



# ESA AFRICA

## REGIONAL CONFERENCE

**14-15 DECEMBER 2023**

---

UCT GRADUATE SCHOOL OF BUSINESS  
CONFERENCE CENTRE  
Cape Town, South Africa

**PROGRAMME BOOK**

# Partners

---



# TABLE OF CONTENTS

Keynote Speakers	02
Organising Committee	03
Code of Conduct	04
Welcome to Cape Town	06
General Information	09
Programme Overview	11
Programme	12
Abstracts	15

# Keynote Speakers

---



Professor  
**Bertil Tungodden**

Professor of Economics in the  
Department of Economics at NHH  
Norwegian School of Economics in  
Bergen, Norway



Professor  
**Sule Alan**

Professor of Economics at the European  
University Institute, Florence and Adjunct  
Professor of Economics at Bilkent  
University, Turkey

# Organising Committee

---



Associate Professor  
**André Hofmeyr**  
University of Cape Town



Professor  
**Charles Nussair**  
University of Arizona



Professor  
**Don Ross**  
University of Cape Town



Mrs  
**Rinelle Chetty**  
University of Cape Town

# Code of Conduct

ESA is dedicated to providing a welcoming and harassment-free conference experience for everyone, regardless of gender, gender identity and expression, sexual orientation, disability, physical appearance, body size, race, age, religion, nationality, or the presence of or care for dependents. We do not tolerate harassment of conference participants in any form. Conference participants violating these rules may be sanctioned or expelled from the conference at the discretion of the conference organizers who are responsible for ensuring a safe environment for everyone.

*Harassment* includes, but is not limited to:

- Verbal comments that reinforce social structures of domination related to gender, gender identity and expression, sexual orientation, disability, physical appearance, body size, race, age, religion, nationality
- Sexual images in public spaces
- Deliberate intimidation, stalking, or following
- Harassing photography or recording
- Sustained disruption of talks or other events
- Inappropriate physical contact or unwelcome sexual attention
- Advocating for, or encouraging, any of the above behaviour

## Ethics committee

To facilitate implementing the code of conduct and to foster a climate of inclusion we have an ethics committee that can be contacted anytime. Here is their contact information:

Ethics Officer: **Catherine Eckel** (ceckel@tamu.edu)

Ethics Committee: **Catherine Eckel** (ceckel@tamu.edu), **Seda Ertac** (sertac@ku.edu.tr), **Laura Gee** (laura.gee@tufts.edu), and **Charles Noussair** (cnoussair@arizona.edu).

## Enforcement

Participants asked by the conference staff or by anyone in the ethics committee members to stop any harassing behavior are required to comply immediately. If a participant engages in harassing behavior, event organizers retain the right to take any necessary actions to keep the ESA conference a welcoming environment for all participants. This includes warning the offender or expulsion from the conference. Organizers may take action to redress anything designed to, or with the clear impact of, disrupting the event or making the environment hostile for any participants. We expect participants to follow these rules at all event venues and event-related social activities. Additionally, participants asked by another attendee to stop any behavior perceived as harassing, threatening or otherwise unpleasant are expected to comply within reasonable limits. If a participant considers such a request unreasonable, they may raise it with the ethics committee.

## Reporting

If someone makes you or anyone else feel unsafe or unwelcome, please report it as soon as possible. Harassment and other code of conduct