics

ABSTRACT:

We investigate the effect of dominated contracts in team production. Compared to the conventional revenue-sharing contract, all team members in a dominated contract are punished if they fail to reach an output goal. We show that a dominated contract can be effective in improving effort. In a laboratory experiment, we test whether such a dominated contract is effective when it is imposed exogenously or selected endogenously by two different institutions: voting and leadership. We find that the dominated contract is often voluntarily chosen by the groups in the two endogenous institutions. Moreover, when a dominated contract is implemented, it is about equally effective across all conditions.

Author(s): Simin He; Bin Miao
Topic: Games: Coordination, Social Behavior: Group Behavior
[Back to session: Work and Labour Markets 1](#)

Revealed Heterogeneity in Risk Preference

Shuangyu Yang
National University of Singapore

ABSTRACT:

This study presents a non-parametric revealed preference analysis of heterogeneity in risk preference. Building on Afriat's Theorem, we examine whether the choice behavior of different people can be rationalized by the same utility function. We propose two indexes to measure heterogeneity. The first is an individual uniqueness index to measure the degree that each individual shares the same utility function with others from the population. The second is a group heterogeneity index to measure the extent that two individuals randomly drawn from the group can be rationalized by the same utility function. Our analysis uses the experimental data by Choi et al (2014), in which subjects allocate consumptions in two contingent states subject to different budget constraints. We observe that females exhibit a lower degree of both individual uniqueness and group heterogeneity, compared to the male counterpart. In addition, heterogeneity between males and females is intermediate to that within the two genders, and heterogeneity between couples is smaller than that of non-couples. We observe a weaker heterogeneity based on wealth.

Author(s): Miao Bin, Yang Shuangyu, Zhong Songfa
Topic: Decision Theory: Preferences, Decision Theory: Risk
[Back to session: Risk and Uncertainty 2](#)

Perceptions of Norms about Working Mothers: Another Look at the Case of Saudi Arabia

Elif Incekara Hafalir
University of Technology Sydney

ABSTRACT:

In order to gain an understanding of gender role attitudes and social norms regarding the participation of women in the labor force, we used six questions in a survey fielded with both male and female students at King Saud University in Riyadh, Saudi Arabia. The first two questions about female labor force participation (FLFP) are taken from Bursztyn et al. (2020). In the other four questions, three are regarding the effect of FLFP on family and a final one is related to gender priorities when jobs are scarce. While we largely replicate the Bursztyn et al. findings of underestimation of support for FLFP in our female and male student samples, we find markedly different patterns for the three questions related to the impact of FLFP on family life. There is no systematic underestimation of FLFP-friendly attitudes for these questions.

Author(s): Sultan Alkhuzam, Stephanie Wang
Topic: Social Behavior: Norms and Morals, Applied Economics: Labor Market
[Back to session: Work and Labour Markets 2](#)

Earnings Management in IPOs: Moral Hazard or Signaling?

Yun Dai
Sun Yat-sen University

ABSTRACT:

This paper aims to shed light on the long-standing debate on opportunistic and information perspectives of earnings management from a controlled laboratory experiment. Our results are in favor of the moral hazard explanation over the explanation based on the signaling motive. When we introduce a limit on the degree of earnings management (as a proxy for the regulatory power), earnings management acts more like a signaling device. In the treatments with limit, reported earnings become a more informative indicator of actual earnings, as low-quality firms reduce earnings inflation while high-quality firms increase upward earnings manipulation. Consequently, market pricing efficiency improves, and it leads to better investor protection. Our findings highlight the importance of accounting standards as a tool to reduce management misbehavior and enhance market quality.

Author(s): Yun Dai (Sun Yat-sen University), Jiahua Zhu (Nanyang Technological University), Te Bao (Nanyang Technological University)
Topic: Markets: Finance, Applied Economics: Other
[Back to session: Behavioral Finance 2](#)

Frequent Reminders? A Natural Field Experiment with Taxpayers

ZHIXIN DAI
RENMIN UNIVERSITY OF CHINA

ABSTRACT:

In a field experiment conducted in People's Republic of China, we assess the impact of frequency of reminders (no message, one message, one message a week, two messages a week) on the probability of overdue property tax payments. We illustrate that frequent reminders approximately double the probability of paying the overdue taxes compared to a one-off reminder. We document a negligible difference in the probability of overdue payments across treatments with one and two weekly reminders.

Author(s): Armenak Antinyan? Zareh Asatryan? Zhixin Dai? Marie Claire Villeval

Topic: Field Experiments: General, Applied Economics: Other

[Back to session: Field Experiments 3](#)

Two Are Many: Number Effects in Cournot Oligopoly Experiments

Aidas Masiliunas

National University of Singapore

ABSTRACT:

There is robust experimental evidence that tacit collusion in Cournot oligopoly is more common when there are less firms in the market (Huck et al., 2004, Horstmann et al., 2018). We show that this experimental finding might be caused not by the number of firms per se, but by the change in incentives that occurs when the number of firms is manipulated using the standard Cournot payoff function. In particular, the group size manipulation changes the incentives to collude and the locations of the collusive, Nash and competitive outcomes. We show that bounded rationality (as modeled by QRE) can explain how these changes in the incentive scheme would generate data patterns consistent with previous experimental data. We then propose a method to manipulate the market size but keep constant the outcomes of interest, payoffs at these outcomes and the incentives to collude. Experiments using this "normalized" manipulation find that the market size does not affect the average output. Our results suggest that policies aimed at increasing the number of competitors might fail to increase competitiveness if explicit collusion is not possible.

Author(s): Nobuyuki Hanaki, Aidas Masiliunas

Topic: Markets: Industrial Organization, Methodology: Experimental Design, Tools and Practices

[Back to session: Games](#)

Controlling Uncertainty: The Illusion of Control in decision making under risk and ambiguity

Alex Berger

University of Sydney

ABSTRACT:

The finding that individuals are ambiguity averse in the domain of medium likelihood gains is robust across laboratory studies. We conducted a laboratory experiment to examine whether we can lower this aversion to ambiguity by giving participants an illusion of control over the probability of winning by allowing them to choose the winning color in what objectively are 50-50 gambles. We found that while our illusion of control manipulation does not increase participants' preference for risky gambles with a known probability of winning, it does increase participants' tolerance for ambiguous gambles with unknown probability of winning. When the illusion of control is absent, the structural model estimates of ambiguity tolerance are 29% lower. Our results highlight the importance of considering the illusion of control in the estimation of ambiguity attitudes.

Author(s): Alex Berger and Agnieszka Tymula

Topic: Decision Theory: Ambiguity, Decision Theory: Risk

[Back to session: Bounded Rationality and Learning 2](#)

Observing Parents' Punishment Promotes Norm Obedience among Children

Shuwen Li

Shanghai Jiao Tong University

ABSTRACT:

We investigate the impact of observing parents' punishment (so-called vicarious punishment) on children's norm obedience. We compare rates of cheating between children from families that violated and obeyed China's One-Child Policy (OCP). Families violating the policy were punished with a severe fine. We collected data on cheating and social preferences from middle school students in two rural provinces, Henan and Hunan, where noncompliance of the OCP was common. We observe children from the policy-violating families cheat significantly less than their peers from the policy-abiding families, while the two groups do not differ in risk attitudes, trust or trustworthiness. These results are new evidence that vicarious punishment promotes norm-obedience among children.

Author(s): Shuwen Li, Jianxin Wang, Daniel Houser

Topic: Social Behavior: Lying and Cheating, Social Behavior: Norms and Morals

[Back to session: Bounded Rationality and Learning 2](#)

Moralistic Uncertainty

Yiting Chen

National University of Singapore, Department of Economics

ABSTRACT:

This paper suggests uncertainty as a novel impetus for moral behavior. In two within-subject experiments, subjects are more likely to share in a dictator game and less likely to lie in a dice game under binary uncertain situations, compared to the corresponding deterministic situations of both degenerate outcomes. This pattern is stronger in more uncertain situations. We propose a theoretical framework to account for the observed puzzles, in which individuals perceive a connection between the morality of their behavior and the resolution of uncertainty. Our findings contribute to the literature on self-serving morality and anomalies under uncertainty.

Author(s): CHEN Yiting; ZHONG Songfa

Topic: Social Behavior: Norms and Morals, Decision Theory: Other

Do additional incentives for the leader improve the group cooperation?

Hyeonggyun Ko
Sogang University

ABSTRACT:

When a group with a leader conducts a group project that embodies the social dilemma feature, the leader is usually paid bonus conditional on the group performance. In this paper, we aim to shed light on the effect of the additional incentives for the leader on the contributions and group welfare. We designed a sequential voluntary contribution experiment, where each subject played both with and without additional incentives for the leader. We also investigated whether the information about the incentives is private (only leader knows) or public matters to the contributions and welfare. Our results give a rationale for the use of these additional incentives for the leader in that they increase the group contributions and welfare in both information-treatment. The key reason for this increment is the significant increase in the leader's contribution. When the follower knows about the additional incentives, social crowding-out effect occurs. However, since the increase in the leader's contribution offsets the social crowding-out effect, the group contribution could be larger. It follows that net group welfare could improve when the additional incentives are paid to the leader depending on the total group contribution.

Author(s): Hyeonggyun Ko, Jinkwon Lee

Topic: Public Choice: Public Goods and Common Pool Resource, Social Behavior: Other-regarding Preferences
[Back to session: Groups and Leaders](#)

The evolution of institutional reward

Yali Dong
Beijing Normal Univeristy

ABSTRACT:

Our study considers the sustainability of endogenous reward under in a 16-members community in the public goods game (PGG), which is a key condition for the real-world implementation of such endogenous policies. Although providing a punishment option to community members in the public goods game (PGG) has been shown to effectively promote cooperation, this has some serious disadvantages; these include destruction of a society's physical resources as well as its overall social capital. A more efficient approach may be to instead employ a reward mechanism. We propose an endogenous reward mechanism that taxes the gross income of each round's PGG play and assigns the amount to a fund, and players are classified by their tax rates; each player then decides how to distribute his or her share of the fund as rewards to other members of the community. Our mechanism successfully reverses the decay trend and achieves a high level of contribution with budget-balanced rewards that require no external funding, an important condition for practical implementation.

Author(s): Chun-Lei Yang, Boyu Zhang, Jie Zheng, Jamie Lien

Topic: Games: Repeated Games, Public Choice: Public Goods and Common Pool Resource
[Back to session: Public Goods 1](#)

The ABC of Gift Exchange Models: Theory and Evidence

Mengxing Wei
School of Economics, Nankai University

ABSTRACT:

We compare the predictions of three alternative explanations for gift exchange: Classical gift exchange (CGE), augmented gift exchange (AGE), and beliefs-based gift exchange (BGE). BGE relies on psychological game theory and formally models reciprocity and guilt-aversion. We also introduce exogenous industry wage and effort norms as suggested in Akerlof's original gift exchange formulation. All three models successfully predict gift exchange, and this is verified by our experiments. However, guilt-aversion critically explains (i) the effort choices of workers, and (ii) the positive effect on effort of the exogenous wage and effort norms (gift exchange with respect to industry norms), which run counter to the predictions of the AGE and CGE models. Overall, every prediction of the BGE model is verified while the predictions of AGE and CGE are inconsistent with the data for 3 out of 4 comparative static results. These results call for a greater incorporation of the insights from belief-based models.

Author(s): Sanjit Dhami, Ali al-Nowaihi

Topic: Decision Theory: Beliefs, Games: Other
[Back to session: Beliefs 5](#)

Do split stocks outperform? Experimental evidence

Olga Rud
RMIT University

ABSTRACT:

We report on an experiment examining the pricing of two assets with positively correlated returns. In one treatment, the fundamental values of both assets are increasing over time, and one of the two assets is subject to a 1 for 2 share split. In the other treatment, the fundamental values of both assets are decreasing over time and one of the two assets is subject to a 2 for 1 reverse stock split. We find, consistent with the empirical literature, that stock splits result in relatively greater deviations from fundamental prices in the short term as compared with non-split stocks. In the reverse split case we find that stocks under-perform in the immediate short run.

Author(s): John Duffy, Jean Paul Rabanal, Olga Rud

Topic: Markets: Finance, Unknown: Unknown
[Back to session: Behavioral Finance 2](#)

Team Incentive and Choice: A Laboratory Real Effort Experiment

Maoliang Ye
Southern University of Science and Technology

ABSTRACT:

Using a real-time real effort experiment, we ask how a group-threshold team incentive affects team productivity under three different sharing mechanisms. A group threshold is a mechanism where team members only receive their payoffs when their group's total output has reached a certain target. Our first question is under what conditions the group threshold works to promote productivity. Compared to those who did not think about any target at all when they work, those who aim to take more than half of the group's threshold as an individual target would work harder, but not those who aim for less than half of the group threshold. Our second question is to investigate whether productivity varies when group members share the group earnings either under Equal, Piece rate or Winner-Takes-All. In particular, we find equal sharing (Equal) significantly outperform Winner-Takes-All through the increased productivity from the low skill team members. Results of both questions are consistent with a variant guilt aversion model where the low skill members feel the guilt towards the high skills who expect to share the group earnings proportionally to their productivity. Moreover, the low skills experience a stronger guilt aversion if they intend to target higher under a threshold scheme. That is, we find that guilt aversion may work as a self-discipline device to promote productivity in teams under equal distribution schemes.

Author(s): Richard Freeman, Xiaofei Pan, Xiaolan Yang, Maoliang Ye

Topic: Applied Economics: Labor Market, Games: Contests

[Back to session: Work and Labour Markets 1](#)

Does Gradualism Build Cooperation? Evidence from A Finitely Repeated Investment Experiment

Maoliang Ye
Southern University of Science and Technology

ABSTRACT:

This paper examines the effect of gradualism -- increasing the stake of investment slowly over time rather than requiring a high stake of investment immediately -- in trustor--trustee cooperation building, using a finitely repeated binary investment (trust) experiment. The experimental results suggest that gradualism helps build high-stake cooperation in the investment relationship: the gradualism treatment induces a higher initial reciprocation rate by the trustee, which leads to a higher rates of subsequent investment from the trustor and successful mutual cooperation between the trustor and the trustee. Our main results are more consistent with a behavioral model with adaptive trustors featuring conditional cooperation, rather than the standard game-theoretic model with both rational trustors and trustees, or a reputation model with two private types (rational or reciprocal) of trustees.

Author(s): Xiangting Hu, Yangbo Song, Maoliang Ye

Topic: Games: Repeated Games, Unknown: Unknown

[Back to session: Norms and Pro-social Behaviour](#)

Calculated Punishment

Fadong Chen
Zhejiang University

ABSTRACT:

Although punishment is fundamental to the evolution of cooperation in organizations and societies, little is known about the decision process that underlies it. Based on findings that people are faster when punishing (relative to when withholding punishment), scholars proposed that punishment results from intuitive decisions. Here, we test the generality of this hypothesis in an experiment of the public goods game with punishment, where we systematically vary the cost and impact of punishment across the game. We find that punishment response times (RTs) are sensitive to cost-benefit tradeoffs and to the contribution difference between the punisher and target. Furthermore, people are sometimes relatively slow to punish. The patterns in our data contrast the intuitive punishment hypothesis, but confirm two key predictions of sequential sampling models (SSMs): (1) an inverted-U-shaped relationship between RTs and the strength of preferences for punishing, and (2) a positive relationship between punishment rates and the relative speed of punishment across individuals. We further confirm these predictions in the data of Mischkowski et al. (2018), which originally found support for the intuitive punishment hypothesis. Finally, we showcase the advantages of modeling punishment using SSMs, in computational analysis using the drift-diffusion model (DDM). We find that the DDM improves predictions of punishment behavior compared to computationally naïve models that rely on the same data. Taken together, our findings indicate that punishment arises from a value-based computational process that shares a common mechanism with decisions across other domains, opening the door for studying punishment using additional process measures.

Author(s): Fadong Chen, Gideon Nave, Lei Wang

Topic: Applied Economics: Charitable Giving, Applied Economics: Charitable Giving

[Back to session: Punishment](#)

Can Economic Preferences Explain Driving Behavior? Evidence from a Lab-in-the-Field Experiment

Ming Jiang
University of Michigan

ABSTRACT:

This paper investigates professional drivers' driving behavior and its influential factors using a lab-in-the-field experiment approach. We combine behavior parameters, service records and the previous year's traffic violation records of 158 drivers employed by China's largest B2C online car hailing company. We find that in general, risk aversion of small monetary payoffs best explains drivers' violation, as compared to loss aversion and risk aversion of large monetary payoffs. More risk-averse drivers exhibit less violations at the absolute value. After controlling for number of assigned trips, total distance travelled during a shift and total service hours during a shift, more patient drivers exhibit a smaller tendency towards reckless violations like running the red light. Interestingly yet intuitively, a driver's belief about other's attitude towards altruism is positively correlated with speeding.; his/her reciprocity tendency is negatively correlated with speeding. Parking violations which result in a relatively large amount of fine but no risk on the certificate, can also be explained by drivers' risk aversion of small monetary payoffs. Interestingly, the belief about others' tendency towards altruism is negatively correlated with parking violation, which can be explained by an expected higher probability of being reported to the police.

Not rny job: autornatic and interpersonal punishrnt in a public goods game in rural Uganda

Landry Fanou
Wageningen University

ABSTRACT:

Both peer-to-peer punishment and institutions that sanction free-riders can lead to the more efficient provision of public goods. However, financial incentives can, in some cases, crowd out cooperative behaviour. We study how individuals react to the combination of these institutions. This is particularly relevant to understanding how the introduction of formal institutions affects societies that principally rely on informal mechanisms for enforcing cooperative norms. As such, we conducted the experiment in rural Uganda, where public goods are often managed informally, with a varying degree of formal regulation. The experiment consists of a standard public goods game with punishment, and an additional feature: an automatic punishment mechanism that imposes a fine on subjects whose contributions fall below a certain threshold. We test how this affects public good contributions and to willingness to punish free riders. We find that certain individuals refrain from punishing free riders when the automatic sanction is present, and that this correlates with attitudes towards formal authorities outside of the lab. Interestingly, exposure to automatic sanctioning affects willingness to punish free riders even when the institution is not present. These findings have implications for understanding how incomplete formal institutions affect informal cooperation.

Author(s): Sehom L. Fanou, Ian Lively, and Marrit van den Berg
Topic: Public Choice: Public Goods and Common Pool Resource, Social Behavior: Other-regarding Preferences
[Back to session: Punishment](#)

Overpaying for Binary Options: Preference for Simplicity in Retail Markets

Indira Puri
MIT

ABSTRACT:

In an empirical study of the controversial binary options market, we find that retail traders forgo clear arbitrage opportunities by purchasing binary options when strictly dominant portfolios of traditional call options are available at lower prices. The arbitrage price differences are large; buyers of S&P, gold, and silver binary options on average lose 58%, 31%, and 82% of the binary option price by forgoing the dominating call option portfolio. Standard explanations for the existence of arbitrage, such as random price volatility, explicit trading fees, and implicit trading costs, cannot fully account for these results; nor can established behavioral models like prospect theory or cumulative prospect theory. We rationalize our findings with an alternate behavioral explanation in which investors prefer simple binary lotteries to more complex standard options.

Author(s): Indira Puri, Aaron Goodman
Topic: Markets: Finance, Markets: Other
Link: drive.google.com/file/d/1sOqvqQ8nNwWgAa43o3sX6tXnb3kCALC3/view?usp=sharing
[Back to session: Behavioral Finance 2](#)

Comparing Three Hybrid Auction-Lottery Mechanisms - Theory and Experiments

Binglin Gong
East China Normal University

ABSTRACT:

Hybrid mechanisms combining auction and lottery are now widely used to allocate publicly provided private goods, such as private car license plate, to balance efficiency and equality. A natural question is how to implement them. We compare the performance of three hybrid mechanism designs: “first auction, then lottery”, “first lottery, then auction”, and “simultaneous auction or lottery”, in a unified framework from perspectives of revenue, efficiency, and equality. Our theoretical results suggest that when bidders are rational and risk neutral and have no budget constraint, given the proportion of goods being auctioned, lottery first is always most efficient while the other two are equivalent. Simultaneous auction or lottery should have the highest revenue. When the common distribution of players' values is not heavily right skewed, lottery first generates more revenue than auction first. Equality ranking of the three depends on how it is measured. In a laboratory experiment, results show that lottery first can indeed yield significantly higher efficiency, especially when more goods are auctioned. However, contrary to our theoretical prediction, simultaneous auction or lottery has the lowest revenue and efficiency, mainly because a high proportion of people make the wrong choice between auction and lottery. Auction first results in roughly the same revenue as lottery first, because subjects do not shade their bids as much as predicted in auction first game, possibly due to risk aversion.

Author(s): Binglin Gong, East China Normal University; Hengheng Lu, Stanford University
Topic: Markets: Auctions, Markets: Other
[Back to session: Auctions 1](#)

Gender Differences in response to opportunity for symmetry in dynamic contests

Nishtha Sharma
University of California Irvine

ABSTRACT:

In this paper, I attempt to unravel the reason behind the persistence of discrimination in progressive societies in which bias is flexible or changes endogenously and how that compares with conservative societies that have a fixed exogenous bias. I model this as a repeated, two-player, asymmetric contest in which the favored player's period 2 favor reduces if they lose in period 1. Theory predicts that the unfavored player has a lower chance of winning the contest in period 1 when the favor reduces endogenously over rounds as compared to the case when the favor is constant over rounds, except under special conditions. The key determinant of the direction of the

effect is the relative discount factor of the players. I test this theory using data from a laboratory experiment. Interestingly, I find that men respond to the threat of losing the favor, and favored men increase their effort when favor changes endogenously unless their discount factor is low enough. On the other hand, women are more motivated by the opportunity of making the contest symmetric and the unfavored women increase their effort when favor changes endogenously. This provides a novel explanation for the persistence of gender discrimination even in progressive societies.

Author(s): Nishtha Sharma
Topic: Games: Contests, Decision Theory: Preferences
[Back to session: Gender](#)

One of us? Can minorities rely on assimilation to achieve social and economic mobility?

Manuel Munoz
New York University Abu Dhabi

ABSTRACT:

There are many dimensions where a society gains great benefit when individuals coordinate on their choices and yet, despite social coordination being so profitable, societies appear to be moving towards polarization and segregation. A common explanation is social diversity; the co-existence of distinct social groups who are likely to hold conflicting views on how to act, e.g., a dominant majority and a minority. An approach to alleviate the tension of social diversity when social coordination is a goal, is to promote the assimilation of cultural norms. Assimilation would imply that individuals in the minority group redefine some of the dimensions they identify with, and consequently modify their attitudes towards forms of behavior favored by the dominant social group. In this paper, I explore theoretically and experimentally whether assimilation allows minorities to improve their material gains (economic mobility) and to experience less discrimination from the majority (social mobility). The main findings suggest that the minority does not always benefit from assimilation. If assimilating requires coordination with some (but not all) others in the in-group, the minority ends up divided into assimilators and non-assimilators, missing out on the potential gains from assimilating. Otherwise, the minority improves their economic standing with respect to no assimilation. However, irrespective of how successful assimilation is, the dominant majority appears to be unaffected by the effort the minority puts to integrate and assimilate, and responds with discrimination, so I find no indication of social mobility.

Author(s):
Topic: Social Behavior: Group Behavior, Games: Networks
[Back to session: Individual Differences and Identity](#)

Bribing to Queue-Jump: An experiment on cultural differences in bribing attitudes among Greeks and Germans

Alexandros Karakostas
University of Queensland, School of Economics

ABSTRACT:

We study the role of culture on bribing attitudes in a new dynamic bribery game, where the purpose of bribing is to receive a service earlier by bribing to queue-jump. Our queue-jumping game allows us to distinguish between two classes of bribes: (i) queue-jumping bribes, which aim to increase the briber's expected earnings by jumping the queue, and (ii) counter bribes, which aim to maintain the briber's expected earnings by upholding current order in the queue. We hypothesize that the different motivations between the two classes of bribes may, explain observed differences in countries with low vis-à-vis high levels of corruption, like Germany and Greece. In a laboratory experiment, comprised of four treatments that differ in the number of Greeks and Germans in each group, we analyze both cross-cultural and inter-cultural differences in bribing attitudes. The experiment was conducted simultaneously in laboratories in Germany and Greece and involved a total of 604 participants. In our cross-cultural treatments, we find that Greeks tend to bribe more often than Germans, but only in the early periods of the game. As time progresses, the Germans quickly catch-up, bribing as often as the Greeks. However, we also find that queue-jumping bribes rather than counter-bribes drive the observed differences in bribe rates. As the ratio of counter bribes to queue jumping bribes is significantly lower among Greeks relative to Germans, bribing to queue-jump is more profitable in Greek groups. In our inter-cultural treatments, we find that minorities, irrespective of nationality, bribe less, despite there are no prospects for monetary or reputational gains.

Author(s): Andreas Driouchis, Veronika Grimm, Alexandros Karakostas,
Topic: Social Behavior: Norms and Morals, Public Choice: Other
[Back to session: Individual Differences and Identity](#)

Are groups really more dishonest than individuals?

Lawrence Choo
Southwestern University of Finance and Economics

ABSTRACT:

A common finding of the literature on dishonesty is that groups are more dishonest than individuals. We revisit this finding by replacing the experimenter, implicitly hurt by subjects' dishonesty, by an explicit third-party: a local charity. With the charity we do not find groups to be more dishonest than individuals. Instead, we find that groups can even help moderate the extent of dishonesty.

Author(s): Geoffrey Castillo, Lawrence Choo and Veronika Grimm
Topic: Social Behavior: Lying and Cheating, Social Behavior: Group Behavior
Link: www.dropbox.com/s/g1vk9u8eg8n59qb/Manuscript.pdf?dl=0
[Back to session: Lies and Deception 3](#)

Deferred Pay in Financial Services: Compliance, Productivity and Attracting Talent

Le Zhang
MGSM, Macquarie University

ABSTRACT:

Behavior that violates company policies and/or societal notions of ethical conduct can sometimes produce short-term profits and consequent bonuses. Due to imperfect monitoring, such behavior may not be identified until after bonuses have been awarded and paid. Deferred remuneration with malus provisions has been proposed as a possible antidote to misconduct in the financial services industry. The principal attraction of deferred remuneration is the potential for better monitoring of behavior and outcomes prior to the payment of any variable remuneration. This paper is the first to empirically examine the impact of deferred remuneration on both compliance and productive behavior, with and without self-selection effects. We first use experimental methods to examine the case where remuneration is determined exogenously. We observe an increase in strategic violations of policy when deferred payment of variable remuneration is imposed, and mixed results for compliance behavior depending on how it is measured. Allowing for self-selection effects, where individuals can choose their preferred payment structure, the benefits of deferrals become more apparent. Relative to the case of immediate payment, deferred payment of variable remunerations improves compliance on all our measures. For example, the proportion of participants with zero policy violations is 23.2% higher and we also observe a statistically significant increase in productivity. We show that more productive individuals are attracted to the condition with deferred payment and superior monitoring, while less compliant individuals are attracted to the condition with immediate payment and poor monitoring. Finally, we observed that male participants in our experiment are more likely than females to select the condition with immediate payment and poor monitoring. The study suggests that the short-term impact of a switch to deferred remuneration would be limited. Over the long-term, allowing for self-selection effects to occur, adoption of deferred remuneration is likely to produce improved conduct, higher productivity and a greater proportion of females in the workforce, relative to workplaces retaining immediate payment of variable remuneration. A switch to fixed remuneration would not be beneficial for employee behavior. After allowing for self-selection effects, this study confirms that productivity decreases under fixed remuneration and suggests that there would be no compliance benefits.

Author(s): Elizabeth Sheedy, Le Zhang and Yin Liao

Topic: Applied Economics: Labor Market, Social Behavior: Lying and Cheating

[Back to session: Behavioral Finance 2](#)

Asymmetric Failure of Bayesian Updating and the Echo Chamber Effect: An Experimental Study

Joseph Tao-yi Wang
National Taiwan University

ABSTRACT:

We conducted a laboratory experiment to investigate individual ability to process contradicting information that could be potentially irrelevant, in which each subject independently draws a ball from one of two digital urns and receives information reported by another subject who may or may not have drawn from the same urn. We find that 71% of subjects who receive new information either fully attribute the information as irrelevant or relevant. Conflicting information is overly assumed as irrelevant, and confirming information is overly assumed as relevant. This effect is robust even allowing subjects to perceive others reporting randomly. Attributing conflicting information as irrelevant may form the foundation of stable echo chambers or equilibria where additional information has no effect on beliefs.

Author(s): Chun-Hou Cheng, Patrick DeJarnette, and Joseph Tao-yi Wang

Topic: Decision Theory: Beliefs, Social Behavior: Communication

[Back to session: Beliefs 5](#)

Conditional Commitment Mechanisms in Climate Negotiations: An Experimental Investigation

Rui WANG
Xiamen University

ABSTRACT:

The goal of the Paris Agreement is to hold the increase in the global average temperature to well below 2°C or 1.5°C above pre-industrial levels. However, only 2.7°C could be achieved if all countries meet their current intended nationally determined contributions (INDC). We introduce a conditional commitment mechanism (CCM) in a two-stage pledge process to improve the cooperation of the climate negotiations, motivated by the refund mechanism in the traditional threshold public goods games. Under CCM, the first stage of pledges captures voluntary contributions with self-interests, and the second stage is framed as a threshold public good game with money back guarantee, in which no actual contributions would be made unless the remaining endogenous threshold (gap) is reached given the first-stage voluntary pledges. Through laboratory experiments, we show that CCM improves the climate cooperation in both homogenous and heterogenous induced value environments, leading to more emission reductions and a higher provision rate. This occurs because CCM reduces the concern of high-cost sunk contributions, and thus narrows the gap.

Author(s): 1. Zhi Li, Assistant Professor, Department of Public Finance, School of Economics and WISE, Xiamen University 2. Rui Wang, Master, School of Economics, Xiamen University

Topic: Public Choice: Public Goods and Common Pool Resource, Methodology: Experimental Design, Tools and Practices

[Back to session: Environment and Resources](#)

Overriding in teams: The role of beliefs, social image, and gender

Maria Recalde
University of Melbourne

ABSTRACT:

Field studies have shown that women speak up less than men in professional environments where women are underrepresented. To shed light on the factors that may contribute to this gap, this paper studies willingness to speak up after someone has raised an opinion. We conduct a laboratory experiment to study why individuals override ideas in teams. Our design identifies the role of beliefs, social image, and gender through two treatments that vary whether participants interact anonymously. Results show that social image concerns matter and cause participants override less when their interactions are not anonymous. Beliefs also play a role. Analysis by gender reveals that the gender of the decision maker does not affect overriding rates. However, the gender of the partner does; when participants disagree with their partner, they are more likely to override a woman than a man. We provide suggestive evidence that preferences drive the differential treatment of women by men, while beliefs drive the behavior of women. Studying group performance, we find that overriding helps groups on average, while the gender composition of groups does not affect team performance.

Author(s): Joyce Guo, Maria Recalde

Topic: Psychology and Biology: Gender and Individual Differences, Applied Economics: Labor Market

[Back to session: Gender](#)

Representation in Public Good Provision: An experimental investigation

Nor Izzatina Abdul Aziz

Institut Kajian Malaysia dan Antarabangsa (IKMAS), National University of Malaysia

ABSTRACT:

We examine the concept of representation within leadership framework. Within a three-person group, one person was selected at random to act as the representative leader. The group played a modified public good game. In this game, the effort of the leader is complementary with the total contributions of the others. The two group members decide on contribution levels towards a public good. We varied the order of the representative's decision with respect to group members' contribution in three different treatments. Subjects decided for 20 rounds and feedback was provided after the conclusion of each round. The objective of this experiment was to examine whether the order of the representative's decision affects the social efficiency of public good provision. We found higher incidences of social efficiency in treatments in which the representative and group members decided simultaneously; this pattern remained stable across time. When the representative and group members chose sequentially, groups performed better when the representative chose first. There was a strong tendency for groups to converge either to maximum contribution by all individuals (both group members and the representative) or to zero contribution by all, indicating reciprocity. The complementarity nature of the representative's efforts to group members' collective action introduces a new mechanism for enhancing group level efficiency, despite declining average contribution and effort over time.

Author(s): N. Izzatina Abdul Aziz, Abhijit Ramalingam, Robert Sugden

Topic: Public Choice: Public Goods and Common Pool Resource, Social Behavior: Group Behavior

[Back to session: Groups and Leaders](#)

Debunking Is No Cure: Disinformation Changes Hearts and Minds

Yi-Shan Lee

Chinese University of Hong Kong

ABSTRACT:

How does exposure to a false claim affect individuals' behavior toward migrants? In a donation experiment on Amazon's Mechanical Turk, we find that exposure to a false negative claim regarding the 2018 migrant caravan lowers the average donation to migrants by 32%. Evidence suggests two potential mechanisms through which this persuasive effect may occur: false claim reinforces incorrect prior beliefs and changes what individuals consider the norm to be. Providing debunking information after the exposure does not offset these effects. Even individuals who update to the accurate belief after debunking do not donate more than those who fail to update. Nor do they restore what is considered socially appropriate to the baseline. Finally, we also find an irreversible impact of false claims on those who report holding positive prior attitudes towards migrants: their average donation significantly decreases after exposure to false claims, even when they receive debunking information. On a broader level, our results suggest that exposure to false claims can result in changes in behavior that cannot be eliminated even after accurate information leads to correct belief updating.

Author(s): Erin Krupka, Yi-Shan Lee

Topic: Applied Economics: Other, Psychology and Biology: Cognition

[Back to session: Gifts and Giving](#)

Business Drinking: Evidence from a Lab-in-the-field Experiment

Jianxin Wang

George Mason University

ABSTRACT:

Although alcohol consumption is an important component of business negotiations across many cultures, this behavior remains unmodeled. Here, we develop a theory that combines guilt-aversion with a canonical alcohol myopia framework. Our GAAM (guilt aversion and alcohol myopia) model predicts that intoxication increases promise-making, but has no effect on promise-breaking. We test these predictions using a prisoner's dilemma game with pre-play communication in a lab-in-the-field experiment. Among males, we find behavior consistent with predictions. We do not observe intoxication to impact female promise-making or promise-breaking behaviors, consistent with previous empirical findings that females are relatively insensitive to alcohol-induced myopia.

Author(s): Jianxin Wang, Daniel Houser

Topic: Social Behavior: Communication, Psychology and Biology: Cognition

[Back to session: Lies and Deception 3](#)

Identification and Estimation of a Roy Model of Self-Selection into Compensation Scheme: Results from a Lab Experiment

Yvonne Chen

ShanghaiTech University

ABSTRACT:

In this paper we revisit the gender gap in competitiveness by estimating a structural model with self-selection. We elicit individuals' preference over four pay schemes using the Multiple Price List (MPL) method: fixed pay, tournament, piece rate and lumpsum tournament. Using exogenous variations in prices per correct problem, we are able to identify a rich set of parameters that allow us to decompose the observed gender gaps in choices of pay schemes. We find that while men and women are equally optimistic about their probability of winning condition on their past performance, men are much more confident about their future probability of winning. This difference might explain the observed gender gap in competitiveness.

Author(s):

Topic: Methodology: Experimental Design, Tools and Practices, Decision Theory: Beliefs

[Back to session: Beliefs 5](#)

How Chatbot Influences Trust in Human-AI Interaction

Yunfeng Lu
Nanjing University

ABSTRACT:

Chatbots, AI-powered algorithm that conducts conversations with humans, have become increasingly popular as a substitute for frontline employees in providing information and delivering recommendations to clients. To date, there is little evidence about how this conversational robot affects human trust in its recommendations. In this study, we conducted a lab experiment to investigate the role of chatbots in human-machine interactions, using a cost-loss game as a backdrop. The chatbot's main role was to give advice to the human decision maker about whether to take the risk of a possible loss or pay a cost to avoid the risk. Before the decision-making stage, the decision maker had a five-minute chat with the chatbot. We exogenously manipulated the chatbot's ability to conduct the chat in a novel experimental system, and found that participants' subsequent decisions to follow the chatbot's advice were systematically influenced by its ability to conduct chat. Further analysis revealed that although the chat affected participants' emotion and the perceived social distance, the influence of chat ability on human decision is mainly mediated by the change in the perceived intelligence of the chatbot.

Author(s): Yunfeng Lu, Yohanes Eko Riyanto, Xing Zhang, Georgios Christopoulos

Topic: Decision Theory: Risk, Social Behavior: Communication

[Back to session: Risk and Uncertainty 2](#)

Index products and asset markets

JEAN PAUL RABANAL
Monash University

ABSTRACT:

We study asset markets with the presence of index products. We analyze how the trading of different classes of index products affect price discovery, volatility and volume in a CAPM environment.

Author(s): Olga Rabanal, Peter Bossaerts, John Duffy, Dan Friedman

Topic: Markets: Finance, Markets: Other

[Back to session: Financial Markets](#)

Trust of Tax Authorities in Taxpayers: An Experimental Investigation of its Effects on Auditing and Tax Compliance

Zeyu Wang
Xiamen University

ABSTRACT:

The role of taxpayers' trust in tax compliance has been widely studied in the literature. However, the effects of tax authorities' trust in taxpayers have not been well explored. This paper uses laboratory experiments to investigate the effects of tax authorities' trust in taxpayers and taxpayers' trustworthiness on auditing and tax compliance. First, an investment game is used to measure the trust between subjects in the experiment. Then, auditing decisions and tax compliance are examined under different information environments in a tax game. The experimental results show that if the level of the tax authority's trust in the taxpayer is revealed, the auditing rate increases and tax compliance is improved. The increase in the reported income lowers the probability of auditing, while the trust level and the auditing rate are positively correlated. Taxpayers' trustworthiness is not found to imply the level of tax compliance.

Author(s): Zhi Li, Zeyu Wang

Topic: Games: Information, Social Behavior: Norms and Morals

[Back to session: Norms and Pro-social Behaviour](#)

Comparisons of Two Catch-Quota Management Regimes: An Experimental Investigation

Xin Zhang
Xiamen University

ABSTRACT:

Capacity heterogeneity and uncertainty are long believed to affect the performance of catch quota management regimes in promoting resource utilization efficiency of marine fisheries. We introduce the heterogeneity of harvesting capacity and uncertain recruitment stocks into a novel quasi-continuous time experimental environment with a contemporaneous price externality. The allocation and coordination of harvesting efforts under both common pool (CP) management and individual quotas (IQ) management are investigated. By comparing the distribution of market prices, we identify the resource utilization efficiency and social welfare under alternative catch-quota policies. We show that the CP-induced race-to-fish pushes subjects with a low capacity to reduce their harvesting efforts, sacrificing landings to maintain a profitable fish price, which leads to an extreme income gap compared to subjects with a high capacity. IQ management, however, narrows the income gap by keeping a high market price and protecting low-capacity subjects with secured individual quota. Overall, more than 85% of all subjects chose the IQ management, pursuing a high average income level, except for some with a high harvesting capacity.

Author(s): Zhi Li, Xin Zhang

Topic: Public Choice: Public Goods and Common Pool Resource, Public Choice: Public Goods and Common Pool Resource

[Back to session: Environment and Resources](#)

The Endowment Effect of the Personal Account Amount of Public Maintenance Funds--Evidence from a field experimentation

Li Tao
Nanjing University of Science and Technology

ABSTRACT:

Is it “not-in-my-back-yard” to spend your own money to repair your neighbor’s house? In Chinese cities governed by building zoning, it has become normal for residents living in communities to engage in collective decision-making on the use of special housing maintenance funds as the owner of apartment property rights. Many researchers believe that because many residents feel that they have not directly benefited from the use of maintenance funds and vote against it, this type of vote is difficult to pass (statutory two-thirds majority requirement), which is one of the main reasons for the low efficiency of the current maintenance funds. The researchers called these residents take a “not-in-my-back-yard” attitude. We believe that under the current institutional framework, the phenomenon of “not-in-my-back-yard” may reflect the endowment effect of the balance of personal account reserves. That is, the negative income generated by “spending one’s own money to repair neighbors” leads to the decrease of decision-making utility level. We designed a natural field experiment to conduct household questionnaire surveys at the construction sites of 5 residential communities that used maintenance funds to repair the waterproof layer of the outer wall roof. Based on the “in repair” (IM) basis, two types of “not-in-my-back-yard” were identified: “not in maintenance” (NIM) and “not sure whether in the maintenance” (NSIM). Taking “How much you know about your personal account” as the experimental variable, we find the following conclusions: (1) there are two types of residents taking a “not-in-my-back-yard” attitude: one type is aware of spending their own money to repair neighbors’ houses, they are actually “related to themselves” (people who care about the use of maintenance funds); the other type does not care about the use of maintenance funds, the effect of maintenance items on its decision-making effectiveness is neutral, and it is truly “have nothing to do with hanging”. It is the latter who are less likely to vote. (2) Endowment effect does exist in the personal account of maintenance funds, but its effect is to improve the utility of decision-making rather than to reduce the willingness to vote. However, improving the voting intention will help promote the positive effect of the understanding degree of reserve fund balance on satisfaction. Given these conclusions, we believe that voting on related matters is a matter of coordinated supply, and the low willingness to vote may result from other reasons. Adopting policies that reduce the transaction costs of accessing personal account information should push the truly “have nothing to do with hanging” into “related to themselves and nudge the formation of coordinated supply.

Author(s): Tao Li, Congcong Cai

Topic: Field Experiments: General, Public Choice: Public Goods and Common Pool Resource

Link: www.njust.edu.cn/

[Back to session: Public Goods I](#)

Confrontation Costs in Negotiations: Bargaining Under the Veil of a Screen

Andres Gago
Universidad Torcuato Di Tella

ABSTRACT:

In negotiations the objectives of parties are generally in conflict. Facing this conflict can trigger negative emotions, such as nervousness, embarrassment and awkwardness, which I refer as confrontation costs. In this paper, I use a lab experiment to explore whether these costs exist and if so what their implications are. First, I show that a significant proportion of participants avoid bargaining even when it delivers higher payoffs. I find that the avoidance rate is 50% higher in face-to-face negotiations than in electronic negotiations. Second, after shutting down alternative channels, I find that the higher avoidance rate in person can be attributed to higher confrontation costs. Together, these two things make e-negotiations welfare-improving in my design, casting doubts on the general belief that face-to-face communication increases efficiency by fostering transactions. Finally, consistent with previous literature, I observe that women haggle less than men, and I find that confrontation costs can also account for this fact.

Author(s): Andres Gago

Topic: Games: Bargaining, Social Behavior: Communication

Link: www.dropbox.com/s/dvnefc38538qvnB/Gago_JMP.pdf?dl=0

[Back to session: Bargaining](#)

Communication in Multilateral Bargaining with Joint Production

Caleb Cox
Virginia Commonwealth University

ABSTRACT:

We experimentally investigate the effect on efficiency of pre-bargaining communication in a multilateral majoritarian bargaining game with joint production under two conditions: observable and unobservable productive investments. In both conditions, communication mainly fosters fair sharing and is rarely used by proposers to pit voters against each other. A virtuous cycle of proportional surplus sharing arises in treatments with observable investments regardless of whether communication is possible leading to high efficiency gains over time. In the absence of investment observability, communication is widely used by subjects to truthfully report their investments, which coupled with calls for equitable sharing, allows for substantial efficiency gains. These results contrast sharply with previous findings on bargaining over an exogenous fund where communication leads to highly unequal outcomes, competitive messages, and virtually no calls for fair sharing.

Author(s): Andrzej Baranski, Caleb Cox

Topic: Games: Bargaining, Social Behavior: Communication

Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3486887

[Back to session: Bargaining](#)

Bargaining Under Liquidity Constraints: Nash vs. Kalai in the Laboratory

Daniela Puzzello
Indiana University

ABSTRACT:

We report on an experiment in which buyers and sellers engage in semi-structured bargaining in two dimensions: how much of a good the seller will produce and how much money the buyer will offer the seller in exchange. Our aim is to evaluate the empirical relevance of two axiomatic bargaining solutions, the generalized Nash bargaining solution and Kalai’s proportional bargaining solution. These bargaining solutions predict different outcomes when buyers are constrained in their money

holdings. We find strong evidence in support of the Kalai proportional solution and against the generalized Nash solution when buyers face liquidity constraints. Our findings have policy implications, e.g., for the welfare cost of inflation in search-theoretic models of money.

Author(s): John Duffy, Lucie Lebeau, Daniela Puzzello

Topic: Games: Bargaining, Games: Other

[Back to session: Bargaining](#)

Is Waiting the Hardest Part? Laboratory Evidence on How News Affects Bargaining and the Market for Lemons

Tingting Ding

Shanghai University of Finance and Economics

ABSTRACT:

We conduct a series of laboratory experiments to understand if gradual, exogenous public revelation of one side's private information influences how trades occur in both market and bilateral bargaining settings where a static lemon condition holds. The experiments implement the Daley and Green (2012, 2020) models and we vary both the number of buyers and quality of information across treatments. Our experiments reveal new insights into subject behavior in asymmetric information environments. The availability of information benefits buyers by increasing the speed at which screening occurs as well reducing the likelihood that low quality sellers will continue to mimic the behavior of high type sellers. Further, we find evidence that behavioral norms including using fairness norms in a strategic manner can explain several observed bargaining outcomes.

Author(s): Tingting Ding and Steven Lehrer

Topic: Games: Bargaining, Games: Information

[Back to session: Bargaining](#)

How political identity affects perceptions of reality and support for government policy: evidence from three survey experiments

Guglielmo Briscese

The University of Chicago

ABSTRACT:

Political identity can shape perceptions of reality and support for government intervention. We implement a multi-waves longitudinal panel survey on the same representative sample of Americans between April and June 2020, during the peak of the pandemic crisis. In a set of questions we elicit respondents' forecasts of deaths due to COVID-19 in the U.S., and ask them whether they considered it as a successful outcome of government intervention. We observe large differences between Democrats and Republicans on both the forecast estimates and the perception of success. In a subsequent experiment, we ask respondents to report the number of deaths to date in the U.S., and randomly encourage half of the respondents to consult the CDC website prior to answering the question. While the treatment was successful at increasing the likelihood of answering the question correctly, political disparities remain on the assessment of success. In other two experiments on the same sample of respondents, we elicit support for government policies where we vary the saliency of the policy (mandatory masks to prevent contagion versus GMOs) and randomly show whether the policy was endorsed by a not well-known Democratic or Republican politician. We find that respondents are more likely to support a policy when a politician of their same party endorses it, with this effect being stronger among Republicans when the policy is less salient. These results offer several novel insights to the fields of political economy and political science on how identity and polarization affect perceptions of reality and support for government policies, and provides methodological contributions to experimental economics studies by implementing a set of survey experiments on a longitudinal panel of a representative sample of a country's population.

Author(s): Bertrand Marianne, Briscese Guglielmo, Grignani Maddalena, Salma Nassar

Topic: Decision Theory: Beliefs, Decision Theory: Preferences

[Back to session: Beliefs 3](#)

The Limits of Motivated Reasoning When Self-Image Is Not at Stake

Michael Thaler

Harvard University

ABSTRACT:

Motivated reasoning is a bias in inference in which people distort their updating process in the direction of more attractive beliefs. Prior work has shown how motivated reasoning leads people to form overly "positive" beliefs that also serve to bolster one's self-image in domains such as intelligence, prosociality, and politics. In this paper, I study whether positivity-motivated reasoning persists in domains where self-image does not play a role. In particular, I analyze whether individuals motivatedly reason to think that the world is a better place for others. Building off of the design from Thaler (2020), I conduct a large online experiment to test for positivity-motivated reasoning on issues such as cancer survival rates, others' happiness, and infant mortality. I find no systematic evidence for positivity-motivated or negativity-motivated reasoning, and can rule out modest effects. Positivity is not a sufficient condition for motivated reasoning.

Author(s): Michael Thaler

Topic: Decision Theory: Beliefs, Social Behavior: Other-regarding Preferences

Link: scholar.harvard.edu/files/mthaler/files/mthaler_limits-of-motivated-reasoning.pdf

[Back to session: Beliefs 3](#)

Social Exchange of Motivated Beliefs

Sevgi Yuksel

UC Santa Barbara

ABSTRACT:

We use laboratory experiments to study whether biases in beliefs grow more severe when people socially exchange these beliefs with one another. We elicit subjects' (naturally biased) beliefs about their relative performance in an IQ test and allow them to update these beliefs in real time. Part of the way through the task we give each

subject access to the beliefs of a counterpart who performed similarly on the test and allow them both to observe the evolution of one another's beliefs. We find that subjects respond to one another's beliefs in a highly asymmetric way, causing a severe amplification of subjects' initial bias. We find no such patterns in response to objective public signals or in control treatments without social exchange or scope for motivated beliefs. We also provide evidence that the pattern is inconsistent with Bayesianism and standard versions of confirmation bias. Overall, our results suggest that bias amplification is driven by "motivated assignment of accuracy" to others' beliefs: subjects selectively attribute higher informational value to social signals that reinforce their motivation.

Author(s): Ryan Oprea and Sevgi Yuksel
Topic: Decision Theory: Beliefs, Social Behavior: Group Behavior
Link: econ.ucsb.edu/~sevgi/OpreaYuksel_May2020.pdf
[Back to session: Beliefs 3](#)

The Status Quo and Beliefs Polarization of Inattentive Agents

Silvio Ravaoli
Columbia University

ABSTRACT:

Many real-world situations involve a choice between the implementation of a new policy with multiple possible outcomes and the preservation of the status quo. We analyze what information an inattentive agent acquires in such a binary choice problem. Specifically, we model the agent to be rationally inattentive: any information about the new policy can be acquired before the choice is made, but doing so is costly. We show how the choice of information, and thus the belief formation, depends on the agent-specific value of the status quo. Importantly, beliefs can, in expectations, update away from the realized truth. This is due to endogenous information acquisition, because the agent chooses only to learn whether the uncertain payoff is higher or lower than the payoff of the status quo. Consequently, two agents with the same prior beliefs about a new policy might become polarized if they differ in the valuations of the status quo. We show that lower cost of information leads to more severe polarization. We conduct a novel experiment to test and confirm our predicted information acquisition strategy and its dependence on the value of the status quo. In our setting with multiple states, we also replicate the well-known preference for certainty, and verify the occurrence of belief polarization.

Author(s): Vladimir Novak, Andrei Matveenko, Silvio Ravaoli
Topic: Decision Theory: Beliefs, Decision Theory: Risk
Link: www.dropbox.com/s/h5esiu7cwcqjt9r/NovakMatveenkoRavaoli2020.pdf?dl=0
[Back to session: Beliefs 3](#)

Online Belief Elicitation

Jonathan Woon
University of Pittsburgh

ABSTRACT:

We evaluate procedures for eliciting beliefs from online respondents. We compare several characteristics of three methods: (1) the flat-fee, (2) the Binarized Scoring Rule (BSR) and (3) a variation of the Becker-deGroot-Marschak mechanism using reservation probabilities (vBDM). In terms of process measures, the flat-fee method is the most time-efficient overall while vBDM is the most difficult to understand. In terms of the distributions of elicited beliefs, we find no difference in the average accuracy of beliefs across conditions. However, the methods are significantly different in terms of the frequency of reported beliefs associated with "total uncertainty" (50% probability): the flat-fee method leads to the most mass on this belief, followed by vBDM and BSR. Our results suggest that the quality of beliefs elicited in online environments may depend less on the formal incentive compatibility properties of the elicitation procedure (whether the procedure prevents "dishonest" reporting) than on how well incentives induce cognitive effort (inducing subjects to quantify or construct their beliefs).

Author(s): Valeria Burdea, Jonathan Woon
Topic: Decision Theory: Beliefs, Methodology: Other
[Back to session: Beliefs 4](#)

A Theory of False Memory Preference: Evidence from a Field Experiment with Investors

King King Li
Shenzhen Audencia Business School, Shenzhen University

ABSTRACT:

Life is difficult and some memories are painful to swallow. We propose a theory of memory recall bias that is different from Bénabou and Tirole (2002). In our framework, remembering a negative event can be painful and lowers current and future memory utility, while it helps the decision-maker to make a better investment decision in the future. The decision-maker faces a trade-off between suffering from the pain of remembering one's failure, and the benefit of using the information to make better decisions in the future. We conduct an experiment with real-life investors who are asked to recall their best performing stock (BPS) and worst performing stock (WPS). The experimental results are consistent with our theoretical framework.

Author(s): Kang Rong
Topic: Decision Theory: Beliefs, Decision Theory: Bounded Rationality
[Back to session: Beliefs 4](#)

Temptation: Immediacy and Certainty

Lucas Reddinger
UCSB

ABSTRACT:

An option is especially tempting when it is both immediate and certain. I conduct a framed field experiment on dynamic real-effort provision to test this hypothesis and quantify the effect of risk on present-bias. Capturing the immediacy effect with dynamically inconsistent behavior requires decisions made in advance of the real-effort exertion, as well as when the exertion is imminent. Structural estimation of the quasi-hyperbolic present-bias factor necessitates further choice data to separate risk and time preferences. The random incentive scheme is the typical incentive-compatible mechanism of choice, randomly selecting one decision for implementation. However, this mechanism necessarily introduces risk, potentially diminishing the extent or intensity of present-bias. I conduct a novel between-subject experiment that methodologically eliminates two channels of uncertainty, while still identifying the present-bias parameter. I find that the extent of present-bias is no different given certainty, but the intensity of present-bias increases dramatically from $\beta=1.03$ under uncertainty to $\beta=0.75$ under certainty. The results have broad implications for prevailing experimental methodology and the theory of risk and time preferences.

Author(s): Lucas Reddinger
Topic: Decision Theory: Risk, Field Experiments: General
Link: www.lucasreddinger.com/
[Back to session: Beliefs 4](#)

Bayesian or Non-Bayesian Updater? Evidence from Lab Experiment

Zhaoqi Wang
Economics Department, University of California, Santa Cruz

ABSTRACT:

In many cases of information processing, people are non-Bayesian due to various heuristics. How people process information has been a popular research topic. This paper focuses on a scenario where subjects update their beliefs when facing an uncertain event accompanied with two signals and study how subjects process the signals and update their beliefs. Evidence was collected from a lab experiment, where subjects need to report their beliefs of the probability that a lottery worth a specific value. Subjects' posterior probabilities are elicited using a lottery to lottery exchange procedure that does not depend on the assumption about risk aversion. A couple of models, including perfect Bayesian, Average Model, and Linear in The Ratio (LR) Model, were tested for goodness of fit. At the individual level, the results are mixed, subjects cannot be simply categorized into one of the models; some subjects behave close to one of the model's predictions, while some behave close to another model's predictions. At the aggregate level, the Average model outperforms the Bayesian model and LR model in terms of predicting subjects' posterior beliefs.

Author(s): Zhaoqi Wang
Topic: Decision Theory: Beliefs, Decision Theory: Beliefs
[Back to session: Beliefs 4](#)

Premium to be Angry: An Experiment on the Role of Emotion in Coordination

Bing Jiang
Virginia Military Institute

ABSTRACT:

Using an online experiment with Amazon MTurk workers, we investigated how induced emotions (anger and happiness) affected subjects' decisions in the battle of the sexes (BOS) game. Although most subjects' tendency was to be aggressive in the BOS game, an individual was significantly more likely to be accommodating if s/he knew the counterpart was angry, regardless of one's own emotion. Coordination rates improved significantly after the players were informed of the counterparts' emotions. Among those who successfully coordinated, angry subjects were more likely to be accommodated and they also received a larger share of the pie. Therefore, there could be a "premium" to be angry. While previous literature suggests unequal payoffs between players could significantly reduce coordination rate in the BOS game, our paper further shows making emotions known to others serves as an important device to facilitate coordination under unequal pay between players at the Nash equilibrium strategy.

Author(s): Bing Jiang, Xiaofei Pan
Topic: Games: Coordination, Psychology and Biology: Emotions
[Back to session: Bounded Rationality and Coordination](#)

Cognitive Load, Group Thinking and the Beauty Contest

Camilo Gomez
Universidad Nacional de Colombia

ABSTRACT:

The standard model of rationality is demanding in terms of the level of sophistication of agents. Agents are assumed to be able to make complex calculations, but also to have a theory of the mind, thinking about others' thoughts. The analysis of the beauty contest game by Nagel (1995) has been illuminating in trying to understand the degree of sophistication by agents, but also, has been important to try to understand the actual process (why?) and not only the representation of choices (as if). In this paper, we contribute to both these objectives. We run a number of treatments in the beauty contest game, both replicating existing studies and adding additional variations. We focus on the role of cognitive load, group behavior, and communication. Additionally, we use Protocol Analysis (based on Capra, 2019) to understand to what extent it can be a valid (and cheap) alternative to physiological measures of choice processing data. In particular, we collect the data through three experiments. In the first experiment, we use a 2-by-2 design where we attempt to disentangle the effect of a cognitive load and communication (through a chat). In the second experiment, we use two treatments to identify the effect of the group thinking under both communication and without communication. For the second experiment, we adapt a design inspired by Burchardi & Penczynski (2014).

Author(s): Camilo Gomez & Francesco Bogliacino
Topic: Decision Theory: Bounded Rationality, Games: Contests
[Back to session: Bounded Rationality and Coordination](#)

Shifting Level 0 in Modified Beauty Contest Games

Rosemarie Nagel
ICREA-UPF-BGSE

ABSTRACT:

Abstract We modify the standard beauty contest game by removing the boundaries and/or adding a constant. All modifications reduce the difference to equilibrium as compared to the original beauty contest game. Surprisingly, means and variances are smaller in treatments of unbounded sets than in bounded sets. Determining alternative level 0 gives rise to explanations of similarities and differences of results. We discuss our findings in the light of macroeconomics, bargaining, and prison sentence length. JEL: D80; D90; E12; C91 Keywords: Beauty Contest game; Level k reasoning; Unbounded choice sets; Experiment

Author(s): Christoph Buhren

Topic: Games: Coordination, Markets: Macroeconomics
[Back to session: Bounded Rationality and Coordination](#)

Coordination Games in Continuous Time

Shuchen Zhao
University of California, Santa Cruz

ABSTRACT:

This paper studies the impact of continuous-time interaction on two iconic coordination games: stag hunt and battle of the sexes in a laboratory environment and compare results to possible theoretical explanations. Experimental results show that subjects consistently coordinate better in continuous time than in discrete-time under various treatment environments. In continuous-time, they are also more likely to converge to payo?-dominant equilibrium in stag hunt games and alternating dynamics in battle of the sexes games. Furthermore, the coordination rate is affected by the complexity of action sets and weakly influenced by payo? matrices. The paper also explores some stylized facts that result in the treatment effects.

Author(s): Shuchen Zhao

Topic: Games: Coordination, Games: Repeated Games
Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3470747
[Back to session: Bounded Rationality and Coordination](#)

Mental Models and Learning: The Case of Base-Rate Neglect

Emanuel Vespa
University of California, San Diego

ABSTRACT:

We study whether suboptimal behavior can persist in the presence of feedback and examine the role that incorrect mental models play in this persistence. Focusing on a simple updating problem, we document using a laboratory experiment the evolution of beliefs in response to feedback. We compare a baseline treatment, in which a majority of subjects display base-rate neglect (BRN) in initial beliefs, to a control treatment that does not allow for BRN as a mental model but in which learning from feedback is similarly possible. Learning is slow and partial in the baseline, such that after 200 rounds of feedback, beliefs in this treatment are farther from the Bayesian benchmark relative to the control treatment. The treatment effect is linked to partial attentiveness to feedback by those subjects who initially display BRN in the baseline. Presenting subjects with evidence that unequivocally challenges their beliefs by summarizing feedback up to that point improves the accuracy of beliefs substantially and eliminates base-rate neglect. Finally, we find evidence that learning from feedback can generate insights (for example, that the base-rate should be considered in the belief formation process) that can be partially transferred to new settings.

Author(s): Esponda, Ignacio; Vespa, Emanuel; Yuksel, Sevgi

Topic: Decision Theory: Learning, Decision Theory: Bounded Rationality
Link: drive.google.com/open?id=0BwGkg6vwKfdIZGJONIBBYXdhNkk
[Back to session: Bounded Rationality and Learning I](#)

The Dual Accumulator Model of Strategic Deliberation and Decision Making

Russell Golman
Carnegie Mellon University

ABSTRACT:

What are the mental operations involved in game theoretic decision making? How do players deliberate (intelligently, but perhaps imperfectly) about strategic interdependencies and ultimately decide on a strategy? We address these questions using an evidence accumulation model, with bidirectional connections between preferences for the strategies available to the decision maker and beliefs regarding the opponent's choices. Our dual accumulator model accounts for a variety of behavioral patterns, including limited iterated reasoning, payoff sensitivity, consideration of risk-reward tradeoffs, and salient label effects, and it provides a good quantitative fit to existing behavioral data. In a comparison with other popular behavioral game theoretic models fit at the individual subject level to choices across a set of games, the dual accumulator model makes the most accurate out-of-sample predictions. Additionally, as a cognitive-process model, it can also be used to make predictions about response time patterns, time pressure effects, and attention during deliberation. Stochastic sampling and dynamic accumulation, cognitive mechanisms foundational to decision making, play a critical role in explaining well-known behavioral patterns as well as in generating novel predictions.

Author(s): Russell Golman, Sudeep Bhatia, Patrick Kane

Topic: Games: Other, Psychology and Biology: Cognition
Link: psycnet.apa.org/doiLanding?doi=10.1037%2Frev0000176
[Back to session: Bounded Rationality and Learning I](#)

Reference points and information preferences: experimental evidence

Noemi Peter
University of Groningen

ABSTRACT:

While reference dependence is a key concept in behavioral economics, it is debated how the reference point is determined. While early studies typically based the reference point on the status quo, newer models use expectation-based reference points (Kőszegi and Rabin, 2006, 2009). We run an experiment that tests the predictions of different behavioral economic models in the context of information preferences. Specifically, we investigate whether people prefer to receive information about potential gains and potential losses in a piecewise fashion or clumped together. For these kind of information preferences the theoretical predictions depend on whether the reference point is determined by status quo or by expectations. Our experiment uses a 2x2 design. All subjects have to participate in two lotteries. For half of the subjects we frame the lotteries as two gain lotteries, for the other half as two loss lotteries (the gain/loss frame relates to the status quo, which we manipulate). In each lottery, subjects gain (lose) either a small amount or a large amount. In all conditions subjects have to decide how they want to be informed about the outcomes of the two lotteries. In the Clumped-Piecewise conditions, they decide whether they want to learn the outcome of the two lotteries on the day after the experiment or spread the information over two days. In the Sooner-Later conditions, subjects decide whether they want to learn the outcome of the two lotteries on the first or the second day after the experiment. The Sooner-Later conditions allow us to separate preferences for the timing of information from the preference for separating information. Prospect theory with a status quo reference point predicts that the gain-loss frame matters: people want to learn the outcomes of the two gain lotteries separately but they want to learn the outcomes of the two loss lotteries clumped together. The model of Kőszegi and Rabin (2006, 2009) uses an expectations-based reference point and predicts that irrespective of the frame, loss-aversion makes subjects prefer clumped information in the Clumped-Piecewise conditions and sooner information in the Sooner-Later conditions. The experimental data shows that in the gain frame, there is a preference for receiving information separately, while in the loss frame there is no clear preference for receiving information separately or clumped together. We also find no clear preference for receiving information sooner or later.

Author(s): Noemi Peter and Mark van Oldeniel
Topic: Decision Theory: Preferences, Decision Theory: Other
[Back to session: Bounded Rationality and Learning 1](#)

The Expert and The Charlatan: an Experimental Study in Economic Advice

Sotiris Georganas
City U London

ABSTRACT:

How do people choose what economic advice to heed? We develop a set of validated multiple choice questions on economic policy problems, to examine empirically the persuasiveness of expert versus populist advice. We define populism as advice that conforms to commonly held beliefs, even when wrong. Two (computerised) advisers suggest answers to each question, and experimental participants are incentivised to choose the most accurate adviser. Do participants choose the high-accuracy adviser ('the Expert'), or the low-accuracy one ('the Charlatan'), whose answers are designed to be similar to the modal participant's priors? Our participants overwhelmingly choose the Charlatan, and this is only slowly and partially reversed with sequential feedback on the correct answer. We develop Bayesian models to determine optimal choice benchmarks, but find that behaviour is best explained by a naive choice model akin to reinforcement learning with high inertia.

Author(s): Theodore Alysandratos, Aris Boukouras, Zach Maniadis
Topic: Decision Theory: Learning, Decision Theory: Other
Link: georgana.net/sotiris/mypapers/TheExpertAndTheCharlatan.pdf
[Back to session: Bounded Rationality and Learning 1](#)

Learning by doing what? A critical analysis of knowledge transfer in the creative domain.

Glenn Dutcher
Ohio University

ABSTRACT:

Learning by doing has long occupied an important space within the literature where the underlying models and analysis are built upon observations from the manufacturing sector. While manufacturing is still a core component of many firm's production processes, firms are increasingly relying on creative processes. It is natural to question the extent to which our collective knowledge on learning by doing applies to this domain. In this study, we address one of the foundational concepts of learning by doing: can learned creative knowledge be transferred to the organization? We test the core question in a controlled laboratory experiment.

Author(s): E. Glenn Dutcher, Cortney S. Rodet
Topic: Markets: Industrial Organization, Applied Economics: Other
[Back to session: Bounded Rationality and Learning 3](#)

Liquidity constraints and buffer stock savings: Theory and experimental evidence

John Duffy
University of California, Irvine

ABSTRACT:

We provide a direct, experimental test of the buffer stock model of savings behavior. We use a three-period intertemporal model of consumption/savings decisions where liquidity in the second period is constrained (and, thus, borrowing is not possible). We contrast behavior in this constrained version of the model with an unconstrained version where there is no liquidity constraint. We also consider two different variances for the stochastic income process, resulting in a 2x2 experimental design. We test the comparative statics predictions of the model and find that, in contrast to these predictions, the liquidity constraint does not increase savings in the first period of the constrained model relative to the first period of the unconstrained model. However, we find strong support for all of the other comparative statics predictions of the model, e.g., the impact of a higher variance of income on savings behavior and differences between period 1 and period 2 savings. In further analyses, we find that we can rationalize the departures that we observe from model predictions by some combination of debt aversion, heterogeneity in cognitive abilities and/or learning.

Author(s): John Duffy and Andreas Orland
Topic: Markets: Macroeconomics, Decision Theory: Bounded Rationality

Strategic Experimentation with Uniform Bandit: An Experimental Study

O'Sub Kwon
Ohio State University

ABSTRACT:

First-hand knowledge is often acquired through risky experimentation, but how do people perform experimentation when they can learn from each other (i.e., information spillover)? We develop and experimentally test a two-armed bandit model that is adapted from that of Keller et al. (2005). Our model predicts that, in any perfect Bayesian equilibrium, the information generated by a group of players is no more than that generated by a single player. To implement this model in the lab, we design a novel dynamic information structure that trivializes the posterior calculation for any sequence of signal realization. We find that 1) when experimenting alone, the median subject stop experimenting at almost exactly at the theoretically predicted cutoff belief, that 2) when experimenting with others, the subjects tend to stop experimenting at a lower belief than when they would do alone, thus generating more information, which is against the theoretical prediction, and that 3) the subjects only react to the posterior belief and do not condition their actions on what other players did in the past, which implies that the additional information generated by a group is not supported by punishments and rewards.

Author(s): OSub Kwon

Topic: Games: Information, Games: Repeated Games
[Back to session: Bounded Rationality and Learning 3](#)

Sequential Learning in the Lab

Pellumb Reshidi
Princeton University

ABSTRACT:

We theoretically study how the timing of information arrival affects beliefs formed withing a social network, in which learning is carried out through a naive social learning model. We find that the timing of information arrival affects the final beliefs, and identify links between the features of the information sequences and the final beliefs. Motivated by theoretical predictions we build an experimental setup in which we can vary the timing of information while keeping all other elements, such as the network structure, the group members, and the difference between the signals themselves, unchanged. We find that the timing of information affects beliefs not only in theory but in the lab as well, and that this is done in a manner that can be predicted by our theoretical model. Different information sequences have the groups' beliefs converge to different final beliefs although the information content is identical. Estimation of a structural model reveals that both the Bayesian and the sequential DeGroot benchmarks do a poor job in predicting the belief dynamics of the participants in the lab. In contrast, a version of the sequential DeGroot model that allows for anchoring on signals and more flexible weights on previous actions, does a much better job in predicting the participants behavior. Other phenomenon not hypothesized about emerge, such as participants overconfidence with regards to their own signals.

Author(s): Pellumb Reshidi

Topic: Games: Networks, Games: Information
[Back to session: Bounded Rationality and Learning 3](#)

On the effectiveness of randomly generated donations: Evidence from an online experiment

Jing Li
Dongbei University of Finance and Economics

ABSTRACT:

Maintaining a healthy level of charitable giving often requires a sustained inflow of small donations from regular donors. Yet, both in the real world and in the laboratory, people rarely make small donations -- many would instead give nothing than give little. In recent years, online fundraising platforms in China have begun to employ novel fundraising strategies designed to raise money from many, including one I refer to as "Randomly Generated Donations (RGD)." When determining whether and how much to donate, individuals can click on an "I'm feeling lucky" button, which allows the background program to draw a random amount from a distribution unknown to donors. I conducted an online experiment to examine how two representative features of the RGD design affect donor participation, average donation, and total donation raised in a one-time request for donations. The donation request appeared as the last question of an online survey. The survey respondents were paid 10 RMB for completing the questionnaire and asked to donate part of it to a charity that supports the fight against the COVID-19. I randomly assigned survey respondents to the four experimental conditions of a 2x2 factorial design. In the first dimension, I varied whether subjects see a suggested maximum donation (MD) when making a donation choice. In the second dimension, I changed whether they can delegate the donation decision to a random device (RD). I found that both MD and RD had a negligible effect on the rate of giving, but they both significantly affected the amount donated conditional on participation. MD shifted the distribution of the amount given towards the range upper-bounded by the recommended maximum, while RD created a cluster around the default amount for the random option. These results suggest that under the RGD scheme, fundraisers could indeed increase total donation by designing the distribution of randomly drawn gifts in specific ways, but the resulting change in total contribution would mostly come from adjustments made on the intensive margin. Simulation results based on the choice data show that the total donation raised in the RD group would exceed that in the control group only when the randomly drawn contributions come from a distribution with a mean donation of 5 RMB or higher. Therefore, when designed to encourage small donations, RGD is unlikely to have a positive net effect on total contribution. Further research on how RGD impacts donor welfare and its effectiveness in repeated requests is needed.

Author(s): Jing Li

Topic: Applied Economics: Charitable Giving, Applied Economics: Charitable Giving
[Back to session: Charitable Giving 5](#)

Givers Give: Using Dictator Game Allocations to Predict Charitable Contributions

Nishita Sinha
Texas A&M University

ABSTRACT:

Dictator game is used widely to elicit the altruistic preferences of individuals. At the same time, doubts have been raised about the sensitivity of dictator allocations to small changes in experiment design and consequently its usefulness in predicting altruistic behavior in the field. In this study, we follow the class of 2020 at Rice University to explore the power of lab-based dictator allocations in the first year of their attendance at Rice (2016) in predicting participants' charitable contributions through their college-term. More specifically our participants are asked to trade-off their earnings for donations toward Hurricane Harvey relief in 2018, the Australian Bush Fire relief in 2020 and COVID relief in 2020. Besides the charitable cause itself, the decision-making environments also differ from each other with respect to the design of the "ask." We find that while students become less other-regarding through their college-term, dictator allocations robustly predict their charitable contributions across all the three contexts. Finally, we elicit social norms of giving in dictator games for different recipients (a student vs. a charity) and show that differences in giving behavior are closely related to differences in social norms of giving across the two environments.

Author(s): Nishita Sinha, Catherine C. Eckel, Rick K. Wilson

Topic: Applied Economics: Charitable Giving, Methodology: Lab, Field and External Validity

[Back to session: Charitable Giving 5](#)

Earnings, charitable giving, and work performance

Santiago Sautua

Universidad del Rosario, Department of Economics

ABSTRACT:

Using a field experiment, I examine how charitable giving out of labor income is affected by some aspects of the timing and implementation of the donation ask. The likelihood of giving increases when the ask occurs promptly after a pay raise announcement, compared to a situation in which subjects receive the same final wage directly. This effect disappears when subjects are asked to commit to a future donation rather than to an immediate one, or when they face the ask one week after the raise announcement rather than on the same day. In addition, alerting subjects to the upcoming ask one week earlier significantly reduces donations relative to a surprise ask. I supplement the investigation of giving behavior with an analysis of work performance, and find that the raise announcement increases productivity. Using data on elicited mood, I explore its role in giving behavior and productivity.

Author(s): Santiago Sautua

Topic: Applied Economics: Charitable Giving, Social Behavior: Other-regarding Preferences

[Back to session: Charitable Giving 5](#)

Examining Donor Preference for Charity Religious Affiliation

Jonathan Oxley

Florida State University

ABSTRACT:

This paper uses a laboratory experiment to determine how charity religious affiliation drives donor preference and giving. Subjects choose from one of eight charities, with each charity varying in religious affiliation. Masked and unmasked sessions differ in the knowledge of the religious affiliation of half the charities, with masked sessions omitting the religious affiliation of the aforementioned charities. My results show that adding additional religious language decreases donation frequency for Christian charities competing exclusively against other religious charities. Additionally, adding religious language increases the average donation size for secular charities competing against Christian charities, but decreases average donations for Christian charities competing exclusively against other religious charities. Subjects prefer charity religious affiliation to match their own religious identity; however, subject strength of religiosity is more predictive in charity choice than religious affiliation of the donor. My results indicate that religiously affiliated charities have financial incentive to selectively display their affiliation.

Author(s): Jonathan Oxley

Topic: Applied Economics: Charitable Giving, Decision Theory: Preferences

Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3513203

[Back to session: Charitable Giving 4](#)

Is it my Donation or Theirs? Testing Motives for Charitable Giving under Cause-Marketing

Nishita Sinha

Texas A&M University

ABSTRACT:

Does Cause-Marketing result in higher total donations? We test models of charitable giving - pure altruism and pure warm-glow - when third-party donations accrue via cause-marketing (CM) to determine if CM increases the total funds raised or crowds-out private donations to a charity. To test for pure altruism, we increase a third-party's charitable contribution that accrues per-unit of private good consumption, while simultaneously affecting an equivalent increase in the price of the private good. In the extant literature on giving motivations, pure altruism is associated with full crowding-out. In a general utility framework, we show that under cause-marketing, full crowding-out is also true for impure altruists who do not distinguish between their direct giving and donations through CM. Our results indicate that participants in our laboratory experiment attach significantly higher value to their direct donations than donations through CM, resulting in higher total contributions.

Author(s): Nishita Sinha, Marco A. Palma, Richard T. Woodward

Topic: Applied Economics: Charitable Giving, Methodology: Experimental Design, Tools and Practices

Link: sites.google.com/site/nishitasinha9

[Back to session: Charitable Giving 4](#)

A Kuhn-Tucker Model for behaviour in Dictator Games

Peter Moffatt

University of East Anglia

ABSTRACT:

We consider data from a dictator game experiment in which each dictator is repeatedly exposed to two different treatments: a Giving treatment in which the amount given to the recipient is constrained to be non-negative; and a Taking treatment in which the amount taken from the recipient is constrained to be non-negative. Another key design feature is that the price of transferring is varied between tasks. The data is used to estimate the parameters of a Stone-Geary utility function over own-payoff and other's payoff. Between-subject heterogeneity is assumed in one of the selfishness parameters. The econometric model incorporates zero observations (e.g. zero-giving or zero-taking) by applying a version of the Kuhn-Tucker theorem and treating zeros as corner solutions in the Dictator's constrained optimisation problem. The method of maximum simulated likelihood (MSL) is used for estimation. We find that the average dictator exhibits a strong degree of selfishness in the sense of having a high subsistence level for own payoff. However, once this basic need is met, dictators appear willing to share the remaining endowment equally. Above all, we find that selfishness is lower in taking tasks than in giving tasks, and we attribute this difference to the "cold prickle of taking".

Author(s): Peter Moffatt and Graciela Zavallos Porles

Topic: Social Behavior: Other-regarding Preferences, Methodology: Other

Link: ideas.repec.org/p/uea/wcbess/20-03.html

[Back to session: Charitable Giving 4](#)

'Hiding behind the small cake' in an Online Dictator Game: The way you hide matters!

Tabare Capitan
University of Wyoming

ABSTRACT:

Abstract: In an online dictator game in which receivers have incomplete information of the size of the endowment (big or small), Ockenfels and Werner (2012) show that a few givers who received the big endowment use their giving to signal they received the small endowment (i.e., to lie). In other words, even though a giver will never meet the corresponding receiver, he cares enough about how he could be perceived by others to lie (i.e., second-order beliefs enters his utility function). In our experiment we provide givers with the opportunity to lie about the size of the endowment without using their giving. Similar to Ockenfels and Werner (2012) we find that (i) few take the opportunity to lie—but those who do give less when their giving is not constrained by its role as a signal— and (ii) givers are more likely to lie when the lie is private. However, using a second stage in the experimental design, we show that liars are the most responsive group of givers to a simple message stating the expectation of the receiver.

Author(s): Byeong-Hak Choe, Benjamin White, Jason Shogren

Topic: Applied Economics: Charitable Giving, Methodology: Experimental Design, Tools and Practices

[Back to session: Charitable Giving 4](#)

On the Experimental Identification of Altruism in Normal-Form Games

Christian Alcocer
Xavierian University

ABSTRACT:

Altruistic components of players' strategies in simple normal-form games are identified and measured: behavior skews closer towards mixed Nash equilibria (NE) when doing so does not affect the total surplus subjects collectively obtain. Taking advantage of the distinction between row and column players in asymmetric games, and using treatments with NE-playing bots, we show that when playing against virtual players (rather than peers), players are significantly more likely to prioritize personal payoff maximization over altruistic surplus-maximization, reproducing a sequential bargaining pure-strategy result by Johnson et al. (2002). We argue that the difference between treatments is a measure of social welfare consideration and propose a simple model of this behavioral bias that has a better adjustment with our experimental data than other equilibrium and off-equilibrium concepts including NE and QRE. Furthermore, this model predicts NE play in some games and off-NE play in others. Our results confirm this prediction. Interestingly, within our framework, this implies that while players are affected by an altruistic bias, they seem to assume other players are not.

Author(s): Christian Alcocer

Topic: Applied Economics: Charitable Giving, Methodology: Experimental Design, Tools and Practices

[Back to session: Charitable Giving 3](#)

Donations and Expectations

Luis Avalos Trujillo
University of California, Davis

ABSTRACT:

We investigate donation behavior and its dependence on expectations in the form of second order beliefs. The relationship is studied in a laboratory context through a modified third-party dictator game where the receiving end is a charitable organization and the third party is a volunteer from one such organization whose role in the game is to provide an expectation in the organization's behalf. We advance a model of reference dependent altruism and compare its predictions with other competing hypothesis. Results from a pilot experiment are presented. Further directions of research are also presented, the main one consisting of an experimental test of the reference dependent altruism model.

Author(s): Luis Avalos-Trujillo and Anujit Chakraborty

Topic: Applied Economics: Charitable Giving, Social Behavior: Other-regarding Preferences

[Back to session: Charitable Giving 3](#)

Eating To Save The Planet: Evidence from a Randomized Control Trial Using High-Quality Food Purchase Data

Joshua Tasoff
Claremont Graduate University

ABSTRACT:

Abstract. Meat consumption is a major driver of climate change. Interventions that reduce meat consumption may improve public health and promote environmental sustainability. We conducted a randomized controlled trial to examine the effects of an awareness-raising intervention on meat consumption. We randomized undergraduate classes into treatment and control groups. Treatment groups received a 50-minute lecture on how food choices affect climate change, along with information about the health benefits of reduced meat consumption. Control classrooms received a lecture on a placebo topic. We analyzed 49,301 students' meal purchases in the college dining halls before and after the intervention. We merged food purchase data with survey data to study heterogeneous treatment effects and disentangle mechanisms. Participants in the treatment group reduced their purchases of meat and increased their purchases of plant-based alternatives after the intervention. The probability of purchasing a meat-based meal fell by 4.6 percentage points ($p < 0.01$), whereas the probability of purchasing a plant-based meal increased by 4.2 percentage points ($p = 0.04$). While the effects were stronger during the semester of the intervention, dietary shifts persisted and remained statistically significant through the full academic year. Our study provides evidence that an intervention based on informing consumers and encouraging voluntary shifts can effectively reduce the demand for meat. Our findings help to inform the international food policy debate on how to counter rising global levels of meat consumption to achieve climate change goals. To our knowledge, our study is the first to assess the effectiveness of an educational intervention to reduce meat consumption using such high-quality data (i.e. individual-level food purchases) over a prolonged period.

Author(s): Andrew Jilil, Joshua Tasoff, Arturo Vargas Bustamante
Topic: Social Behavior: Norms and Morals, Field Experiments: General
Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3444642
[Back to session: Charitable Giving 3](#)

The Effect of Seed Money and Matching Gifts in Fundraising: A Lab Experiment

Piruz Saboury
Texas A&M University

ABSTRACT:

Existing experimental studies find weak support for the theoretical prediction that matching leadership giving alleviates free-riding and raises more voluntary contributions for public goods relative to seed money. However, while these experimental studies use exogenous variations of the leadership gift, theoretical models allow for this choice to be made by a strategic lead donor. In order to provide a more direct test of the theoretical prediction, we conduct a laboratory experiment with three strategic players: a fundraiser, a lead donor, and a follower donor. The fundraiser chooses between a matching and a seed money fundraising scheme, followed by sequential contribution decisions by the two donors. We find that matching increases overall average contributions by almost 10% relative to seed money. Moreover, under matching, there is a decrease in the leader's contribution, but the follower contributes significantly more. Interestingly, only a third of fundraisers choose the matching scheme, with the rest opting for seed money fundraising.

Author(s): Piruz Saboury, Silvana Krasteva, Marco Palma
Topic: Applied Economics: Charitable Giving, Games: Other
[Back to session: Charitable Giving 3](#)

Competition and Convergence in Complementary Contests

Daniel Stephenson
Virginia Commonwealth University

ABSTRACT:

This study experimentally investigates conflicts where agents allocate resources to compete in multiple complementary contests. The unique Nash equilibrium is shown not to depend on the level of competitiveness. In contrast, adaptive models predict faster convergence to equilibrium in less competitive settings. We test these theoretical predictions in a laboratory experiment where participants repeatedly compete over two complementary contests. As predicted by adaptive models, we observe faster convergence to equilibrium in less competitive settings. These results suggest that adaptive models can help predict the rate at which boundedly rational behavior approaches equilibrium predictions.

Author(s): Daniel Stephenson
Topic: Games: Contests, Games: Repeated Games
[Back to session: Contests 1](#)

Is Gender Difference in Competitive Behavior History Dependent?

Elaine Rhee
University of Arizona

ABSTRACT:

This paper tests whether men and women of the same ability differ in willingness to enter a competitive environment when there is an adverse history with the competitor. A laboratory experiment was conducted to investigate whether previous interactions can explain individual differences in tournament entry decisions. One experimental treatment involved unfair history by choice, and the other involved unfair history by accident. The results show that both men and women tend to compete more when an unfair outcome occurred by the competitor's choice. Furthermore, there is a gender gap in how much unfair history affects one's tournament entry decision. Men react more sensitively to unfair history than women, in that they enter the tournament more. Emotions partially explain this gender difference. In contrast, unfair history by accident does not influence the tournament entry decisions of either gender. In general, unfair history aggravates the performance of women, but has no effect on the performance on men.

Author(s): Elaine Rhee
Topic: Games: Contests, Psychology and Biology: Gender and Individual Differences
Link: www.dropbox.com/s/2y71t5soxuf9x94/Rhee_History_Competitive_Behavior.pdf?dl=0
[Back to session: Contests 1](#)

Costly Waiting in Dynamic Contests: Theory and Experiment

Jian Song
George Mason University

ABSTRACT:

We extend the war of attrition by studying a three-period dynamic contest game. Players can either wait, flee or fight at different periods of the game. Waiting is costly, players can win the prize, plus a positive “deterrence value”, if their opponents flee earlier. We show that the ratio of waiting cost to deterrence value is a key factor to determine the type of equilibrium. Specifically, as waiting cost increases, game ends earlier, less fighting occurs and weaker players are more likely to flee firstly. Experiments verified most key features of our model. However, as waiting costs get larger, the treatment difference gets smaller. Moreover, within the same treatment, game ends earlier and less battle occurs than theory predicts.

Author(s): Jian Song , Daniel Houser
Topic: Games: Contests, Public Choice: Other
[Back to session: Contests 1](#)

Testing Conflict Theory in the Field: A Field Experiment in Swimming Pools

Roman Sheremeta
Case Western Reserve University

ABSTRACT:

We conduct a natural field experiment on conflict in swimming pools. When all lanes are occupied, one of our confederates joins a randomly selected lane and asks one of the swimmers to move to another lane. The lane represents a contested club good. We vary the confederates' valuation (high and low) for the good through the message they deliver. Also, we take advantage of the natural variation in the number of swimmers and their speed to proxy for the swimmers' valuation of the good. Consistent with the theory of contests, swimmers react strategically: (1) the higher the confederate's valuation, the more likely the swimmer is to leave the lane; (2) the higher the swimmer's own valuation, the less likely they are to leave; (3) the higher the opportunity cost of moving, the less likely the swimmer is to leave.

Author(s): Loukas Balafoutas, Marco Faravelli, Roman Sheremeta
Topic: Games: Contests, Methodology: Lab, Field and External Validity
[Back to session: Contests 1](#)

Heterogeneous group contests with incomplete information

Vasudha Chopra
The University of Tennessee

ABSTRACT:

This study examines how behavior in group contests is altered when players have incomplete information on the incentives facing their opponent. In particular, we consider a group Tullock contest where there are two possible types of groups that are heterogeneous in the incentives they face, and while players are aware of their own group type, they only know the probability their opponent is a particular type. As a departure from the related literature, but motivated by prior experimental evidence, we consider a standard “self-interest” theory model as well as a “within-group cooperation” model where people behave in a way that maximizes the welfare of the group. Relative to a contest with complete information, we find theoretically that incomplete information lowers cumulative effort in contests that are even (i.e., symmetric), whereas it increases contest-level effort in uneven contests. Using experiments, we examine separately three sources of heterogeneity – differences in effort cost, the value of the prize for winning team members, and group size. For the cost and value treatments, we find that incomplete information increases effort in uneven contests but has no effect in even contests. For the group size treatments, incomplete information has no effect on average, which is predicted by the self-interest model. Nevertheless, the group-level effort for all treatments is closely aligned with the point predictions from the within-group cooperation model. Moreover, as unilaterally predicted by the within-group cooperation model, when groups of different size compete, effort is significantly higher for the larger group.

Author(s): Vasudha Chopra, Hieu M. Nguyen and Christian A. Vossler
Topic: Games: Contests, Games: Information
Link: volweb.utk.edu/~cvossler/files/GroupContest.pdf
[Back to session: Contests 2](#)

Contests with Network Externalities: Theory and Experiment

Christopher Brown
Purdue University

ABSTRACT:

In a standard model of competitive contests, participants who do not win are assumed to be indifferent between allocations with respect to the identity of the winner. Yet, there are many important settings where the prize generates externalities for other (non-winning) players. We consider Tullock (1980) contests in which players are connected within a network. The prize generates an externality (which may be positive or negative) that affects the payoffs of any players who are connected to the winner of the contest. We characterize symmetric equilibria for two broad classes of networks and derive comparative statics predictions based on the network structure and the size (and sign) of the externality. Intuitively, stronger positive externalities tend to reduce equilibrium effort and encourage free-riding, while negative externalities intensify competition and increase equilibrium effort. We design and conduct a lab experiment, varying the network and the externality in order to test the comparative statics predictions and explore the interaction between network characteristics, externality size, and investment. Our results provide support for most, but not all of the comparative statics predictions. Moreover, we observe substantial over-investment (on average) compared to the theoretical point predictions, with two exceptions. However, compared to what is observed in standard contest experiments, we observe differential rates of over-investment across treatment conditions. We discuss two key explanations for these findings: “joy of winning” and social preferences. While the former has become a popular explanation for behavior in contests, the latter is a novel contributing factor that emerges due to the presence of externalities in the environment.

Virtual Teams for the Modern Workforce: A Field Experiment

Yan Chen
The University of Michigan

ABSTRACT:

Hailed as the future of work, the gig economy has provided flexible and low-barrier job opportunities for millions of workers around the world. However, many gig platforms suffer from high attrition, partially due to the lack of organization identity and social bonds. Here, we investigate the efficacy of virtual teams to increase productivity and decrease worker attrition in a ride-sharing platform. Using a large-scale natural field experiment with 27,790 drivers, we organize drivers into virtual teams and inject daily information regarding their team ranking, or individual ranking within a team, or individual performance without social comparison (control) during a three-week intervention. We find that drivers in the team-ranking treatment are significantly more productive than those in the control condition; they are also more likely to stay in the platform after the experiment ends. Lastly, within virtual teams, laggards benefit the most from team contest.

Author(s): Teng Ye, Wei Ai, Yan Chen, Qiaozhu Mei, Jieping Ye
Topic: Games: Contests, Field Experiments: General
[Back to session: Contests 2](#)

The Cooperative Consequences of Contests

Yilin Zhuo
UCLA

ABSTRACT:

Although contests are theoretically recognized as a highly effective method of motivation when resources are limited, recent studies (ex. Carpenter, Matthews and Schirm, 2010; Buser and Dreber, 2016) suggest that the competitive nature of contests could induce negative behavioral externalities in other domains. Using a laboratory experiment of real effort tasks with treatments varying by compensation schemes, we test the effect of different types of contest formats and their outcomes on pro-social behavior as measured by choices in social dilemma games. Across subjects, we examine the relative impacts of the all-pay auction contest, Tullock contest (probabilistic winning), proportional contest and piece-rate payment with social comparison. While pro-social behavior generally decreases after a competition, it decreases most robustly in the proportional contest, driven mostly by heightened equilibrium behavior in the prisoner's dilemma and trust games. Compared to a ranking of compensation schemes based on effort to earnings ratios, our results provide relatively stronger support for the idea that cooperative behavior after a competition is tied to subjects' potential perceptions regarding obtaining 'fair' outcomes within the contest. We further analyze the differential effects among winners and losers of the contests, and find that while losing a contest generates low feelings among participants, it does not drive the overall drop in pro-sociality. Our study has managerial consequences for structuring incentives in the workplace when a combination of competition and cooperation is necessary among workers.

Author(s): Jaimie W. Lien, Jie Zheng, Yilin Zhuo
Topic: Games: Contests, Social Behavior: Other-regarding Preferences
[Back to session: Contests 2](#)

Revealing Choice Bracketing

David Freeman
Simon Fraser University

ABSTRACT:

In a decision problem comprised of multiple intermediate choices, subjects may fail to take into account the interdependencies between their choices. We design and deploy a novel experiment to understand how people make decisions in such problems. We provide revealed preference tests of three models of choice bracketing: broad, narrow, and partial-narrow. We apply these tests in three experiments to determine how subjects bracket in portfolio allocation under risk, social allocation, and induced-utility shopping experiments. 40-44% of our subjects are consistent with narrow bracketing, while only 0-15% are consistent with broad bracketing. Classifying subjects while adjusting for models' predictive precision, 75% of subjects are best described by narrow bracketing, 14% by broad bracketing, and 3% by intermediate cases.

Author(s): Andrew Ellis
Topic: Decision Theory: Bounded Rationality, Decision Theory: Preferences
Link: arxiv.org/pdf/2006.14869.pdf
[Back to session: Decision Theory 1](#)

Unawareness and Risk Taking; The Role of Context

Felipe Augusto de Araujo
Lehigh University

ABSTRACT:

We study the effects of exposure to unawareness on risk taking using a novel experimental task, which has solutions that are difficult to find, but easy to verify and so exposes subjects to unawareness in a natural way. We find that exposure to unawareness alone does not affect risk taking. The role of context, however, is shown to be important. For the treatments inducing unawareness, subjects are more risk averse when the investment decision is framed in the same context as the complex task versus framed in a neutral way; we observe no such differences for the control treatment.

Author(s): Felipe A. Araujo and Evan Piermont
Topic: Decision Theory: Other, Decision Theory: Learning

Reference-Dependent Mixing Under Losses: An Experimental Study of Randomization

PAUL FELDMAN
JHU

ABSTRACT:

This experiment explores the relationship between framing effects and a preference for randomization. We employ gain/loss framing while keeping the distribution over final payments constant. We find subjects are less likely to randomize when questions are framed as losses. Moreover, subjects are more likely to make choices consistent with utility maximization under the loss frame. We conclude how choices are framed affect when and how individuals randomize.

Author(s): Paul Feldman, and John Rehbeck
Topic: Decision Theory: Risk, Decision Theory: Preferences
Link: sites.google.com/view/pfeldman/research
Back to session: [Decision Theory 1](#)

Hard-to-Interpret Signals

Yoram Halevy
University of Toronto

ABSTRACT:

Decisions under uncertainty are often made with information that is (ambiguous or) difficult to interpret because multiple interpretations are possible. For example, during the COVID-19 pandemic, policy-makers based their decisions on the fatality rate among tested and confirmed individuals, which is only an ambiguous signal of the overall fatality rate among the infected in the population -- a key unknown. Individuals may perceive and handle uncertainty about interpretation differently and in ways that are not directly observable to a modeler. This paper identifies and experimentally examines behavior that can be interpreted as reflecting an individual's attitude towards such uncertainty.

Author(s): Larry Epstein and Yoram Halevy
Topic: Decision Theory: Ambiguity, Decision Theory: Beliefs
Link: yoram-halevy.faculty.economics.utoronto.ca/signalambiguity/
Back to session: [Decision Theory 1](#)

Ordered Reference Dependent Choice

RC Xi Zhi Lim
Shanghai Jiao Tong University

ABSTRACT:

We study how violations of structural assumptions like expected utility and exponential discounting can be connected to reference dependent preferences with set-dependent reference points, even if behavior conforms with these assumptions when the reference is fixed. A unifying framework jointly and systematically relaxes general rationality (WARP) and structural postulates (e.g., Independence for risk preference, Stationarity for time preference) to capture reference dependence across domains. This allows us to study risk, time, and social preferences collectively, where seemingly independent anomalies like WARP violations and structural violations are interconnected by a single source—changing preferences due to reference dependence. In our setting, a linear order determines the reference points that influence preferences. In turn, they determine the preference parameters for the underlying choice problem (i.e., utility functions for risk, discount factors for time, utility from sharing for social).

Author(s): RC Xi Zhi Lim
Topic: Decision Theory: Preferences, Decision Theory: Other
Link: www.xzlim.com
Back to session: [Decision Theory 2](#)

Preference for Simplicity

Indira Puri
MIT

ABSTRACT:

This paper introduces and axiomatizes representations in which the agent assesses a lottery less favorably if it contains more outcomes. These representations, which we term simplicity theory, are motivated by experimental evidence. They capture as special cases expected utility, the certainty effect, and a range of laboratory and empirical phenomena. We compare simplicity theory to existing theories including expected utility theory and prospect theory. We provide parametric examples of simplicity theory, and relate the theory to applications including risk aversion, frequency with which people choose dominated options, cognitive psychology research, and household financial behavior.

Author(s): Indira Puri
Topic: Decision Theory: Preferences, Decision Theory: Bounded Rationality
Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3253494
Back to session: [Decision Theory 2](#)

Risk Preferences across Categories: Theory and Evidence

Mark Schneider
University of Alabama

ABSTRACT:

Recent studies have tested whether people treat multidimensional risky choices in the same manner as unidimensional monetary lotteries and found that choices over consumer goods are less risk-averse and more consistent with expected utility theory than choices over monetary lotteries. We demonstrate that these findings are predicted by a salience-based model of category-dependent preferences that also explains the classic anomalies for choices under risk. Additionally, we experimentally verify novel predictions of this categorical salience theory. In an experiment with consumer goods, we find people are less risk averse for cross-category choices than within-category choices. In a separate portfolio choice experiment we observe naive diversification when distinct assets are salient and true diversification when distinct states are salient. We further apply the model to explain puzzles in insurance markets and principal agent settings: the greater demand for categorized insurance over comprehensive and the effectiveness of non-monetary incentives in employment contracts.

Author(s): Mark Schneider, Cary Deck, Patrick DeJarnette
Topic: Decision Theory: Risk, Decision Theory: Preferences
[Back to session: Decision Theory 2](#)

Six Contradicting Deviations from Rational Choice, and the Impact of Experience

Ido Erev
Technion

ABSTRACT:

To help predict choice behavior, behavioral economics research tries to identify robust deviations from rational choice. Our analysis questions the value of this convention and proposes an alternative. First, we demonstrate that the best-known deviations from rationality are not robust; they can be reversed by small changes in the incentive structure. For example, behavior consistent with loss aversion becomes behavior consistent with overconfidence (the opposite bias) when changing the correlation between the outcomes. We present six pairs of contradicting deviations. Then, we highlight the potential of focusing on the impact of experience: A simple model assuming reliance on small samples of experiences captures all 12 contradicting deviations and provides useful ex-ante predictions. These predictable effects of experience on behavior can facilitate design of public policies.

Author(s): Eyal Ert, Ori Plonsky, Yefim Roth
Topic: Decision Theory: Learning, Decision Theory: Risk
[Back to session: Decision Theory 2](#)

Changes in higher order risk attitudes during a pandemic: the impact of rapid increases in health background risk on financial decisions

Irene Mussio
McMaster University

ABSTRACT:

Individuals make economic decisions while being exposed to a multitude of risks that they cannot completely control: risks such as pandemics, chronic illnesses, income instability or environmental hazards. One of these risks is the current coronavirus disease (COVID-19). The disease itself represents an additional risk for individuals, and it has determined a series of harsh measures around the world to contain it, including lockdowns and quarantines. However, the illness as well as quarantine measures have prompted changes in behavior. Some examples of these changes include impulse purchasing, hoarding non-perishable goods, or even defying government rules to social distance or self-isolate. Among all these behaviors, we propose to understand changes in behavior involving financial decisions determined by the exogenous introduction of COVID-19 in people's lives. In this study we test the impact of an increase in background risk on risk aversion, prudence and temperance (higher order risk attitudes or HORA), which have strong implications on economic decision making. We propose to extend the literature on HORA by using a controlled experiment to examine the impact of exogenous increases in health background risk on a financial, "primary risk" decision. We elicit HORA using an experimental risk apportionment approach which was developed by Eeckhoudt and Schlesinger (2006) and Eeckhoudt et al. (2009). This approach uses 50-50 lottery pairs to define risk aversion, prudence and temperance (Eeckhoudt et al. 2009, Crainich et al. 2013). We follow with a questionnaire that includes socioeconomic questions and questions about beliefs about COVID-19 and behaviors during the pandemic. The experiment took place in May 2020 (during the COVID-19 lockdown). We find that there is no change in risk or HORA using risk apportionment measures. This result is driven by the adaptation of individuals to the current level of overall/country risk associated to COVID-19, in terms of adjusting their behavior to prevent contagion (for example, by being more prudent in terms of washing hands, staying at home and socially distancing). However, beliefs about their own individual degree of riskiness have significantly changed, especially for men, who are differentially impacted in terms of employment by the pandemic and self-report being more risk averse.

Author(s): Abdul Kidwai Irene Mussio, Maximiliano Sosa Andres
Topic: Decision Theory: Beliefs, Decision Theory: Risk
[Back to session: Decision Theory and Covid-19](#)

Socially Optimal Mistakes? Debiasing COVID-19 Mortality Risk Perceptions and Prosocial Behavior

Martin Abel
Middlebury College

ABSTRACT:

The perception of risk affects how people behave during crises. We conduct a series of experiments to explore how people form COVID-19 mortality risk beliefs and their implications for prosocial behavior. We first document that people overestimate their own risk and that of young people, while underestimating the risk old people are facing. We show that the availability heuristic contributes to these biased beliefs. Debiasing people's own risk perception does not affect donations to the CDC and even decreases how much people invest in learning to protect older people. Including information on the risk for the elderly counteracts these negative effects. Importantly, debiasing seems to operate through the subjective categorization of and emotional response to new information.

Uncovering the effects of COVID-19 on stress, well-being, and economic decision-making

Laura Razzolini
University of Alabama

ABSTRACT:

To counter the public health emergency caused by the spread of COVID-19, on April 5, 2020 Governor Ivey issued a “stay-at-home” executive order for all Alabamians to remain in effect until April 30. The order enforces so-called ‘social distancing measures’ to limit the spreading of new infections by banning social gatherings in public spaces. Because of the social distancing measures, the fear of income and employment losses and the fear of friends, family or oneself becoming infected, COVID-19 poses massive burdens on individuals’ mental well-being. Existing literature has shown that increased stress levels through war or natural disasters may lead to changes in decision-making that induce negative economic consequences in the long-run, thereby establishing a ‘poverty trap.’ Following that reasoning, the COVID-19 pandemic may have negative long-term consequences if it affects well-being and decision-making. In prior work, we used the closure of I59/20 to investigate the non-monetary costs of traffic congestion. Specifically, in two waves during the closure of I59/20, using incentivized experiments and an on-line survey, we collected data on commute patterns, self-reported stress levels, self-reported measures of well-being, and a variety of economic decisions. This data allowed us to provide evidence that stress induced by traffic and congestion does affect individuals’ choices in terms of more risk-seeking behavior, impatience, increased valuation of immediate gratification and increased selfishness. The proposed work will employ the same experiments and survey questions, as used in the prior waves, in a third wave of data collection, with the aims of: 1) Investigating the effects of a pandemic on stress, mental and physical well-being and economic decision-making, by comparing decisions made in the third wave (i.e. since the outbreak of COVID-19) to decisions made in the first two waves (i.e. before the outbreak of COVID-19). Hence, we will infer how COVID-19 has changed perceived stress levels, mental well-being and economic decisions in the domains of risk, time, altruism and morality. 2) Understanding compliance with the stay-at-home-measures and trust in the institutional bodies, by eliciting the beliefs about the effectiveness of different measures, trust in and perceived truthfulness of the national and local governments, the WHO and the Centers for Disease Control. 3) Evaluating the welfare effects of a pandemic, by quantifying individuals’ willingness to pay, both in terms of money and lifetime, to avoid the effects imposed by COVID-19.

Author(s): Andreas Loeschel, Mike Price and Madeline Werthschulte,
Topic: Decision Theory: Preferences, Applied Economics: Labor Market
[Back to session: Decision Theory and Covid-19](#)

Altruism and social distance: An online dictator game in China during COVID-19 outbreak

Qiujie Zheng
University of Alaska Anchorage

ABSTRACT:

Dictator games have been used in analyzing human altruistic behavior, and laboratory experiments show that participants typically give out about 28% of their gains instead of maximizing their own payoffs (Engel, 2011). Literature shows that the generosity in giving increases in the presence of social influence, which refers to the amount of information provided to the giver on the identity of the recipient or the emotional proximity induced by the situation (Charness and Gneezy, 2008; Brañas-Garza et al, 2010). Social distance influence was tested through social context or information cues in existing studies, but it also interrelates with geographical distance and social identity, which is under-studied. In this paper, we use an online dictator game to explore altruistic behavior during COVID-19 outbreak in China, under a variation of social distance context relating to geographical distance and social identity. After the COVID-19 was first detected in Wuhan, China, provincial and city governments started to take strict measures and report status updates about their regions, which created a natural situation to form social identity related to geographical region. We used an online survey company, Dynata, which recruited 1200 participants, a representative sample from three cities in China, to participate in the online experiment. Every participant was endowed with \$5 earning by completing a consumer survey, and then played as a dictator who was also a potential recipient. We included four treatments providing recipient’s region/identity information: 1) no information (control); 2) a city experiencing outbreak; 3) the same city the dictator lives, experiencing outbreak; and 4) Wuhan, the epicenter of outbreak. Preliminary results show that online participants are generous and on average give more than half of their earnings. Their giving significantly increases when social distance is reduced. Social identity (city of Wuhan) plays a larger role than geographical distance (same city).

Author(s): Qiujie Zheng and H. Holly Wang
Topic: Social Behavior: Other-regarding Preferences, Games: Information
[Back to session: Decision Theory and Covid-19](#)

Scaling Up Fact-Checking Using the Wisdom of Crowds

ANTONIO ARECHAR
CIDE

ABSTRACT:

The spread of political misinformation on social media has become a major focus of societal concern in recent years. Professional fact-checking has received considerable attention for its potential to combat it. However, fact-checking typically falls far short of realizing its potential, due to problems with both scalability and trust. Here we explore a potential solution to both of these problems: applying the “wisdom of crowds” to make fact-checking possible at scale. We experimentally compare the ratings given to a set of 207 news articles by professional fact-checkers and 1,246 U.S. residents. We find that a crowd of approximately 10 laypeople given only the headline and lede can match the performance of fact-checkers researching the full article. We also provide some practical guidance for those wishing to employ such an approach: provide information about the article’s source.

Author(s): Jennifer Allen, Antonio A. Arechar, Gordon Pennycook, David G. Rand
Topic: Methodology: Experimental Design, Tools and Practices, Social Behavior: Other
[Back to session: Digital Messaging](#)

Measuring audio-advertising effectiveness with experiments and surveys on Pandora

David Reiley
Pandora Media, Inc.

ABSTRACT:

At Pandora, we have built two tools designed to measure the effectiveness of audio advertising via experiments. The first is a system to generate automatic control groups for ad campaigns and log counterfactual ad impressions to the control group ("ghost ads") for increased precision. The second is an in-app survey product that rewards listeners with ad-free listening in exchange for answering a small number of survey questions. This paper uses data from Pandora's internal survey product, with 100,000 observations collected from surveys conducted on more than 70 individual advertising campaigns, to study the effectiveness of Pandora audio advertising. First, we document significant lift on multiple metrics of advertising effectiveness; ad recall, sentiment towards product, and consideration to purchase. Second, filtering out respondents who fail attention checks increase lifts. Third, number of ads heard is positively correlated with treatment effects, but with diminishing returns. Fourth, treatment effects are persistent for up to a month after the advertising campaign ends. We also document some important sample-selection issues that can result from administering online surveys to treatment versus control listeners. We believe our findings provide useful insights for researchers aiming to use surveys to study advertising effectiveness.

Author(s): David Reiley, Jonas Tungodden

Topic: Field Experiments: General, Markets: Industrial Organization

Link: ["Note: My colleague Jonas Tungodden already submitted a version of this abstract. Please accept this new submission instead, as I would like to present this paper and Jonas would like to present a separate abstract he submitted."](#)
[Back to session: Digital Messaging](#)

Easy come easy go: a strong and immediate conversion effect that was also short-lived

Hongkai Zhang
Pandora Media

ABSTRACT:

In-app messages are widely used by digital services to encourage revenue-generating actions. Pandora Music delivers in-app messages to ad-supported listeners so they could start a free trial for the subscription tier with just a few clicks through these messages. We conducted a large-scale randomized experiment that suppressed these messages for some listeners for long periods of time. We found that the effect of in-app messages on conversions was significant but short-lived - in the first month, the suppression group was seeing fewer conversions every day, but the difference shrank significantly to almost zero after six months. Also, the cumulative difference, based on listeners in subscription status at any time point, stabilized after six months too. This outcome highlights the risk of solely relying on short-term conversion lift metrics. Also, the outcome is consistent with the reminder mechanism in which our messages mainly prompted already interested listeners to take actions earlier.

Author(s): Hongkai Zhang

Topic: Field Experiments: General, Methodology: Experimental Design, Tools and Practices

[Back to session: Digital Messaging](#)

Using audio ads to promote product features: an experiment with Pandora listeners

JONAS TUNGODDEN
Pandora

ABSTRACT:

We run a randomized experiment with more than 30 million Pandora users to test the effectiveness of using audio ads to promote product features. In our most successful treatment, product usage is twice as high for treated listeners. At first glance, we also detect an impact on listening hours. However, after correcting for a minor implementation error, we find no impacts on listening hours. To further understand mechanisms behind our results, we run more than 10,000 surveys to treated and control listeners. We find that treated listeners have more knowledge about the promoted products, but are not more interested in using the features conditional on knowledge.

Author(s): JONAS TUNGODDEN

Topic: Unknown: Unknown, Applied Economics: Charitable Giving

[Back to session: Digital Messaging](#)

Characterizing persistent disequilibrium dynamics: Imitation or optimization?

Alexander Brown
Texas A&M University

ABSTRACT:

A basic question in evolutionary game theory is whether individuals inherently make decisions through the imitation of others' play or optimization of anticipated payoffs. While experimental studies have investigated this question through equilibrium selection, various confounds concerning group payoffs have made these results difficult to interpret. We provide a novel alternative. Inspired by the Stroop task in cognitive psychology, we vary whether subjects are presented information where imitative strategies are apparent and optimization strategies must be inferred or the reverse in a continuous-time, mixed strategy, all-pay auction. Despite the vast amounts of data recorded from subject decisions--including decision time--we find little difference in any variable across treatments. The results suggest subjects respond to payoffs and information on the behavior of others in ways not directly captured by either imitative or optimization models.

Author(s): Daniel G. Stephenson; Alexander L. Brown

Topic: Games: Other, Psychology and Biology: Cognition

[Back to session: Evolutionary Models in Games](#)

Monetary Payoff and Utility Function in Adaptive Learning Models

Erhao Xie
Bank of Canada

ABSTRACT:

This paper studies the empirical properties and identification issues for a broad class of adaptive learning models, including experience-weighted attraction (EWA), payoff assessment, and impulse-matching models as special cases. First, I show that adding a non-zero constant to the utility function will affect players' learning dynamics. This contrasts with the expected utility theory, in which any affine transformation of utility preserves the same preference. This discrepancy emphasizes that the utility has a distinct interpretation in learning models, as compared to other contexts. Therefore, the utility that describes individuals' learning behaviors should be elicited or estimated in context of learning, rather than in other contexts, such as decision under risk. To achieve this goal, this paper specifies the utility as an unknown function of players' monetary payoff; in contrast to the common assumption that utility is known as monetary reward. I show that, under weak conditions, both utility function and learning parameters are identified. A Monte Carlo experiment is conducted to illustrate the finite sample property. At last, identification results are applied to estimate an experiment studied by Selten and Chmura (2008) and Chmura et al. (2012). I reject the null hypothesis that monetary payoff is utility. The introduction of estimated utility function increases both in-sample fitness and out-of-sample predictions.

Author(s): Erhao Xie

Topic: Decision Theory: Learning, Games: Repeated Games

Link: drive.google.com/file/d/1d5iLBpxOsfmBqFp8ysX7qX3AFpEIOS_F/view

[Back to session: Evolutionary Models in Games](#)

Strategy Space Collapse: Experiment and Theory

Zhijian Wang
Experimental Social Science Laboratory, Zhejiang University

ABSTRACT:

Successive elimination of dominated strategies (SEDS) is a simple mathematical technology to find Nash equilibrium, which will lead to the strategy space collapse. But, in real games experiments, the physical picture of the collapse process remain blank. We conducted the matrix form version of von Neumann 3-Card Poker game experiments to detect the process. In the repeated game data, besides observed the Nash distribution and social cycling in long run, we observed the pulse signals from dominated strategies before the dominated strategies extinction. We show that, all these observations, including Nash distribution and social cycling as well as the pulse signals, can be well explained by evolutionary game dynamics simultaneously and quantitatively. Our results illustrate that, SEDS or the space collapse processes, is a zone worthy to exploration for game dynamics.

Author(s): Zhijian Wang

Topic: Games: Repeated Games, Decision Theory: Learning

[Back to session: Evolutionary Models in Games](#)

Field games as triggers of water saving: an intervention in three rural water systems

Juan-Camilo Cardenas
Universidad de Los Andes

ABSTRACT:

Lab-in-the-field experiments can be used as "thermometers" to measure economic behavior, but they can be used also as "vitamins" to trigger changes in behavior. We conducted two waves of lab-in-the-field experiments based on the irrigation game (Cardenas et al. 2013) and collected information from water meters on actual water consumption in three local aqueducts of similar conditions. In one of the aqueducts (control) we only collected survey data and observed water consumption. In the second aqueduct, we conducted the irrigation game and collected data from a survey and water consumption, and in the third aqueduct we did the same and added a participatory community workshops to discuss the game experience and parallels with their daily affairs regarding water. We compare the water consumption for treated and control households and observe a positive effect of having participated in the games and the workshop in terms of water savings in the following months after participation. We also analyze data from the behavior within the games and explore elements of external validity and possible conjectures of why the games create an environment for a pedagogical process regarding water use and downstream externalities on others.

Author(s): Juan-Camilo Cardenas, Adriana Bernal, Diana Leon, Paula Sarmiento

Topic: Field Experiments: General, Methodology: Experimental Design, Tools and Practices

[Back to session: Field Experiments 2](#)

Determinants of Food Consumption Choices: Experimental Evidence from St. Kitts

Kaywana Raeburn
Union College

ABSTRACT:

Obesity is a leading public health concern across the world. In the Caribbean, obesity prevalence has almost tripled in the last 50 years, particularly among women. This rapid increase corresponds to shift in diet - increase in processed and energy-dense foods (Henry, 2011; 2016). In this paper, we use economics experiment laboratory instruments to measure time, risk and ambiguity preferences, which we then correlate with food choice factors (items that influence food choice) and actual food consumption measures. We find that present bias, and to a lesser extent risk preferences, are significantly correlated with the food choice factors of health, natural content, and weight control. We find these correlations to be less consistent with actual reported food choices. This finding suggests a discrepancy between what individuals ideally would like to eat and what they actually consume and indicates scope for intervention to bring the two into alignment.

Author(s): Kaywana Raeburn; Jim Engle-Warnick; Sonia Laszlo

Topic: Field Experiments: General, Applied Economics: Economic Development

[Back to session: Field Experiments 2](#)

Investigating the introduction of a regulatory fintech advancement designed to reduce limited attention regarding inactive saving accounts - data, survey, and field experiment

Maya Haran Rosen
Hebrew University of Jerusalem

ABSTRACT:

Dynamic global job markets and the increasing variety and complexity of worldwide retirement savings systems resulted in many lost and forgotten retirement savings accounts. This paper uses proprietary data, survey data and a field experiment to study the introduction of a unique fintech advancement – a centralized new website created by the Israeli regulator to help individuals find inactive retirement savings accounts and close them (i.e., withdraw the savings or transfer them to active accounts). The website lowered the information search costs. This regulatory fintech advancement was complemented with a new tax exemption designed to encourage the closing of inactive accounts in provident funds because of new minimum fees that came into effect. The government's efforts reduced limited attention but did not eliminate it: Proprietary data indicate that those who closed the inactive accounts live in proximity to the country's urban economic centers and in areas with a higher socioeconomic index than those who retained them. Survey data indicate that those who lacked financial literacy and confidence in their financial knowledge (proxies for costs) were less likely to act. The results of a controlled field experiment indicate that an intervention with a human touch can promote greater involvement and suggests that part of the limited attention is behavioral.

Author(s): Maya Haran Rosen and Orly Sade
Topic: Applied Economics: Other, Decision Theory: Bounded Rationality
Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=2929674
[Back to session: Field Experiments 2](#)

Trouble with Zero: The Limits of Subsidizing Technology Adoption

Pallavi Shukla
Johns Hopkins University

ABSTRACT:

Many beneficial technologies go unadopted, lowering productivity and constraining development. Recent research shows that large initial subsidies for technology adoption in developing countries can increase access, promote experiential learning, and boost long-run adoption. However, we know from research in the field of psychology that a price of zero is cognitively different from a positive price, and can affect consumer's valuation of the good owing to price reference dependence. In a two-stage randomized controlled trial with improved grain storage technology for farmers in India, we test whether free distribution, as opposed to small positive cost-share price, impacts technology access, use, and later willingness to pay. We find a strong effect of getting the product for free on lower subsequent willingness to pay. We find no evidence of reference dependence in the two treatment groups that received the technology at highly subsidized non-zero prices using a random price auction. All three treatment groups show evidence of increase in later willingness to pay driven by experiential learning effects and no differences in either the use of technology or the benefits derived from it. Thus, the difference in willingness to pay appears to be driven specifically by receiving the good for free. This difference does limit the prospects for long-run adoption: we estimate this lower willingness to pay by those who received the technology for free reduces long-run adoption by 20 to 30 percent compared to those who paid a positive price.

Author(s): Hemant K Pullabhotla, Kathy Baylis
Topic: Applied Economics: Economic Development, Field Experiments: General
[Back to session: Field Experiments 2](#)

Influencing youths' aspirations and gender attitudes through role models: Evidence from Somali schools

Danila Serra
Texas A&M University

ABSTRACT:

We conducted a field experiment in Somali schools, aimed at changing the aspirations and gender attitudes of male and female students. We randomly selected half of the schools to receive a role model treatment, consisting of a college student visiting the target classrooms. Within each treatment school, we randomly selected some grades to receive a visit from a female role model and some grades to receive a visit from a male role model. The college students talked about their study journeys, their challenges and their strategies to overcome such challenges. The visits took place at the end of the 2017-2018 academic year. We surveyed the older student cohort 2 years later, just before they graduated from school. While we find no evidence of a long-lasting impact of the role model interventions on students' aspirations to go to college, our results show that the visits by female college students led to large and significant changes in both boys' and girls' attitudes toward female participation in education and the labor market.

Author(s): Danila Serra (Texas A&M), Elijah Kipkech Kipchumba (BRAC), Catherine Porter (Lancaster University), Munshi Sulaiman (BRAC) }
Topic: Psychology and Biology: Gender and Individual Differences, Applied Economics: Economic Development
[Back to session: Gender 1](#)

Valuing personal safety and the gender earnings gap

Jose Alberto Guerra Universidad de los Andes
Universidad de los Andes

ABSTRACT:

Can personal traits and safety perception determine gender differences in willingness to pay (WTP) for safer jobs? Using a lab experiment, we elicit person's WTP for an early (perceived safer) shift, and study the role of risk preferences, safety concerns and information provision about crime on explaining gender gaps. We find that women are more willing to forego earnings for personal safety than men. The most relevant factor in explaining the earnings gap is gender differences in safety perception, and giving objective information does not change WTP. Thus, policies focused on reducing gender disparities in safety concerns may have a potential effect on women labor supply decisions.

Do women choke under pressure? The effect of stakes on the gender gap in competition

Prachi Jain
Loyola Marymount University

ABSTRACT:

Gender differences in competition has been established within the laboratory and suggested as an explanation for the lack of women in high-ranked management and leadership positions. In this paper, we examine whether larger stakes and feedback could be used to close the gender gap in a winner-take-all competitive environment (as in Niederle and Vesterlund, 2007). Our results show that feedback largely has no impact on the gender gap, but that the gender gap is closed if the rewards for competition are large. However, the implications for efficiency are more mixed; larger stakes does not significantly increase the likelihood that women make the efficient choice (i.e. choosing to compete when they would win and choosing not to compete when they would not win) and overall increases the likelihood that participants choose to compete when they would be better off choosing not to compete. Thus, while we find that women are equally likely to compete as men under high stakes, women's welfare does not improve.

Author(s): Prachi Jain and Manuela Angelucci
Topic: Psychology and Biology: Gender and Individual Differences, Games: Contests
[Back to session: Gender 1](#)

Using social recognition to disrupt gender norms in volunteering in low promotability tasks

Priyoma Mustafi
University of Pittsburgh

ABSTRACT:

An important paper by Babcock et al. (2017) show that women volunteer significantly more for tasks that everyone prefers to be completed by someone else. Such tasks carry little monetary incentives because of the very nature of the tasks. We use a modified version of the volunteer's dilemma game used by Babcock et al. to examine if non-monetary interventions, particularly, social recognition can be used to change the gender norms associated with such tasks. We design three treatments, where a) a volunteer receives positive social recognition, b) a non-volunteer receives negative social recognition and c) a volunteer receives positive, but a non-volunteer receives negative social recognition. Our results indicate that social recognition increases the likelihood that a group has volunteered. Positive social recognition closes the gender gap observed in the baseline treatment, so does the combination of positive and negative social recognition. Our results suggest that public recognition of volunteering can help change the default gender norms in organizations and help increase voluntary participation. Keywords: Gender, Social Recognition, Volunteering, Low Promotability Tasks JEL Codes: J16, J71, M12, D91

Author(s): Ritwik Banerjee and Priyoma Mustafi
Topic: Psychology and Biology: Gender and Individual Differences, Applied Economics: Labor Market
[Back to session: Gender 1](#)

The gender gap in self-promotion

Christine Exley
Stanford University

ABSTRACT:

In applications, interviews, performance reviews, and many other environments, individuals are explicitly asked or implicitly invited to evaluate their own performance and ability. In a series of experiments, involving over 4,000 participants, we find that women evaluate their performance less favorably than equally performing men. This gender gap in self-evaluations is notably persistent. It persists when we fully inform individuals about their absolute and relative performance (closing any gender gap in performance beliefs) and when we eliminate financial consequences of self-evaluations (removing incentives to distort self-evaluations). It is robust to providing information about the average self-evaluations of others and to introducing a chance that true performance will be revealed. However, there is no gap when men and women evaluate others rather than themselves, suggesting the gender gap is specifically driven by evaluating oneself. Given that self-evaluations of performance and ability can affect myriad economic outcomes, this gender gap may contribute to persistent gender gaps in educational and labor market environments.

Author(s): Christine Exley and Judd Kessler
Topic: Psychology and Biology: Gender and Individual Differences, Applied Economics: Labor Market
Link: users.nber.org/~kesslerj/papers/ExleyKessler_SelfPromotion.pdf
[Back to session: Gender 2](#)

Women in Engineering: The Role of Role Models

Muchin Bazan
Virginia Tech

ABSTRACT:

Gender disparities in STEM field participation are a major cause of concern for policymakers around the world. Given the higher average level of earnings of STEM graduates, low enrollment rates of women in these fields contributes to gender-based inequalities in earnings and wealth. This paper studies the effects of exposure to role models on female enrollment in STEM fields. There exist barriers for the exposure to female role models, some of them are gender imbalances, the bureaucratic Education system, limited networks, and time constraints, because of these factors it is difficult for senior high school women to come into direct contact with women who have majored or are in the process of majoring in male dominated fields such as Engineering. We believe that a face to face speech given by female Engineering students is an effective and low cost intervention that influences young women's college career choices. We conduct a randomized control trial where female students currently enrolled

in engineering programs at an elite private university in Peru give talks about their experiences at randomly selected high schools. We find that exposure to this treatment increases enrollment in engineering programs by 17%, with the strongest effects for “high ability” female students, and students coming from high quality schools. To shed light on the mechanisms underlying the effects, we use the students' responses in a follow-up survey which was administered after the school interventions. We find that the treatment (i) significantly reduced girls' perceptions that a male is the only one that can succeed in engineering ; (ii) had significantly effect on students' self-confidence to perform well in engineering or uncertainty about ability by reducing students' uncertainty and by boosting students' self-confidence in math skills. In a context where females are discouraged from enrolling in STEM fields, our results have important policy implications.

Author(s): Marcos Agurto, Muchin Bazan, Siddharth Hari, Sudipta Sarangi

Topic: Field Experiments: General, Applied Economics: Economic Development

Link: drive.google.com/file/d/1ynzxpD8QeoE3hq63nw385IMdIBVX60QS/view?usp=sharing
[Back to session: Gender 2](#)

Anchor or Asset? Reporting External Obligations in Negotiations

Shakun Mago
University of Richmond

ABSTRACT:

In market negotiations, deeply-entrenched gendered expectations result in significant economic and social penalties for women. Both practitioners and academics advocate not fighting the gender stereotype, but working within its confines. Specifically, by citing outside obligations, women can transform self-interested negotiations into other-advocacy. In this project, we explore whether the existence, and/or communication of outside obligations are of help or hindrance to women in negotiations. Our basic game is between an 'employee' with an outside obligation whose performance determines the firm's profit, and an 'employer' with power-to-give, who decides the employee's wage. In their interaction, first, the employee learns the outside obligation and makes a “wage ask.” We propose three treatments, wherein the employee (a) cannot reveal the outside obligation, (b) must truthfully reveal the outside obligation, and (c) must indicate the outside obligation, but the message need not be truthful. Next, the employer learns the wage ask and, accounting for the outside obligation, either accepts the proposed wage or offers an alternate split. If the employee accepts, the split is implemented; but in case negotiations break down, both parties get the minimum subsistence earnings. Systematically controlling for paired-gender composition, we propose to study the differences in negotiated outcomes - wage ask, wage offer and the report of the outside obligation - across both same-gender and mixed-gender pairs. We hypothesize that, if reporting outside obligations is perceived as other-advocacy, women may be more inclined to act assertively in their asks, but also more likely to exaggerate their outside obligations.

Author(s): Shakun Mago; Jennifer Pate; Laura Razzolini

Topic: Applied Economics: Labor Market, Psychology and Biology: Gender and Individual Differences

[Back to session: Gender 2](#)

Gender Manipulation

Xiaomin Bian
Ohio state university

ABSTRACT:

In virtual worlds such as online shopping platforms and video games, people often pretend to be the opposite gender. Their choice of gendered usernames and avatars may influence how other people treat them, which introduces some room for strategies. We use an experiment first to examine whether the responder's gendered avatar can affect the proposer in the dictator game. Then, we allow the responder to choose his/her avatar and explore how the responder chooses the avatars and how the proposer reacts to it. The experiment is still in the pilot stage.

Author(s): Xiaomin Bian, OSub Kwon

Topic: Psychology and Biology: Gender and Individual Differences, Psychology and Biology: Other

[Back to session: Gender 2](#)

Gender and leadership in organizations: promotions, demotions and angry workers

Danila Serra
Texas A&M University

ABSTRACT:

Managerial decisions, such as promotions and demotions, please some employees and upset others. We examine whether having to communicate such decisions to employees, and knowing that employees may react badly, have a differential impact on men's and women's self-selection into leadership roles and on their performance when/if they become leaders. In a novel laboratory experiment that simulates corporate decision-making, we find that women are significantly less likely to self-select into a managerial position when knowing that employees could send them angry messages. Once in the manager role, both men and women are more likely to switch workers' ranks and promote low-rank employees when they are obliged to talk to them at the rank-allocation stage. For women, the propensity to switch ranks increases further when workers are able to send angry messages to them. We also find that male and female managers have different communication styles, i.e. they motivate their employees differently, and that female managers receive more angry messages from employees.

Author(s): Danila Serra (Texas A&M), Priyanka Chakraborty (SMU)

Topic: Applied Economics: Labor Market, Psychology and Biology: Gender and Individual Differences

[Back to session: Gender 3](#)

Competitiveness and Employability

Elif Demiral
Austin Peay State University / HKS

ABSTRACT:

We investigate the impact of signaling alternative personal tastes for competitions on a candidate's employability. We define three types of job candidates who vary in their competitive preferences: self-competitive, other-competitive, and non-competitive. Using three studies, we investigate whether the candidate's competitive taste affects (perceptions about) their likelihood of being hired for a job. First, findings from Study 1 show that self-competitive candidates are most likely to be hired in an experimental hiring market. Second, to increase the likelihood of being hired, hypothetical candidates are overwhelmingly recommended by other participants to mention that they are self-competitive in a cover letter in Study 2. Third, candidates who express their taste for self-competition in their cover letters are regarded as more employable and more socially likable when compared to the other two types in Study 3. Additionally, other-competitive candidates are rated the least favorably in the social domains in Study 3 (i.e., they experience a backlash from being other-competitive). Self-competitive candidates, on the other hand, are believed to be the highest performers among all of the three types, but they receive no negative feedback for being competitive. The findings, therefore, suggest that self-competitiveness is potentially an advantageous channel to signal productivity while keeping the risk of backlash low. All of the findings hold for both male and female candidates.

Author(s): Demiral, Elif E; Mollerstrom, Johanna

Topic: Applied Economics: Labor Market, Psychology and Biology: Gender and Individual Differences
[Back to session: Gender 3](#)

Shame on Me: Emotions and Gender Differences in Taking with Earned Endowments

Rachel Landsman
Bucknell University

ABSTRACT:

In this paper we study gender differences in the taking-game (power to take) variant of the dictator game. We expand on past studies that have documented gender differences in a taking framed dictator game by asking whether gender differences persist when endowments are endogenous and earned. We document a strong and robust gender effect. Women take less than men both in terms of overall amounts and share taken. We further speak to the literature on taking aversion by documenting emotions following the taking game. Dictators that take more report higher levels of shame; this could be the contributing factor to taking aversion. Interestingly we do not observe gender differences in reported emotions or emotional intensity by either dictators or receivers.

Author(s): Brianna Halladay and Rachel Landsman

Topic: Psychology and Biology: Gender and Individual Differences, Social Behavior: Other-regarding Preferences
[Back to session: Gender 3](#)

Option to Cooperate Increases Women's Competitiveness and Closes the Gender Gap

Mary Rigdon
Rutgers University

ABSTRACT:

We advance the hypothesis that women are not less competitive than men in tournament settings once the incentives for winning include social components in addition to the standard monetary rewards. Specifically, allowing top performers an opportunity to divide the winnings with the bottom performers has gendered consequence on individual behavior. An incentivized experiment (N = 438) provides confirming evidence for our hypothesis: while we observe a 26% gender performance gap when participants compete in a standard winner-take-all tournament, once we add a final sharing option to an otherwise identical incentive scheme, female performance increases significantly to levels indistinguishable from males. Including socially-mediated rewards to contracts (like team bonuses) offers a new policy tool, less controversial than quotas, with the potential to close the gender gap in labor markets.

Author(s): Alessandra Cassar

Topic: Applied Economics: Labor Market, Psychology and Biology: Gender and Individual Differences
Link: maryrigdon.org/wp-content/uploads/2020/07/CassarRigdon_OptionToCooperate_July20.pdf
[Back to session: Gender 3](#)

Marrying up: Trading off spousal income and height

Alan Yang
University of Wisconsin-Madison

ABSTRACT:

Couple's heights tend to match. However, whether such matching is for the sake of height or the many desirable traits associated with stature (e.g., income) is unclear. We contribute novel experimental and empirical data to identify heterogeneity in preference for mate-height. We recorded clicks on profiles with randomly assigned height and income information on a major online dating website. These clicks reveal that taller men prefer taller women. By contrast, women not only prefer taller men but also higher income men, permitting the calculation of their willingness to pay (WTP) for mate-height. Surprisingly, short women have the highest WTP for mate-height. We confirm this heterogeneity in preference for mate-height by applying the method of Chiappori et al. (2017) for multidimensional matching to data on married couples. Short early mothers drive these results. Our evidence is consistent with short women matching non-assortatively to increase the height of their children.

Author(s): Pierre-Andre Chiappori, David Ong, Alan Yang, Junsen Zhang

Topic: Applied Economics: Labor Market, Applied Economics: Other
[Back to session: Gender 4](#)

Evidence of Maternal Depression as Effective Strategy to Elicit Cooperation

Alessandra Cassar
University of San Francisco

ABSTRACT:

There is ample evidence that social support, especially from the father, provides fundamental benefits to the childrearing enterprise, so much so that, when lacking, it can negatively affect a mother's psychological wellbeing. Given how widespread and universal across cultures perinatal depression appears to be, it has emerged the hypothesis of depression as an adaptation serving important functions for the mother. Here, we focus on one such function: perinatal depression as a bargaining strategy (by threatening defection from maternal investment and/or by costly signaling of need) to elicit support and cooperation from members of a mother's social group, especially the father. Within this framework, most of the empirical work has focused on the link from (lack of) support to depression. Here, instead, we look at the other direction of the causality link: from depression to support. We analyze different types of support (emotional, instrumental, informational, financial) from a series of characters (partner, kin, in-laws, neighbors and friends) in the network of 275 women around the time of birth in Uganda. Our data, consistent with preexisting literature, show that a perceived lack of support from the baby's father is linked to higher level of depression in the mother. Yet, utilizing a regression discontinuity design approach to assess the other direction of the causality, we also find that higher depression seems to elicit support from those linked to the mother, in particular care and guidance from others, especially the offspring's father.

Author(s): Alessandra Cassar , Patricia H. Schneider, Chukwuemeka Ugwu

Topic: Psychology and Biology: Emotions, Field Experiments: General

[Back to session: Gender 4](#)

A Hidden Cost of Affirmative Action: Muddying Signals about Women's Ability

Mallory Avery
University of Pittsburgh

ABSTRACT:

Large gender gaps persist at the higher ends of the income distribution, despite gains in female representation in early career stages. This paper uses an experiment to study whether affirmative action, which has been used in early career stages to try to close gender gaps throughout the career hierarchy, could have a hidden cost by decreasing the strength of the signal about a woman's ability when she is successful in early career competitive environments, inhibiting her future career progression. I find that women who are successful in an early competitive stage without affirmative action have an advantage over successful men when it comes to hiring in a second stage. The implementation of affirmative action removes this advantage, leaving successful men and women with equal hiring probabilities. I find empirical support for employer beliefs as a key underlying mechanism. A welfare analysis shows that affirmative action has an overall positive effect for women in this experiment, but the welfare improvement would be substantially larger if there were not the cost in terms of muddying signals about women's ability.

Author(s): Mallory Avery

Topic: Applied Economics: Labor Market, Applied Economics: Other

Link: drive.google.com/file/d/11Oe_ccKTrdp3RmwheJkwtfyCKnts2vi9/view

[Back to session: Gender 4](#)

Labor Market Discrimination against Family Responsibilities: A Correspondence Study with Policy Change in China

Sherry Li
University of Arkansas

ABSTRACT:

China's controversial one-child policy (1979-2015) was shifted to two-child policy in 2016. We take advantage of this unexpected policy change and the heterogeneities in the pre-reform environment to investigate labor market discrimination against expected family responsibilities. In a two-wave correspondence study before and after the reform, 8,848 fictitious resumes of age 22 to 29 were sent to online job advertisements. Their gender and only-/sibling-child status was systematically varied. We find that women, but not men, are subject to labor market discrimination for expected family responsibilities. This discrimination worsens as the probability of maternity increases when women approach their late 20s.

Author(s): Haoran He, Sherry Li, Yuling Han

Topic: Applied Economics: Labor Market, Field Experiments: General

[Back to session: Gender 4](#)

Married by the Rev. Bayes? An experiment on communication within married couples.

Alistair Munro
National Graduate Institute for Policy Studies

ABSTRACT:

Although there are many views on how married couples process information, no attempt has been made to examine this process experimentally or to compare it to how individuals and pairs of unrelated individuals behave in similar circumstances. In this lab-in-field experiment, 564 participants get rewards for correctly choosing the identity of an unknown bag after learning some information about its contents. Specifically there is an equal prior chance that a bag of five balls contains only one blue ball (otherwise yellow) or two blue balls. Subjects are given information about the colour of four of the balls in the bag, meaning that in some cases it is possible to deduce the identity of the bag type with certainty. I find that faced with the basic task, married pairs perform consistently better than individuals. However, married couples are significantly outperformed by the pairs consisting of unrelated partners. In the second section of the experiment players are separated from their partners, and can only communicate in a restricted way. Specifically one person offers advice to the other person who makes a decision. Each person sees some information about the contents of the bag, but one person's information is a subset of that seen by the other person (and this is common knowledge). Specifically, one person sees four balls, while the other person sees only two of these four balls. In this part of the experiment, performance falls below that of individuals. Married couples are not better at these tasks than unmarried pairs, but they are no worse. Wives are more likely to defer to their husbands than vice versa and are less sensitive to context in their deference. More generally, subjects place less weight than they should on their partner's information and more weight on their own observations. As a result, non-married pairs outperform married pairs when the person making the decision is also the person with the most complete information. Conversely, married couples outperform non-married pairs when the person making the decision knows less than the advisor. Taken at face value the results suggest that there is no obvious information-processing gain from making decisions with spouses.

Author(s): Alistair Munro

Topic: Social Behavior: Communication, Decision Theory: Beliefs

[Back to session: Group Behavior 1](#)

Procrastination in Teams

Guidon Fenig
University of Ottawa

ABSTRACT:

Most of the evidence about present biased behavior has been documented in individual decision contexts. This raises the question of how such behavior changes in interactive settings in which groups' actions determine the outcomes. By running intertemporal effort tasks experiments over three periods, we contrast the individual case (Solo treatment) with two different group-tasks conditions. In the Coordination condition, individual effort earns money for both the subject and her or his partner. In the Competition condition, subjects compete with their partners to get the best piece-rate. In addition to this, only in half of the group sessions, participants receive feedback about their partners' past actions. All treatments are revenue equivalent, such that for any fixed amount of effort by a group, the total payments are identical. We find that Competition increases effort relative to the Solo condition. Surprisingly, Coordination raises effort too, despite the strong potential free-riding incentives. The environment of interaction (Solo, Competitive, Coordination) has no effect on the take-up of commitment due to a preference for flexibility. Finally, participants who observe their partners do poorly increase their effort in both the Coordination and Competition treatments.

Author(s): Anujit Chakraborty and Guidon Fenig
Topic: Social Behavior: Group Behavior, Decision Theory: Preferences
[Back to session: Group Behavior I](#)

Claiming Credit: Gender, Memory, and Social Norms

Marissa Lepper
University of Pittsburgh

ABSTRACT:

Claiming credit for past contributions in collaborative settings is a key aspect of hiring and promotion processes. Our study provides experimental evidence of over-claiming credit, which is not just explained by overconfidence. We also explore underlying mechanisms in additional treatments and find suggestive evidence that while concerns about social norms may attenuate over-claiming, imperfect recall could exacerbate this behavior. We also explore possible gender differences in credit claiming.

Author(s): Marissa Lepper, Jonas Mueller-Gastell, Stephanie W. Wang
Topic: Social Behavior: Group Behavior, Applied Economics: Other
[Back to session: Group Behavior I](#)

First belong, then lead: An experimental analysis of the role of group identity in leadership effectiveness

Moumita Roy
George Mason University

ABSTRACT:

We report data on a social dilemma laboratory experiment to provide evidence of in-group bias in a leader-follower framework. We find that the presence of an in-group leader who advocates cooperation encourages the followers to cooperate in a social dilemma setting. However, the presence of an out-group leader has no such effects and therefore makes in-group leaders more effective than out-group leaders. Additionally, leaders also exhibit in-group bias towards followers. We conclude that group identity is an effective tool in promoting co-operation in groups only if the leader belongs to the same group as the followers.

Author(s): Moumita Roy, Daniel Houser
Topic: Social Behavior: Group Behavior, Public Choice: Public Goods and Common Pool Resource
Link: drive.google.com/file/d/1uLuni5qY9vPqVY5nO-PxHq_9m_3T9Xe/view?usp=sharing
[Back to session: Group Behavior I](#)

Trust in Science as the New Norm: Confinement Compliance in a Cross Country Survey Experiment

Enrique Fatas
University of Pennsylvania

ABSTRACT:

The magnitude of the COVID-19 pandemic leaves little room for coercive public health policies. Social distancing, wearing masks and staying at home can be seen as acts of voluntary compliance. We present the results of a large scale survey experiment run in nine countries with representative samples of the population (by age and gender) and find that empirical and normative expectations play a vast and significant role in compliance. In our survey experiment, when empirical and normative expectations about compliance are both high, compliance goes up by 55% (relative to the low expectations condition). Similar results are obtained when we look at self-reported compliance among those with high expectations (37% higher than the rest). Results are robust to different specifications, and driven by an asymmetric interaction with individuals' trust in government and trust in science. Holding expectations high, the effect of putting trust in science is substantial and significant in our vignette experiment, with a 22% increase in compliance, and even larger in self-reported compliance (76% increase in compliance before the lockdown, 127% increase after the lockdown). Putting trust in government generates modest effects.

Author(s): Cristina Bicchieri, Enrique Fatas, Abraham Aldama, Andres Casas, Ishwari Deshpande, Mariagiulia Lauro, Cristina Parilli, Max Spohn, Paula Pereira and Ruiling Wen
Topic: Social Behavior: Norms and Morals, Applied Economics: Other
[Back to session: Health](#)

Why Don't We Sleep Enough? A Field Experiment Among College Students

Mallory Avery
University of Pittsburgh

ABSTRACT:

Sleep deprivation is prevalent in modern societies leading to negative health and economic consequences. However, we know little about why people decide to sleep less than the recommended number of hours. This study investigates the mechanisms affecting sleep choice and explores whether commitment devices and monetary incentives can be used to promote healthier sleep habits. To this end, we conducted a field experiment with college students, providing them incentives to sleep and collecting data from wearable activity trackers, surveys, and time-use diaries. Our results are consistent with partially sophisticated time-inconsistent preferences and overconfidence. The subjects in the treatment group responded to the monetary incentives by significantly increasing the likelihood of sleeping between 7 and 9 hours (+19%). We uncover evidence of demand for commitment. Overall, 63% of our subjects were sophisticated enough to take up commitment, and commitment improved sleep for the less overconfident among them. Using time-use diaries, we show that during the intervention, there was a reduction in screen time near bedtime (-48%) among treated subjects. Individuals in the treatment group were less likely to sleep insufficiently than at baseline even after removal of the incentive (-16%), which is consistent with habit formation. Finally, our treatment also had positive (albeit small) effects on health and academic outcomes. Our results have implications for the effectiveness of information interventions on sleep in the field and the possibility of improving sleep by providing proper incentive and commitment devices.

Author(s): Mallory Avery, Osea Giuntella, Peiran Jiao

Topic: Applied Economics: Other, Field Experiments: General

Link: drive.google.com/file/d/1inQp9xOf7-DYcTiDIVacA3B7gPK3u9II/view

[Back to session: Health](#)

Voice Messages and Early Immunization: A Field Experiment

Paola Villa-Paro
Research Center of the Universidad del Pacifico (CIUP)

ABSTRACT:

We conducted a field experiment in the metropolitan area of the Dominican Republic to study the impact of sending voice messages on early immunization behavior. The messages contained information on the benefits of timely vaccination, vaccine schedules, positive social norms, and other affect-related motivations. Message recipients were households with women who were at least six months pregnant or with children five years old or less. Seven thousand households were randomly assigned to two treatment groups and one control group. Treatment 1 received 22 messages with the voice of an unknown radio host (RH). Treatment 2 received 22 messages with the voice of the country's vice president (VP). We generated artificial variation in the spatial density of treatment to study spillover effects. We find that the treatment messages increase the number of vaccination visits, the total number of vaccines, timely immunization, and decrease the average delay on vaccination. However, this impact gets smaller and even becomes negative as the density of treatment in the neighborhood gets higher. The control group received additional positive and significant spillover effects.

Author(s): Kristian Lopez-Vargas, Sandro Parodi, Indhira Ramirez, Paola Villa-Paro

Topic: Field Experiments: General, Social Behavior: Communication

[Back to session: Health](#)

To Mask or Not To Mask: an experiment on government messaging in 12 states during COVID-19

Sera Linardi
University of Pittsburgh

ABSTRACT:

When faced with the risk of the global public health crisis during the spread of the Covid-19 virus, governments in the United States have struggled to devise clear messaging aimed at encouraging desired behavioral responses among the general population. We design an experiment to study Americans' willingness to pay for Personal Protective Equipment (PPE), i.e., face mask, as a function of government messaging (i.e. CDC statements). Using the Prolific online survey platform, on April 13, 2020, we recruited 512 participants across twelve US states that had experienced only moderate impact of COVID-19 at that time. We find that subjects' willingness to bid for a N99 face mask increases only when federal government messaging is action-oriented ("wear mask" / "do not wear mask"), and when it does not conflict with state information. Death projections and action-oriented federal messages that were given at the same time as state level statistics did not have an impact. This suggests that clarity and simplicity is key in changing behavior in this environment.

Author(s): Lucy Gillespie, Daniel Jones

Topic: Field Experiments: General, Social Behavior: Communication

[Back to session: Health](#)

Persistence of the Effect of Liquidity on Job Choice

Clayton Featherstone
Wharton School, University of Pennsylvania

ABSTRACT:

In Coffman et al. (2019), we showed that a few hundred dollars of liquidity can affect the career choice of a recent college graduate by presenting the results of a three-year field experiment with Teach For America (TFA). In that experiment, we randomly increased the financial packages offered to nearly 7,300 potential teachers. Although most did not respond to a marginal \$600 of grants or loans, among those in the worst financial position, both grant and loan caused TFA join rates to increase by about 20%. In this follow-up study, we explore whether these subjects actually persisted in the teaching profession. Using TFA administrative data, we show that liquidity induced subjects to complete their initial two-year commitment, and using data collected from social networks, we show that the liquidity induced subjects to remain in the teaching profession, up to three years beyond their original commitment.

Author(s): Luke Coffman, John Conlone, Clayton Featherstone, Judd Kessler

Topic: Applied Economics: Labor Market, Field Experiments: General

[Back to session: Labor Market](#)

Willingness to be Paid: Who Trains for Tech Jobs?

Joy Buchanan
Brock School of Business

ABSTRACT:

Having a larger high-skill workforce is good for economic productivity, so it is useful to understand how workers self-select into high-paying technology jobs. This study examines how workers on the margin decide whether to pursue tech jobs, including a control for the opportunity cost of time. The most important determinants of the reservation wage for college students to do computer programming is whether they enjoy it or not and their opportunity cost of time. Whether subjects like math or not, predicts self-confidence. Most students are willing to learn a new computer programming language, for a sufficiently high wage. Randomly assigned extra information about the programming task does not increase willingness to work or confidence. An encouraging message lowers confidence and raises the reservation wage subjects require to program. Female subjects behave in the same way as males for incentivized portions of the experiment, however their self-reported survey answers differ.

Author(s):

Topic: Applied Economics: Labor Market, Decision Theory: Preferences

[Back to session: Labor Market](#)

Competing now and then: Why the opportunity to study produces a gender gap in competitiveness

Olga Shurchkov
Wellesley College

ABSTRACT:

Using a real-effort online experiment, we investigate whether delaying competition affects individuals' willingness to compete and how. We find that, with a gender-neutral task, women and men are equally likely to compete in our baseline no-delay condition. Delaying competition by itself does not generate a gender gap in competitiveness. However, men are significantly more likely than women to enter the delayed tournament when a future opportunity to study for the task is available. We explore a variety of potential reasons for why the knowledge of the possibility of studying produces the gender gap in tournament entry. We rule out differences in risk aversion and relative confidence. We also ask whether men are actually more likely to study as compared to women, but we find no evidence to this effect. Finally, we use control treatments where the delay itself is a choice, ruling out the possibility that the forced nature of delay may be at the root of the overly competitive initial decisions by the men. We argue that the only remaining explanation is that men may be more ambitious than women, overestimating the ability of their future selves to study.

Author(s): Olga Shurchkov, Lien Dao, Gary Charness

Topic: Psychology and Biology: Gender and Individual Differences, Applied Economics: Labor Market

[Back to session: Labor Market](#)

Wage bargaining in a matching market: experimental evidence

Oleg Korenok
Virginia Commonwealth University

ABSTRACT:

Wage negotiation plays a central role in the dynamics of search and matching models. We explore the theoretical wage predictions of the canonical search and matching model of Diamond (1982) in laboratory bargaining experiments. Overall, wages in the experiment are less responsive to changes in the market conditions than theory predicts. Wages respond to changes in unemployment insurance in the correct direction, yet the size of the response is about half of what theory predicts. On the other hand, contrary to theory, wages are unresponsive to changes in the level of unemployment. We also find that wages of new matches are more sensitive than wages of on-going matches, and that the duration of unemployment influences wages in certain settings.

Author(s): Oleg Korenok, David Munro

Topic: Markets: Macroeconomics, Applied Economics: Labor Market

Link: drive.google.com/file/d/1C1Seame_kkIPElsXpo9dR4pyL19tydL/view?usp=sharing

[Back to session: Labor Market](#)

Lying in repeated game

Fangtingyu Hu
University of Minnesota

ABSTRACT:

We compare lying behavior in a finitely repeated sender-receiver cheating game to a one-shot game, with and without the presence of feedback. We find that 1) a significant repetition effect when feedback is absent - lying in a finitely-repeated game is significantly lower than in a one-shot game; 2) the effect of repetition largely diminishes when feedback is allowed, with limited additional lying deterrence, by lowering the incidence of lying when the rolled number is 5, and converting some full lies to partial lies. 3) The lying gap is most pronounced in early rounds of interactions, and it contracts as the final round approaches. Our results imply that 1) The close substitution effect between feedback and repetition may be due to a similar effect of repetition and feedback on the activation of individuals' concern for their moral image. 2) Repetition of interactions with the same person may exhaust the effect of the moral image, hence feedback has a little additional effect on the likelihood of lying.

Author(s): Fangtingyu Hu, Avner Ben-Ner

Topic: Social Behavior: Lying and Cheating, Social Behavior: Lying and Cheating

[Back to session: Lying and Beliefs](#)

Cheating for Charity: When Misreporting the Value of Labor Benefits a Just Cause

J Jobu Babin
Western Illinois University

ABSTRACT:

Misrepresenting the value of labor, by shirking or inflating self-reported performance, is pervasive in virtual labor markets. Prosecutors routinely decline to prosecute “justifiable theft” from firms. Executing a field experiment on Amazon MTurk, I compare a case in which workers have a personal incentive to misreport effort on a simple coin task with a one in which the benefits of lying go to a “just cause.” The key result is that aggregate misreporting is higher when doing so benefits a salient charity, compared to when misreporting only benefits self. This effect increases the overall cost of misreporting by 8.5%. Male workers misreport uniformly, yet when benefits go to a just cause, females misreport at least as much, if not more, than males. Shirking is widespread, yet significantly less common when a charity benefits, as workers more readily do the job and subsequently lie about performance. Evidence suggests workers may feel morally justified in misreporting, particularly when expecting others will, consistent with a social norms mechanism. Keywords: self-reporting, altruistic misreporting, lying, social norms, just cause, field experiment

Author(s): J Jobu Babin

Topic: Social Behavior: Lying and Cheating, Applied Economics: Labor Market
[Back to session: Lying and Beliefs](#)

Hate Trumps Love: The Role of Rising Political Polarization in Social Preferences

Eugen Dimant
University of Pennsylvania

ABSTRACT:

Rising political polarization has the potential to rupture the social fabric of society. The focus of this paper is to examine the layers of decision-making that are plausibly affected by an ideological divide. In several pre-registered experiments, I document the behavioral, belief- and norm-based mechanisms through which cooperativeness and pro-/anti-social behavior are affected within and across political factions. These mechanisms are examined in the context of the United States by utilizing one's hate and love for Donald J. Trump. The results indicate that the existing ideological divide facilitates ingroup-love and outgroup-hate in both strategic and non-strategic settings and map well onto the perceived social norms of such behavior. The results also indicate an asymmetric effect in that the magnitude of outgroup-hate (in the form of anti-social behavior) is disproportional to the displayed magnitude of ingroup-love (in the form of pro-social behavior)

Author(s): Eugen Dimant

Topic: Social Behavior: Norms and Morals, Social Behavior: Other-regarding Preferences
Link: www.dropbox.com/s/7pjautane961b0s/Hate_Trumps_Love.pdf?dl=0
[Back to session: Lying and Beliefs](#)

Cognitive Flexibility or Moral Commitment? Evidence of Anticipated Belief Distortion

Marta Serra-Garcia
UCSD

ABSTRACT:

Do people anticipate the malleability of beliefs when confronted with inconvenient information? We investigate whether individuals choose to receive sequences of signals in a way that facilitates the cognitive flexibility needed to distort beliefs and profit from self-serving behavior, or to instead choose to constrain beliefs, committing to unbiased judgment. Experiments with over 6,500 participants, including legal and financial professionals, show that preferences are heterogeneous, with 40% of advisors preferring flexibility, even when costly. Actively seeking out flexibility does not preclude belief distortion. The effects of flexibility are anticipated, and preferences respond to incentives, suggesting some sophistication about the cognitive constraints to belief distortion.

Author(s): Silvia Saccardo and Marta Serra-Garcia

Topic: Social Behavior: Norms and Morals, Decision Theory: Beliefs
[Back to session: Lying and Beliefs](#)

The Development of Strategic Cognition

Sheen S Levine
University of Texas, Dallas, and Columbia University, New York

ABSTRACT:

Strategy scholars have long supposed that individual cognition can boost competitive advantage, but causal evidence is scarce. Here we empirically explore the competitive role of strategic cognition and two specific skills: strategic intelligence analytic skill. We begin by documenting their heterogeneous distribution, even among those trained in management. Then, we introduce highly competitive markets, where participants vie for cash. We find that performance is well predicted by the possession of the two skills. Next, we ask whether some form of strategic cognition can be developed to affect performance. We introduce a simple treatment, anchored in strategy theory. Treated participants perform much better than the control group. What is more: Markets with treated participants manifest lower inequality in outcomes. If cognitive skills can be developed, it can herald a prescriptive approach to the development of better strategists—and better markets.

Author(s): Sheen S. Levine, Felix Mauersberger

Topic: Markets: Industrial Organization, Psychology and Biology: Gender and Individual Differences
[Back to session: Markets I](#)

Are Strategies anchored?

Radosveta Ivanova-Stenzel
Technische Universität Berlin

ABSTRACT:

Anchoring is one of the most studied and robust behavioral biases, but there is little knowledge about its persistence and magnitude in economic settings. This article studies the role of anchoring bias in strategic interactions. We test experimentally two different anchor types using auctions. The announcement of a random group identification number but also of an upper bid limit, despite being irrelevant for a rational player, result in higher bids in first-price sealed-bid auctions. In Dutch auctions, the effect of the bid limit is negative. Based on these results we demonstrate that the long-established ranking that the Dutch auction generates lower revenue than the first-price sealed-bid auction crucially depends on the size of the anchor. The observed adjustment behavior can be explained as a rational response to anchored biased beliefs.

Author(s): Radosveta Ivanova-Stenzel and Gyula Seres

Topic: Markets: Auctions, Games: Other

[Back to session: Markets 1](#)

Understanding Investor Behavior and Mitigating Biases

Tobias Brevik
Florida State University

ABSTRACT:

Individual investors have biases and it's important to understand what drives them. I will present an experiment that contributes to understanding the driving factors in behaviors of investors that lead to them being worse off and how to mitigate those behaviors. My work tests and measures the effectiveness of simple and implementable methods (increasing salience of expected future price and shrouding intermediate prices) to mitigate the effect of some of these biases. My experiment features a simple decision environment and uses what I believe to be a novel method of displaying price information. There is evidence that utility of investment decisions is dependent on the specific path prices take (e.g., utility when a price has gone up and then goes down is different from utility when a price has gone down and then goes up, even when the final returns are the same). In the presence of this path dependence, determining how to incorporate price history into the reference price of a model with reference-dependent preferences can be difficult. My novel method of displaying price information allows my subjects to deduce information about the generating process while avoiding the issue of path dependence in two of my treatments. In addition to contributing to the individual investor literature as a whole, this project has policy implications - my treatments in this experiment are implementable in the real world and if they improve performance this can lead to investors having a larger accumulation of savings. As a secondary contribution, I will also test for path dependence and the impact of increasing salience of expected future price when intermediate prices are displayed. Data collection via MTurk is planned to be completed in late July.

Author(s): Tobias A Brevik

Topic: Markets: Finance, Decision Theory: Risk

[Back to session: Markets 1](#)

Can Experimentally Elicited Preferences Predict Actual Portfolio Choice?

King King Li
Shenzhen Audencia Business School, Shenzhen University

ABSTRACT:

Combining survey experiment and actual investment records, we investigate whether experimentally elicited preferences including risk attitude, ambiguity attitude, loss aversion, probability over-weighting, time preference, confidence, self-control, trust, and strategic reasoning can predict real-life stock market investment decisions as suggested by theories. We differ from the literature by eliciting a wide range of preferences and testing their relative importance and correlations. We find that preferences, such as confidence and trust, that are not incorporated into existing theories often show higher influence. Our result suggests the heterogeneities of reasons and the need to incorporate these preferences in modeling investment behaviors.

Author(s):

Topic: Markets: Finance, Field Experiments: General

[Back to session: Markets 1](#)

Assignment Markets: Theory and Experiments

Cesar Martinelli
George Mason University

ABSTRACT:

We study theoretically and experimentally assignment markets, i.e. two-sided markets where indivisible heterogeneous items with unit demand and unit supply are traded for money, as exemplified by housing markets. We define an associated strategic market game, and show that every Nash equilibrium outcome of this game is a competitive equilibrium allocation with respect to an economy consisting exclusively of the goods that were traded. That is, inefficiency may arise from miscoordination because some goods are not traded. Experimental results show players behaving close to Nash equilibrium predictions for auction-like market designs and close to generalized bargaining for the market design that incorporates decentralized communication. Communication improves efficiency, but introduces with some probability outcomes inconsistent with Nash equilibria.

Author(s): Arthur Dolgoplov, Daniel Houser, Cesar Martinelli, and Thomas Stratmann

Topic: Markets: Market design and Matching, Games: Bargaining

Link: d101vc9winf8ln.cloudfront.net/documents/34680/original/Assignment-Markets-Theory-and-Experiments-by-Dolgoplov-et-al-v2.pdf?1586534863

[Back to session: Markets 2](#)

Product Quality and Reputation in Experimental Markets

Philip Solimine
Florida State

ABSTRACT:

In this paper we conduct a market experiment with the opportunity for sellers to send a nonbinding advertisement of their product quality, and examine the effects of including a reputation aggregation system for sellers in these markets. In order to closely match the setting of real life markets, we simulate a high-frequency online trading environment in which sellers are given unique identifiers. Ideally, a fixed identity for the sellers should allow them to build a reputation for delivering high-quality goods to the market, increasing the efficiency of market outcomes. In some sessions, we prompt buyers to respond to their purchases with a canonical five-star rating. We demonstrate the robustness of classic experimental results to a more technologically advanced market environment; using a design which both remains true to the spirit of these original experimental tests and reflects more of the features which are present in newly-ubiquitous online markets. Additionally, we find substantial efficiency gains from the addition of the ratings system. Even with the ratings, however, the gains were not enough to obtain perfectly efficient market outcomes. Furthermore, we examine the formation of reputations by the sellers (with and without ratings) and the effect of these reputations on the decisions of buyers and sellers in the market.

Author(s): Blake Dunkle, Mark Isaac, Philip Solimine
Topic: Markets: Industrial Organization, Applied Economics: Other
[Back to session: Markets 2](#)

Expanding Information and Intelligence in a Simulated Edgeworth Box Double Auction

Brett Williams
University of California, Santa Cruz

ABSTRACT:

This paper expands on the theoretical literature on laboratory market convergence in two manners. First, I provide general equilibrium (GE) suited versions of the partial equilibrium simulation models of Gjerstad and Dickhaut (1998) and Gode and Sunder (1993). Secondly, I propose a new model of trader decision making in the GE setting which extends ideas from Gjerstad and Dickhaut, among other partial equilibrium simulation models. The model consists of two-sided traders, as opposed to traditional specialized buyers and sellers, with reservation prices who participate in a continuous double auction. Traders place logit probabilities over their set of feasible orders, based on beliefs formed about the acceptability of each order. These simulation models are intended to capture regularities, including utility reducing trades, in human traders in GE laboratory markets. I simulate the behavior of computerized traders in a simple two-good GE market, testing the performance of each of the models.

Author(s): Brett Williams
Topic: Markets: Auctions, Markets: Other
[Back to session: Markets 2](#)

Competition with Indivisibilities and Few Traders

Weiwei Zheng
George Mason University

ABSTRACT:

We study minimal conditions for competitive behavior with few agents, adapting price-quantity strategic market games to an indivisible good environment. We show that all Nash equilibrium outcomes with active trading are competitive if and only if there are at least two buyers and two sellers willing to trade at every competitive price. Unlike previous formulations, this condition can be verified directly by checking the set of competitive equilibria. In laboratory experiments, the condition we provide turns out to be enough to induce competitive results. Moreover, the performance of a sealed-bid auction following the rules of the strategic market game approaches that of its dynamic counterpart, the double auction, over time.

Author(s): Cesar Martinelli, Jianxin Wang, Weiwei Zheng
Topic: Markets: Auctions, Markets: Other
Link: drive.google.com/file/d/1WhbwhQWYQ06xnew-JS034tFdbx_E-Uz/view
[Back to session: Markets 2](#)

News Vending in a Near-Continuous Time Environment

Cary Deck
University of Alabama

ABSTRACT:

Previous experiments have documented a consistent bias in the newsvendor game: subjects order too little inventory when per-unit profit margins are relatively high and too much inventory when those margins are relatively low. Deemed the pull-to-center effect, this puzzling behavior cannot be explained by risk aversion or loss aversion. Further, this pattern has been found to persist even as the decision makers gain moderate experience or have been provided with increased decision support. This paper implements the standard newsvendor problem in a near-continuous time environment enabling the decision maker to gain considerably more experience than in previous studies. The result is that the pull-to-center effect is eliminated. Further, observed order quantities closely align with the profit maximizing inventory level. In a follow-up experiment, the near-continuous time framework is subjected to a stress-test in which the stochastic demand experiences unannounced shifts. Remarkably, observed behavior closely tracks the evolving optimal level.

Author(s): Zuzana Brokesova, Cary Deck, Jana Peliova
Topic: Markets: Other, Decision Theory: Other
[Back to session: Markets 3](#)

Experimental Commodity Markets with Storage

Krit Phankitnirundorn
University of Hawaii

ABSTRACT:

Storage is a central feature of commodity markets that has been studied extensively outside the lab. The literature points to many apparent departures from stochastic dynamic competitive equilibrium, including possible excess price autocorrelation (Deaton and Laroque, 1992; 1996), excessive storage even under apparent negative returns (Keynes, 1930; Working, 1933; Bresnahan et al., 1986; Williams and Wright, 1989), and occasional commodity bubbles (Irwin, Sanders, and Merrin, 2009; Gilbert, 2010; Gutierrez, 2013). Resulting price dynamics may be an impediment to market formation and growth in developing countries (Deaton, 1999; 2010; Bruckner and Cicconi, 2010). In this study, we use laboratory experiments to understand whether these apparent departures from theoretical predictions of the storage model derive from fundamental or behavioral phenomena. We develop a novel laboratory double-auction commodity market that merges canonical features of both traditional laboratory markets, and markets with storage outside the lab. Subjects are randomly assigned a “yield” of a commodity that they may consume, sell or store, and may also purchase from others. Aggregate supply and demand are parameterized to roughly approximate those implied by observed commodity prices. We calibrate and solve for the theoretical stochastic dynamic equilibria with highly inelastic demand and random supply that is consistent with the non-experimental literature, and compare to outcomes in the lab. We observe that our experimental laboratory markets with storage are less efficient than laboratory markets without storage, but mainly because traders store too little, not too much, as seemingly apparent in markets outside the lab. We decompose efficiency losses into dynamic inefficiency (inefficient storage) and allocative inefficiency (unrealized within-period gains from trade), from both ex-ante and ex-post (perfect foresight) perspectives. We find that just a few savvy traders profit greatly and can push markets toward greater efficiency. We further discuss ways that this new laboratory design creates an interesting controlled environment to explore learning and market evolution in complex, stochastic environments, including implications for equity as well as efficiency.

Author(s): Michael J Roberts, Krit Phankitnirundorn, and Katerina Sherstyuk

Topic: Markets: Finance, Applied Economics: Economic Development

[Back to session: Markets 3](#)

Comparing sealed-bid and clock multi-unit reverse auctions

Luke Lindsay
University of Exeter

ABSTRACT:

We use laboratory experiments to compare bidding behavior in six alternative reverse auction formats. Three sealed-bid mechanisms are tested: pay-as-bid (aka first price or discriminatory pricing), uniform price, and Vickrey–Clarke–Groves. These are compared to three clock mechanisms: simple descending price, descending price with intra-round bidding, and dynamic-Vickrey (aka the Ausubel auction). We study an environment where six bidders compete in each auction and each bidder has four items with different costs of production. We find that the descending price auction with intra-round bidding gives the highest efficiency, followed closely by the sealed-bid, pay-as-bid auction. The clock mechanisms tend to produce higher prices, suggesting such mechanisms are more prone to unilateral supply reduction and attempts at tacit collusion. The auction formats examined have a range of practical applications, for both procurement (e.g. auctions for environmental goods) and sales (e.g. government bonds and emission permits).

Author(s): Ben Balmford and Luke Lindsay

Topic: Markets: Auctions, Markets: Market Design and Matching

[Back to session: Markets 3](#)

Determining When to Set the Price of Co-creation Products in the Freelance Market: Theory and Experiment

Siyu Wang
Wichita State University

ABSTRACT:

This paper examines the optimal timing for revealing the price of co-creation products in the freelance market. We hypothesize that comparing to the traditional business model where the price is revealed after the co-creation process, the freelancer charges a higher price in equilibrium when the price is revealed before the co-creation process. Furthermore, theory predicts that both the freelancer and the customer will invest greater effort to create a higher-quality product. Consequently, the freelancer earns a higher profit, and the customer achieves higher consumer surplus. We test our hypotheses using controlled laboratory experiments. We find that when the price is revealed before the co-creation process, (1) the freelancer charges a higher price and earns a higher profit, and (2) quality and consumer surplus are not higher than when the price is revealed after co-creation, contrary to what theory predicts. The results provide freelance industries with insights into the efficient design of pricing systems that promote market efficiency.

Author(s): Siyu Wang; Ying Yang

Topic: Markets: Industrial Organization, Decision Theory: Bounded Rationality

[Back to session: Markets 3](#)

Demand for COVID-19 Antibody Testing, and Why it Should Be Free

Marta Serra-Garcia
UCSD

ABSTRACT:

We study individual demand for COVID-19 antibody tests in an incentivized study on a representative sample of the US population. Almost 2,000 participants trade off obtaining an at-home test kit against money. At prices close to zero, 80 percent of individuals want the test. However, this broad support of testing falls sharply with price. Demand decreases by 19 percentage points per \$10 price increase. Demand for testing increases with factors related to its potential value, such as age, increased length and strength of protective immunity from antibodies, and greater uncertainty about having had the virus. Willingness to pay for antibody tests also depends on income, ethnicity and political views. Trump-supporters demonstrate significantly lower willingness to pay for testing. Black respondents, even if critical of Trump's approach to the crisis, pay less for testing than white and Hispanic respondents. If policy makers want a broad take-up of testing, the results suggest that tests should be for free.

Author(s): Marta Serra-Garcia, Nora Szech

Topic: Decision Theory: Preferences, Decision Theory: Beliefs

Link: papers.ssrn.com/sol3/papers.cfm?abstract_id=3623675

[Back to session: Methodology 1](#)

The effect of observation and deception in field experiments: Evidence from a two-sided audit study

Laura Gee
Tufts University

ABSTRACT:

One of the strengths of natural field experiments is that subjects' actions are observed while they are unaware they are in an experiment. This might be particularly important for actions that are affected by implicit biases. One common natural field experimental design is the use of resume audit studies. In a traditional audit study the experimenter sends fictitious resumes with randomly varied traits (e.g. race, gender) to a subject pool made up of employers who are unaware they are in an experiment. Audit studies are sometimes criticized because they deceive subjects and do not allow subjects to consent to participate. An important question is whether the subject being aware they are in an experiment and dealing with fictitious applicants actually changes their behavior. We leverage a unique setting where we elicited responses from real recruiters about fictitious job applicants both with the deception usual of audit studies and with informed consent where the recruiters knew this was part of an experiment. We show that results differ when recruiters are aware they are taking part in an experiment and the subjects are fictitious.

Author(s): Amanda Agan, Bo Cowgill and Laura K. Gee

Topic: Methodology: Experimental Design, Tools and Practices, Field Experiments: General
[Back to session: Methodology 1](#)

Power Analysis and Payoff Hills: Using QRE Simulations to Guide Experimental Design

Daniel Woods
Purdue University

ABSTRACT:

Power Analysis, the ex-ante process of determining the optimal sample size to detect a given treatment effect, has rightly become an important design consideration in experimental economics. Payoff hills, the relative change in payoffs from deviating from a certain strategy, are also well established as an important part of experimental design. Power Analysis typically involves specifying an anticipated treatment effect size, as well as the standard deviations of each treatment. Payoff hills affect the standard deviation as if there are large payoff consequences to deviations, subject behavior is likely to be less variable than if there were small payoff consequences. Payoff hills can also affect the treatment effect size, in particular if payoff hills are asymmetric in different directions between treatments. However, there does not currently appear to be a recommended method to consider these issues simultaneously. Instead, the experimenter must use their best judgement as to the likely impact their chosen treatments and parameters will have on the effect size and standard deviation. An estimate of the later is likely to be particularly inaccurate due to theory typically not providing a prediction of standard deviation. We propose the use of Quantal Response Equilibria (QRE) as a specific way to incorporate the effects of payoff hills into power analysis. In a QRE, agents noisily best respond with actions that receive a higher payoff being played with a higher probability, and thus explicitly ties the payoff hill into its noise structure. We investigate the strengths and weaknesses and the broader applicability of a QRE simulation approach through applications to a variety of different experimental environments. We consider the optimal choice of treatment intensity and other design parameters with regards to power, and along those lines propose the use of 'Efficient Replication', with the goal of reducing the costs of replication and thus encourage more of this under-supplied research.

Author(s): Daniel Woods

Topic: Methodology: Experimental Design, Tools and Practices, Methodology: Other
[Back to session: Methodology 2](#)

Bayesian Inference for Response Equilibrium in Normal-Form Games

James Bland
The University of Toledo

ABSTRACT:

This paper develops a framework for estimating Quantal Response Equilibrium models from experimental data using Bayesian techniques. Bayesian techniques offer some advantages over the more commonly-used maximum likelihood approach: (i) the accuracy of the posterior simulation is limited by (increasingly plentiful) computational resources, both in hardware and software, rather than the validity of an asymptotic assumption that may not be reasonable with typical experimental sample sizes; (ii) Bayesian hierarchical models are a useful way to organize heterogeneity in one's data; and (iii) Bayesian inference allows us to test whether Quantal Response Equilibrium better organizes data than does (say) Nash equilibrium or purely random behavior, without rigging the test in favor of one of these by calling it the null hypothesis. As Quantal Response Equilibrium is a non-linear model, I also discuss some issues with choosing appropriate priors. Namely, choosing a very flat prior for the choice precision parameter implies a prior on choice probabilities with too much mass near Nash equilibrium and/or random choice. I propose a prior calibration process which seeks to avoid this problem by targeting the implied prior distribution of equilibrium choice probabilities.

Author(s): James Bland

Topic: Games: Other, Methodology: Experimental Design, Tools and Practices
[Back to session: Methodology 2](#)

Some Properties of the Empirical Payoff Quantal Response Equilibrium Estimator

James Bland
The University of Toledo

ABSTRACT:

When estimating Quantal Response Equilibrium (QRE) models, typically practitioners either calculate the QRE correspondence, which is computationally burdensome, or use a shortcut that avoids this called the Empirical Payoff Approach. These two techniques achieve similar results when the data are close to the QRE correspondence. However as data move away from the correspondence, the estimators can produce different results. I discuss these differences in the context of generalized matching pennies games. In particular, the correspondence approach is imprecise when choice probabilities are (loosely) equally far away from all parts of the correspondence. Conversely, the Empirical Payoff Approach is imprecise when choice probabilities are close to a mixed strategy Nash equilibrium. I explore the implications of these differences in each approach's ability to make out-of-sample predictions.

mTree Microeconomic Systems for simulations and experiments

Kevin McCabe
George Mason University

ABSTRACT:

mTree - Tooling for Experimental and Computational Economics. A persistent challenge in experimental economics is the complexity of designing and implementing experiments that can be readily used by human subjects. Additional complications arise attempting to simulate the experiment and ensure that the results of the simulations are relatable to the human subject experience. mTree was developed to bridge the gap between human subject experiments and computational simulations. mTree provides economists tools to develop microeconomic systems in Python to both design and manage human subject experiments along with providing means to rapidly simulate the underlying economic systems being evaluated in human subject experiments.

Author(s): Stephen Kunath
Topic: Methodology: Experimental Design, Tools and Practices, Methodology: Other
Link: www.youtube.com/channel/UCan6xnoOFq6l7ZgQpWASD4Q
[Back to session: Methodology 2](#)

Well, At Least I Tried: Partial Willful Ignorance, Information Acquisition, and Social Preferences

Braxton Gately
University of Arkansas

ABSTRACT:

I investigate whether remaining partially ignorant of the consequences of one's decision leads to a decrease in prosocial behavior using a laboratory experiment in the style of Dana et al. (2007), where the dictator can choose whether or not to know the recipient's payoffs. I modify this framework by introducing a noisy signal about the recipient's payoffs in one state of the world to investigate how much information dictators will acquire. I use a simple model to motivate the following predictions: information acquisition will be decreasing in costs of information acquisition, increasing in beliefs that the agent's actions are prosocial, and increasing in the expected prosociality of the available choices. I find that subjects acquire more free information than costly information and will acquire more signals when they believe that the unknown distribution is prosocial. Subjects also act more prosocially when the prosocial distribution is the known distribution. I also find evidence that subjects look for excuses to be selfish. These findings, taken together, provide support for the intuition that agents often look for opportunities to self-deceive, by choosing to know just enough about a particular situation that they experience utility from the outcome, even if their actions are selfish.

Author(s): Braxton Gately
Topic: Social Behavior: Other-regarding Preferences, Games: Information
[Back to session: Other-regarding Preferences](#)

Preferences for Non-Interference in Pay

Elena Pikulina
UBC

ABSTRACT:

A recent literature points to individuals having preferences for autonomy. Autonomy includes an individual's ability to choose a course of actions that meaning-fully affects his or her outcomes as well as an individual enjoying a certain degree of non-interference from others. In this paper we focus on the non-interference from others. We show that in their vast majority (over 85%), individuals show no such preferences, suggesting that preferences for autonomy are largely driven by autonomy's second component: the ability to determine one's own outcomes.

Author(s): Chloe Tergiman
Topic: Social Behavior: Other, Methodology: Experimental Design, Tools and Practices
[Back to session: Other-regarding Preferences](#)

Guilt Moderation

Paul Cheung
University of Maryland

ABSTRACT:

We propose and axiomatize the Rank-Dependent Inequality-Averse model. The model highlights an important linkage, Guilt Moderation, between different other-regarding behaviors: when choices are risky, decision maker feels less guilt by assigning more weight to the fairer outcomes. Our model provides a unifying explanation for two seemingly distinct phenomena, i.e. moral wiggle room and ex-ante fairness for you. Moreover, we show that, in the model, guilt moderation is equivalent to exhibiting reversal behavior and risk loving for others in the guilt domain. Lastly, the model sheds light on self-other risk attitudes gap, compensated generous behavior and increased envy in wage transparency

Author(s): Paul Cheung
Topic: Social Behavior: Other-regarding Preferences, Decision Theory: Risk
Link: drive.google.com/file/d/1d-R67o77c-1m90la-KP335WwCfKieFBp/view?usp=sharing
[Back to session: Other-regarding Preferences](#)

The Will of the People: How do Individuals Aggregate Ordinal Preferences?

Sandro Ambuehl
University of Toronto

ABSTRACT:

Arrow's famous impossibility result shows that there is no single best rule for aggregating ordinal preferences. Yet, in domains ranging from political economy to market design, preference aggregation problems abound, raising the question of how individuals believe normatively appealing aggregation should occur. In our experiment, individuals in the role of Social Architects make a choice for a group they are not part of, knowing only group members' ordinal preferences over the alternatives, in two contexts: assigning tasks to workers, and donating money to a political party. We find that the vast majority of Social Architects aggregate ordinal preferences like utilitarians, after imputing cardinal utility information from ordinal rankings. Subjects find little normative appeal in the celebrated Condorcet pairwise majority rule and in any other procedures that require ignoring information about preference intensity. Multi-stage procedures, which are frequently used in practice, also find vanishing empirical support. Using a clustering method, we show that subjects do not systematically employ any aggregation procedure outside the set of rules we consider. Our results also fill a gap in the literature on other-regarding preferences which exclusively considers cardinally comparable outcomes.

Author(s): Sandro Ambuehl, B. Douglas Bernheim

Topic: Social Behavior: Other-regarding Preferences, Public Choice: Voting and Rent Seeking

[Back to session: Other-regarding Preferences](#)

Socially Responsible Behavior of Heterogeneous Individuals During the COVID-19 Pandemic

Anna Abatayo
Bocconi University

ABSTRACT:

Among numerous evolving features of COVID-19 that need timely scientific investigation and advancement, an important feature involves social behavior: why do some people not take social distancing as seriously as health experts suggest, what explains product hoarding behavior, and how can we encourage socially responsible behavior? To address these questions, we run online laboratory experiments to assess: (1) whether individuals are more likely to contribute to public goods (e.g., engage in social distancing) are less likely to contribute to public bads (e.g., hoarding behavior); (2) whether the knowledge and existence of individuals with heterogeneous gains from public good provisions, especially of an individual whose dominant strategy is to fully contribute to public goods provision (i.e., a marginal per capita return (MPCR) of 1.2), changes contribution behavior; and (3) whether social nudges work to increase contributions to public goods. We find empirical support for (1) and (3). As for (2), our results show higher contributions to public goods provisions when the MPCR of other individuals in the group are unknown.

Author(s): Anna Abatayo and Tongzhe Li

Topic: Public Choice: Public Goods and Common Pool Resource, Social Behavior: Group Behavior

[Back to session: Public Goods & Common Pool Resources](#)

The effect of short-term users in a common pool resource environment

Brock Stoddard
Appalachian State University

ABSTRACT:

This experiment examines the effects of over-extraction on a common pool resource (CPR). In the examples from the field we are interested in, short-term users can over-extract from CPRs, destroying cooperative norms that exist with only long-term users. We examine three treatments that vary group size and duration of group membership. Each user participated in a known finite number of decision rounds. In two of the treatments, there were only long-term users, one treatment with groups of three users and the other with groups of four. The third treatment had groups of three long-term users and one short-term user. Existing CPR research uses a non-linear payoff function to approximate a real-world environment with less extreme self-interested Nash equilibria and social optimum. We modify this payoff function to incorporate damages across time when the CPR is over-extracted. We introduce a variable R into the CPR payoff function as an inter-temporal multiplier that approximates over-extraction. The R variable is used to lower CPR payoffs for all group members in the subsequent round when extraction of the CPR is beyond a predetermined threshold. In the two treatments with only long-term users, a subgame perfect Nash equilibria exist where no damages occur. In the treatment with long-term users and one short-term user, damages occur when the Nash equilibrium is pursued. The experiment tested these predictions in a controlled laboratory environment. The primary finding is that groups of four long-run players were in the damaged state more frequently than groups of three long-run players and one short-run player, contrary to predictions. The short-run players also displayed less aggressive behavior than predicted, frequently investing far below their Nash equilibria.

Author(s): Caleb Cox; Garret Ridinger

Topic: Public Choice: Public Goods and Common Pool Resource, Games: Repeated Games

[Back to session: Public Goods & Common Pool Resources](#)

What Drives Conditional Cooperation in Public Good Games?

Peter Katuscak
RWTH Aachen University

ABSTRACT:

Extensive experimental research on public good games documents that many subjects are "conditional cooperators" in that they positively correlate their contribution with (their belief about) contributions of other subjects in their peer group. The goal of our study is to shed light on what preference and decision-making patterns drive this observed regularity. We consider reciprocity, conformity, inequality aversion and residual factors, such as confusion and anchoring, as potential explanations. Effects of these drivers are separated by varying the informational content of the conditioning variable across treatments. We find that, of the average conditionally cooperative behavior, about two thirds is accounted for by residual factors, a quarter by inequality aversion and a tenth by conformity. Reciprocity plays little role. These findings carry an important message for how to interpret conditional cooperation as observed in the lab. We also discuss what these findings mean for exploiting conditional cooperation for fundraising in the field.

Cooperation to the Fullest Extent Possible? An Infinitely Repeated Games Experiment

Andrew Kloosterman
University of Virginia

ABSTRACT:

Laboratory experiments on the infinitely repeated prisoner's dilemma find little cooperation when the discount factor is near the theoretical cutoff discount factor for which cooperation can be supported in equilibrium. The explanation is that non-cooperation is the best response to most beliefs about the other player's strategy. Here, I study a new game where cooperation is the best response to most beliefs to investigate whether cooperation can be empirically observed to the fullest extent that theory says is possible. The main finding is that there is still not pervasive cooperation, less than 50% by the end of the experiments in both repeated game treatments. I argue that specific complexities, and perhaps social preferences as well, inhibit the emergence of full cooperation.

Author(s): Andrew Kloosterman
Topic: Games: Repeated Games, Games: Other
Link: drive.google.com/file/d/18dSy6fHXhuO8ld_SDgjB7TQ72F1jlmKi/view
[Back to session: Repeated Games I](#)

Cooperation in Finitely Repeated Prisoner's Dilemma

Anujit Chakraborty
University Of California, Davis

ABSTRACT:

Every implementation of the Finitely Repeated Prisoner's Dilemma in the laboratory has resulted in significant instances of cooperation that cannot be accommodated under selfish preferences. This paper develops and deploys a novel experiment to horse-race four theories of other-regarding preferences that are used to justify such non-selfish cooperation. The theories capture the following four non-pecuniary motives of cooperation respectively: caring about others (Altruism), being conscientious about cooperation (Duty), enjoying the pleasure of collaborative cooperation (Reciprocal Cooperation), and concerns for reciprocal fairness (Sequential Reciprocity). In the experimental design, we vary the decline-rate of future rewards in a Finitely Repeated Prisoner's Dilemma game, under which these other-regarding models make fundamentally different comparative-static predictions. We find that our data is best explained by the existence of "Reciprocal Cooperation"-type subjects who enjoy non-pecuniary utility when successful in coordinating on cooperative actions.

Author(s): Anujit Chakraborty
Topic: Games: Coordination, Games: Repeated Games
Link: www.dropbox.com/s/154r4irlogsfj77/FRPD.pdf?dl=0
[Back to session: Repeated Games I](#)

Cooperation in Queueing Systems

Yaroslav Rosokha
Purdue University

ABSTRACT:

We study a single-queue system in which human servers have discretion over the effort with which to process orders that arrive stochastically. We show theoretically that the efficient outcome in the form of high effort can be sustained in the subgame perfect equilibrium if the interactions are long term (even when each server has a short-term incentive to free ride and provide low effort). In addition, we show that queue visibility plays an important role in the type of strategies that can sustain high-effort equilibrium. In particular, we show that limiting feedback about the current state of the queue is beneficial if servers are patient enough. We conduct a controlled lab experiment to test the theoretical predictions, and find that effort is increasing in the expected duration of the interaction. We also find that visibility has a strong impact on the strategies that human subjects use; however, the overall impact on effort provision is modest. We discuss implications for managers and firms that are trying to improve service systems.

Author(s): Yaroslav Rosokha, Chen Wei
Topic: Games: Repeated Games, Games: Other
Link: web.ics.purdue.edu/~yrosokha/docs/RosokhaWei_QueuePD.pdf
[Back to session: Repeated Games I](#)

Team Play in IRPD Games with Noise

David Cooper
Florida State University

ABSTRACT:

We compare the play of individuals and freely interacting teams in infinitely repeated prisoner games with noise. We compare the new data with existing data from IRPD games without noise and FRPD games. The main finding is that cooperation increases more rapidly for teams than individuals in all three types of games. This suggests that a robust mechanism drives faster movement towards cooperation with teams, even though the strategic forces faced by players are quite different across the three types of games. We discuss the content of team chats, and what these tell us about why teams move more rapidly towards cooperation than individuals.

Can we talk our way to equity and efficiency?

Prithvijit Mukherjee
Center for Growth and Opportunity at Utah State University

ABSTRACT:

What features of social structures are conducive to cooperation? Does whom we communicate with influence the way we divide the surplus? This paper explores the interplay between two communication structures and decisions in a best-shot public good game across three five-person networks. The network determines which group members share a local public good. Across the networks, the number of neighbors each person has is varied. In the Line network, an individual can have either one or two neighbors. In the Asymmetric network, an individual can have one, two, or three neighbors. Lastly, the Circle network is symmetric, and everyone has two neighbors. I then introduce two communication structures. First is global, where all group members can communicate. Second is local, where only neighbors can communicate. Unlike global, the local structure overlays the communication structure on the underlying network of externalities, which reinforces the strategic advantage of individuals with more neighbors in the Line and Asymmetric networks. Compared to no communication, both global and local structures are successful in raising efficiency in the Line and Asymmetric networks. However, in the Circle network only the local communication is successful in raising efficiency. Global communication is overwhelming and does not improve efficiency or the likelihood of coordinating on an equilibrium. With communication, individuals learn to take turns to invest, which promotes equity and efficiency.

Author(s):
Topic: Games: Networks, Games: Repeated Games
[Back to session: Repeated Games 2](#)

The Effect of Communication Networks on Collusion

Timothy Flannery
Missouri State University

ABSTRACT:

We study the effect of communication networks on collusion through an experiment varying the number of communication channels. Subjects play a sequence of two-period games with collusion supported as a subgame perfect equilibrium only if players select a Pareto inferior equilibrium in the second period to punish deviations. The study includes four treatments: no communication, two communicate, one communicates with the two others, and all three communicate. When all communicate, nearly half of the messages have a “pure promise” structure that encourage players to always choose the collusive action in both periods instead of the subgame perfect “promise/threat” that includes the punishment for deviating. In contrast, the other treatments contain a more mixed set of messages. Consistent with communication acting as a coordinating device, the collusive action occurs more often in the first stage in the two treatments with the more communication channels. However, the symmetric treatments, i.e. no communication and all communicate, have the highest frequency of the collusive action in the second stage. Our results show that effective collusion requires all parties to communicate with each other.

Author(s): Timothy Flannery and Siyu Wang
Topic: Games: Coordination, Social Behavior: Communication
[Back to session: Repeated Games 2](#)

Quantifying Framing Effects in Public Goods versus Prisoner's Dilemma Games

Volodymyr Lugovskyy
Indiana University

ABSTRACT:

Given the centrality of PD and VCM games to the study of social dilemmas, it is somewhat surprising that experimental research has not focused on directly comparing decision making in these two types of decision situations, in particular as related to the framing of the games as presented to subjects. Building on the recent literature devoted to repeated PD games, we examine the evolution of cooperation in both finitely (Finite) and indefinitely repeated (Probabilistic) 2-person PD and 2-person linear VCM games. Our primary focus is on the effect of framing of the game on strategic interactions across repeated game plays. Subjects participate in multiple sequences of decisions, where they are paired with the same person for all periods within a sequence, and then are randomly re-matched for the next sequence. Using parameters based on a 2-person linear VCM game with $MPCR=6$, we examine decision making in three frames: 1) PD, 2) VCM with binary decisions, 3) VCM with binary decisions and the inclusion of the PD game matrix. In summary, we find, on average, cooperation begins at a similar level across frames. However, the path of cooperation across game sequences diverges, leading to higher cooperation in the VCM setting than the PD setting. Including the PD matrix in the VCM frame results in lower cooperation in the Finite setting, but not in the Probabilistic setting. In addition, in an effort to quantify the framing effect, in the Probabilistic setting, we examine the PD frame based on a higher MPCR. We find that enhancing the gains from cooperation via a 17% increase in the MPCR leads to cooperation rates comparable to VCM with the lower MPCR.

Author(s): V. Lugovskyy, D. Puzzello, J. Walker
Topic: Applied Economics: Charitable Giving, Applied Economics: Charitable Giving
[Back to session: Repeated Games 2](#)

A city-wide experiment on trust, beliefs, and collective perceptions

Francesco Bogliacino
Universidad Nacional de Colombia

ABSTRACT:

In this paper, we first replicate in Bogotá (Colombia) the city-wide experiment by Falk and Zehnder (2013) in Zurich, identifying very different patterns of trust that do not match residential segregation by income, although show significant in-group bias. To explore beliefs that drive these patterns we conduct a second experiment where we incentivize both beliefs over the transfer in the trust game, and second-order beliefs over the perceptions associated with city districts. We found that prevalent beliefs are associated with preferences for redistribution although statistical discrimination beliefs are also present.

Author(s): Bogliacino, F; Gomez, C; Grimalda, G

Topic: Social Behavior: Other-regarding Preferences, Decision Theory: Beliefs

[Back to session: Trust and Gift Exchange](#)

Your Place in the World: The Demand for National and Global Redistribution

Johanna Mollerstrom
George Mason University

ABSTRACT:

Some of today's most heated policy debates about trade wars, climate change abatement, migration and pandemic responses involve redistribution of resources within a given country (national redistribution) and between countries (global redistribution). Nevertheless, theories and evidence on preferences for redistribution have focused almost exclusively on national redistribution. In this paper, we study preferences for global redistribution. The workhorse model in political economy predicts that individuals with incomes in the upper levels of the national income distribution are less supportive of national redistribution than those with incomes in the lower levels. Applied to the global arena, the model predicts that individuals who are richer in the global income distribution will be less supportive of global redistribution. We test this hypothesis using a two-year, face-to-face survey experiment with a representative sample of German households. We show that respondents are misinformed about their positions in the national and global income distributions, and we provide novel evidence that those misperceptions are meaningful. Consistent with previous studies, we find support for the political economy model in the national arena: the correlational and experimental estimates indicate that the demand for national redistribution decreases with national relative income. However, the political economy model does not hold in the global arena: support for global redistribution does not depend on global relative income, but instead on national relative income.

Author(s): Dietmar Fehr, Johanna Mollerstrom, Ricardo Perez-Truglia

Topic: Social Behavior: Other-regarding Preferences, Field Experiments: General

Link: www.nber.org/papers/w26555

[Back to session: Trust and Gift Exchange](#)

Design Your Trustworthiness

Menglong Guan
University of California, Santa Barbara

ABSTRACT:

Trust is socially desirable and beneficial to both trustees and trustors. But trustors' foreseeing the risk of being exploited by trustees often hampers trusting act. One realistic market innovation to tackle the social dilemma is that trustees take the lead in fostering trust by designing information about trustworthiness. We propose two experimental games to study the causal effect of such information design on trustworthiness and trust, and also to explore the underlying mechanism. An equilibrium analysis under the standard assumptions predicts that entitling trustees to design trustworthiness enhances trustworthiness and trust, and that choosing to be fully trustworthy with the most Blackwell informative structure is part of an equilibrium. Experimental data from a within-subject design shows that the treatment effect is generally consistent with equilibrium analysis in terms of direction but not magnitude, and several behavioral patterns, including choosing the least Blackwell informative structure 28% of the time, deviate considerably from the prediction. We then propose a model allowing for subjects' heterogeneity in prosociality and strategic sophistication that enables us to rationalize the data. We apply the maximum likelihood estimation method to estimate each subject's behavioral type and find that the estimated type almost fully coincides with the type prescribed by the behavioral model and is largely consistent with the type assigned by an intuitive criterion. We finally provide evidence that prosociality and strategic sophistication is orthogonal.

Author(s): Sen Geng and Menglong Guan

Topic: Social Behavior: Group Behavior, Games: Information

[Back to session: Trust and Gift Exchange](#)

Two-worker competition in gift-exchange: assessing intention-based reciprocity and inequity aversion

Nicolas Rodriguez
Universidad Nacional de Colombia

ABSTRACT:

In this article, we study a three-person gift exchange, where two workers compete for a bonus. We derive the equilibrium properties of the models of sequential reciprocity and inequity aversion. We then prove a comparative statics theorem, when one worker becomes more productive. We show that compared with the predictions of outcome based model, those of the intention based model contrast sharply. This creates an ideal setting in which to perform a controlled experiment to test them. Our results largely support sequential reciprocity.

Author(s): Francesco Bogliacino and Nicolas Rodriguez

Topic: Games: Other, Applied Economics: Labor Market

Link: mpa.ub.uni-muenchen.de/99055/

[Back to session: Trust and Gift Exchange](#)

Responsible Majorities? Partisan Composition and Expressive Voting

Andrea Robbett
Middlebury College

ABSTRACT:

We design a lab experiment to study the determinants of expressive voting by political partisans. Our previous work has found that American political partisans who are asked to vote on the answers to factual questions engage in expression: voters give answers more favorable to their own party than partisans who answer the same questions as decisive individuals. In this experiment, we isolate the impact of partisan composition and audience effects on expressive behavior. We independently vary both the number of co-partisans who are affected and which party has the majority of voters, as well as whether the group learns the ultimate breakdown of votes. We find that voters are more expressive as the numbers of co-partisans in either the population or the voting pool increase, despite the potential costs of such behavior for co-partisans.

Author(s): Andrea Robbett and Peter Hans Matthews

Topic: Public Choice: Voting and Rent Seeking, Social Behavior: Group Behavior
[Back to session: Voting](#)

Movin' on up? A Survey Experiment on Mobility Enhancing Policies

Jared Barton
California State University, Channel Islands

ABSTRACT:

We use a nationwide survey experiment in the United States to measure whether information on intergenerational economic mobility or policy-specific arguments influence support for six pro-mobility policies advocated by political entrepreneurs. We find the information treatments do not affect support, but the argument treatments significantly increase support for three of the policies. We also include a behavioral measure by allowing respondents the opportunity to write their U.S. Senators. We find argument treatments significantly increase the likelihood that letters address economic mobility and significantly promote advocacy for that policy in the letter, but no increase in advocacy from the information treatments.

Author(s): Jared Barton & Xiaofei Pan

Topic: Public Choice: Other, Field Experiments: General
[Back to session: Voting](#)

Conformism of Minorities

Radovan Vadovic
Carleton University

ABSTRACT:

Successful implementation of new rules and policies depends on popular support. When the majority makes a choice, it is often important that the minority goes along and complies. The key determinant of compliance is the individual tendency to conform. What drives the conformism of minorities? Traditionally, the literature has focused on adaptive mechanisms, e.g., social learning, where observing others' actions generates new information and may affect one's own preference. It is less clear what happens once opinions mature and people become more steadfast. Is it then not possible to generate broad compliance? We explore a conjecture that even a steadfast individual may yield (temporarily) to the will of the majority if they are sufficiently caring and mindful of others. We design a laboratory experiment which allows us to observe conformism as well as identify the two behavioral mechanisms (adaptive vs. steadfast) in the data. We observe a substantial degree of conformism. Individuals are heterogeneous in their responses and there is a clear evidence of both adaptive and steadfast conformism. The steadfast conformism is moreover highly sensitive to the minority's power to decide. This suggests an interesting trade-off between the degree of enforcement and conformism.

Author(s): Fabian Bopp, Wendelin Schnedler, Radovan Vadovic

Topic: Public Choice: Other, Social Behavior: Group Behavior
[Back to session: Voting](#)

The causal effects of emotions on online giving - A framed field experiment

Anja Kobrich
University of Kassel

ABSTRACT:

In a field experiment we ask whether priming emotions increase charitable giving in multiple giving context. In cooperation with a German crowdfunding platform and an environmental organization, the participants (N=1008) were given the opportunity to donate 5€ to the crowdfunding platform, the environmental organization or to keep the incentive in an All-or-nothing version of a dictator game. We compared the effectiveness of two types of emotional primes to influence the dictators decision: (1) primes that trigger experiencing positive emotions by autobiographical recall tasks and (2) emotional primes that stimulate communicating about positive autobiographical events. Our findings show that both techniques changed the allocation of donations towards the crowdfunding platform that hosted the experiment. However, our results reveal no spillover effects of the treatments: the treatments only increase the donation volume at the host organization but not the overall volume of donations. This changed when heterogeneous treatment effects under different levels of intrinsic motivation of the participants were considered. Experiencing emotions is effective to trigger donations in participants with low intrinsic motivation to donate. The findings further illustrate heterogeneous treatment effects, i.e. different effects of emotional states depending on donor status, self-image motivation and material interest of the individual. The data thus suggests that organizations can increase donations with simple mechanisms for the priming of emotions but have to take into consideration level of intrinsic motivations of their potential donors.

Author(s): Anja Kobrich Leon, Janosch Schobin

Topic: Applied Economics: Charitable Giving, Psychology and Biology: Emotions
[Back to session: Varieties](#)

How Ambiguity Attitude Affects Trading Parties-Experimental Evidence

Zile Wang
Shanghai Jiao Tong University

ABSTRACT:

In Fehr, Hart and Zehnder (2011) study on incomplete contract, the state of nature was known to both buyers and sellers with given probability. We further explore the trading behavior of both parties and especially the shading decision of the sellers in which the state of nature is ambiguous. Our lab experimental results indicate that the subjective beliefs of the probability of the good state of both parties are not as optimistic as the baseline. Buyers are more likely to choose flexible contracts rather than rigid contracts to avoid no trade in the bad state. In rigid contracts, sellers' perfunctory behavior which would decrease payoffs of both parties dramatically increases with ambiguous state as sellers clearly signal their discontent of buyers' choice of contract type. Moreover, in flexible contracts, sellers would require a higher premium while facing ambiguous state. Although buyers make concession in offering a higher price, their compromise cannot reach sellers' reference point and sellers still choose perfunctory behavior more frequently, which demonstrates that sellers' reference point has increased with ambiguity in the state of nature.

Author(s): Xiangdong Qin

Topic: Decision Theory: Ambiguity, Decision Theory: Beliefs
[Back to session: Varieties](#)

Do Markets Crowd out Morals? Field Experimental Evidence from the Last People's Commune in China

Shu Chen
Shanghai International Studies University

ABSTRACT:

Using a unique case of institution transition from China, this paper attempted to explore the causal effect of market institutions on moral behaviors. Mainland China underwent significant institutional changes in the 1980s, when most villages transitioned from collectivism to individualism. As one of the exceptions, Yakou Village is called "the last people's commune in China". Conducting a lab-in-field experiment, we compared the social and economic behaviors of the villagers in Yakou and of those in its neighboring individualistic village, Pansha. We found significant differences in behaviors between collectivistic and individualistic adult villagers. Collectivistic villagers are more altruistic, trustful, and cooperative but are less competitive and exhibit higher time preferences than individualistic villagers. Interestingly, the behavioral differences are not observed in their children.

Author(s):

Topic: Field Experiments: General, Decision Theory: Preferences
[Back to session: Varieties](#)

Attractive Flu Shot: A Behavioral Approach to Increasing Influenza Vaccination Uptake Rates

Amnon Maltz
University of Haifa

ABSTRACT:

Background. We suggest and examine a behavioral approach to increasing seasonal influenza vaccine uptake. Our idea combines behavioral effects generated by a dominated option, together with more 'traditional' tools, such as providing information and recommendations. **Methods.** Utilizing the seasonal nature of the flu, our treatments present participants with two options to receive the shot: early in the season, which is recommended and hence "attractive," or later. Three additional layers are examined: (i) Mentioning that the vaccine is more likely to run out of stock late in the season, (ii) The early shot is free while the late one costs a fee, and (iii) The early shot carries a monetary benefit. We compare vaccination intentions in these treatments to those of a control group who were invited to receive the shot regardless of timing. **Results.** Using a sample of the Israeli adult population ($n = 3,271$), we find positive effects of all treatments on vaccination intentions and these effects are significant for three of the four treatments. In addition, the vast majority of those who are willing to vaccinate, intend to get the early shot. **Conclusions.** Introducing two options to get vaccinated against influenza (early or late) positively affects intentions to receive the flu shot. In addition, this approach nudges participants to take the shot in early winter, a timing which has been shown to be more cost effective.

Author(s): Amnon Maltz and Adi Sarid

Topic: Decision Theory: Bounded Rationality, Applied Economics: Other
Link: drive.google.com/file/d/1eG3FyhGIAMbt-G1zXo2OohxpZQNPgrVv/view
[Back to session: Varieties](#)

Paid vs. Hypothetical Decisions

Pablo Branas, Diego Jorrot, Benjamin Prisse
Loyola University

ABSTRACT:

We have been running a series of experiments comparing paid vs. hypothetical payments (time and risk). We have conducted experiments in the lab, field and online. Mostly we have found no differences. We want to discuss these results with people working on the same field.

Author(s): Pablo Branas, Diego Jorrot, Benjamin Prisse

Topic:
[Back to session: Topic Session: Paid vs. Hypothetical Decisions](#)

Music Session-1

Xianghong Shirley Wang, Te Bao, Zhenxing Huang, Yang Yang
Renmin University

ABSTRACT:

We first demonstrate a show of online singing, with a guitar and singers. We have adopted the song 'You and Me' for experimental economists. Then we ask participants to join us, or sing songs of their choices. In the meantime, dance movements can be combined into this.

Author(s): Xianghong Shirley Wang, Te Bao, Zhenxing Huang, Yang Yang

Topic:

[Back to session: Off-topic Session: Music Session-1](#)

Experiments Flavored By Evolution

Alessandra Cassar, Dan Friedman
the University of San Francisco

ABSTRACT:

Theory guides, experiments decide: Can we see signs of adaptations in current behavioral traits? Can lab and field experiments resolve controversies in evolutionary psychology? Can learning and adaptation explain when behavior observed in lab and field will converge to equilibrium predictions, and when it will not? Can evolutionary game theory predict what happens when equilibrium fails?

Author(s): Alessandra Cassar, Dan Friedman

Topic:

[Back to session: Topic Session: Experiments Flavored By Evolution](#)

Speed Networking

Jennifer Pate
Loyola Marymount University

ABSTRACT:

Come and meet 20+ new people at the first-ever ESA Speed Networking event. No experience necessary and no expectations - just bring yourself (and a few of your current ESA friends) to come and network with others from a variety of backgrounds, research areas, academic pursuits, and geographic locations. Make a new friend (or maybe even a new co-author!) as we facilitate fast, pair-wise interactions among all attendees over zoom. One participant will be randomly selected to win a \$50 prize, don't miss your chance!

Author(s): Jennifer Pate

Topic:

[Back to session: Off-topic Session: Speed Networking](#)

The Intersection of Teaching and Research Using Cloud-based Online Experiments

Kelvin Wong (ASU), John Duffy (UC Irvine), Robert Gazzale (UToronto), Si-Yuan Kong, Walter Yuan
MobLab

ABSTRACT:

With the fall academic term underway, hybrid and online classrooms have become the new norm for the majority of higher ed students and faculty around the world. In this session, We will discuss how you can deliver a participatory learning experience in any environment by leveraging cloud-based classroom experiments that can be easily run with up to hundreds of students at a time. We'll start by presenting a few highlights from a recently published Nature Human Behavior article that illustrate how you can use online experiments to replicate classical predictions from online theory with your students. You will get the chance to actively participate in one of our games. Then, We will turn to our faculty panel for insights on how economics experiments are a solution to engaging students online, what are effective ways to incorporate experiments into your lesson plan, and how we can deal with issues and concerns you may have when running experiments online.

Author(s): Kelvin Wong (ASU), John Duffy (UC Irvine), Robert Gazzale (UToronto), Si-Yuan Kong, Walter Yuan

Topic:

[Back to session: Topic Session: The Intersection of Teaching and Research Using Cloud-based Online Experiments-1](#)

Online Experiments during Pandemic

Shuchen Zhao, Kristian Lopez Vargas, Brett Williams, Zhaoqi Wang
UCSC

ABSTRACT:

The COVID-19 pandemic has greatly affected experimental economics as people are restricted by social distancing and universities switch to online teaching. Early this year we shared our online experimental protocols to the community and we ran some online experiments in the past 5 months. From the literature and our own experience, online experiments bring challenges as well as opportunities, and we want to hold a session to discuss these topics, including but not limited to: Problems and concerns we may face when running online experiments and possible solutions; Comparing design between online and physical lab experiments, What can be changed even after the pandemic?

Author(s): Shuchen Zhao, Kristian Lopez Vargas, Brett Williams, Zhaoqi Wang

Topic:

[Back to session: Topic Session: Online Experiments during Pandemic](#)

Music Session-2

Xianghong Shirley Wang, Te Bao, Zhenxing Huang, Yang Yang
Renmin University

ABSTRACT:

We first demonstrate a show of online singing, with a guitar and singers. We have adopted the song 'You and Me' for experimental economists. Then we ask participants to join us, or sing songs of their choices. In the meantime, dance movements can be combined into this.

Author(s): Xianghong Shirley Wang, Te Bao, Zhenxing Huang, Yang Yang
Topic:

[Back to session: Off-topic Session: Music Session-2](#)

The Intersection of Teaching and Research Using Cloud-based Online Experiments

Joseph Wang (NTU), Geo Li (XMU), Si-Yuan Kong
MobLab

ABSTRACT:

With the fall academic term underway, hybrid and online classrooms have become the new norm for the majority of higher ed students and faculty around the world. In this session, We will discuss how you can deliver a participatory learning experience in any environment by leveraging cloud-based classroom experiments that can be easily run with up to hundreds of students at a time. We'll start by presenting a few highlights from a recently published Nature Human Behavior article that illustrate how you can use online experiments to replicate classical predictions from online theory with your students. You will get the chance to actively participate in one of our games. Then, We will turn to our faculty panel for insights on how economics experiments are a solution to engaging students online, what are effective ways to incorporate experiments into your lesson plan, and how we can deal with issues and concerns you may have when running experiments online.

Author(s): Joseph Wang (NTU), Geo Li (XMU), Si-Yuan Kong
Topic:

[Back to session: Topic Session: The Intersection of Teaching and Research Using Cloud-based Online Experiments-2](#)

Experiments as Community Engagement

Sera Linardi, Jim Sullivan, Ragan Petrie
the University of Pittsburgh

ABSTRACT:

This is an informal discussion about partnering with local social work providers through experiments and the process of connecting research to practice with vulnerable populations. We're particularly interested in exploring the complexity of doing work that prioritize practical, immediate contributions.

Author(s): Sera Linardi, Jim Sullivan, Ragan Petrie
Topic:

[Back to session: Topic Session: Experiments as Community Engagement](#)

Experiments in Macroeconomics

Jasmina Arifovic, Luba Petersen
Simon Fraser University

ABSTRACT:

Macroeconomic experiments play important role within our field, but our numbers are still rather small. This even will provide an opportunity for those working in macro experimental to come together and discuss the latest topics as well as the methodologies that have been developed for online experiments.

Author(s): Jasmina Arifovic, Luba Petersen
Topic:

[Back to session: Topic Session: Experiments in Macroeconomics](#)

Game Night

Jennifer Pate
Loyola Marymount University

ABSTRACT:

Bring your randomly acquired knowledge and join us for a fun session of random facts trivia with your fellow ESA members. No experience necessary and no idea which topics will be covered, but join us for a good time and some laughs in a global Kahoot competition. The winner will receive a \$50 prize and be crowned ESA Trivia Champion of 2020.

Author(s): Jennifer Pate
Topic:

[Back to session: Off-topic Session: Game Night](#)

Thought-provoking Questions

David Reiley
Pandora

ABSTRACT:

Drawing on questions from the Dutch game Vertellis (<https://vertellis.com/>) and from Frank Andrews' book *The Art and Practice of Loving: Living a Heartfelt* (<http://www.heartfeltyes.com/>) Yes!, we'll do a session of questions designed to help us get to know ourselves and each other better. In breakout sessions of 3-4 individuals, we'll share with each other answers to questions such as: 1) What was the best purchase you have made in 2020 for under \$100? 2) What is one of the most valuable lessons you have learned this year? 3) Which moment from 2019 would you most like to relive? 4) Describe an instance in which you felt profound wonder. 5) What is an example of emotional intimacy that you have enjoyed with one or more other people this year?

Author(s): David Reiley

Topic:

[Back to session: Off-topic Session: Thought-provoking Questions](#)

Field experiments

Katya Vasilaky, Michelle Brock
Cal Poly

ABSTRACT:

Lab-in-the-field experiments present their own set of issues that many lab experiments do not face. We hope to have a topic session to discuss some of the issues that come up for field experimentalists including: how to build support for lab in the field methods (as opposed to full-blown RCTs); finding and maintaining partners; being part of more than one community: experimental, development, labor, environmental, etc.; and, if there's time, some of the statistical issues that can come up with lab-in-the-field experiments.

Author(s): Katya Vasilaky, Michelle Brock

Topic:

[Back to session: Topic Session: Field experiments](#)

Game Night-- SET

David Reiley
Pandora

ABSTRACT:

In breakout sessions of about six players each, we will play the perceptual card game SET (<http://magliery.com/Set/SetRules.html>) using the website SET with Friends (<https://setwithfriends.com/>). This object of the game is to be the first to find a SET of three cards on the board. A SET is defined to be a group of three cards such that for each of the four card properties (number, shape, color, shading) the three cards are either all the same, or all different.

Author(s): David Reiley

Topic:

[Back to session: Off-topic Session: Game Night-- SET](#)

Game Night-- Codenames

David Reiley
Pandora

ABSTRACT:

In breakout sessions of six to sixteen players each, we will play the team-based guessing game Codenames (<https://czechgames.com/files/rules/codenames-rules-en.pdf>), using the Horsepaste website (<https://www.horsepaste.com/>). On each turn, the cluegiver gives her team a one-word clue to try to get them to guess one or more words on the board. There are two teams per game, and the winning team is the first one to achieve the guessing of all of their target words without guessing the secret 'kill' word that causes a team to lose instantly.

Author(s): David Reiley

Topic:

[Back to session: Off-topic Session: Game Night-- Codenames](#)

Hang-out!

Ben Greiner & Graduate Student Helpers
Vienna University of Economics and Business

ABSTRACT:

These sessions are just central social places for people to meet and chat (and start their own breakout zoom sessions if they wish).

Author(s): Ben Greiner & Graduate Student Helpers

Topic:

[Back to session: Hang-out! --1](#)

Hang-out!

Paul J. Healy & Graduate Student Helpers
OSU

ABSTRACT:

These sessions are just central social places for people to meet and chat (and start their own breakout zoom sessions if they wish).

Author(s): Paul J. Healy & Graduate Student Helpers

Topic:

[Back to session: Hang-out! --2](#)

Hang-out!

Graduate Student Helpers

ABSTRACT:

These sessions are just central social places for people to meet and chat (and start their own breakout zoom sessions if they wish).

Author(s): Graduate Student Helpers

Topic:

[Back to session: Hang-out! --3](#)

Hang-out!

Lenka Fiala & Graduate Student Helpers
Tilburg University

ABSTRACT:

These sessions are just central social places for people to meet and chat (and start their own breakout zoom sessions if they wish).

Author(s): Lenka Fiala & Graduate Student Helpers

Topic:

[Back to session: Hang-out! --4](#)

Hang-out!

Graduate Student Helpers

ABSTRACT:

These sessions are just central social places for people to meet and chat (and start their own breakout zoom sessions if they wish).

Author(s): Graduate Student Helpers

Topic:

[Back to session: Hang-out! --5](#)

Hang-out!

Graduate Student Helpers

ABSTRACT:

These sessions are just central social places for people to meet and chat (and start their own breakout zoom sessions if they wish).

Author(s): Graduate Student Helpers

Topic:

[Back to session: Hang-out! --6](#)
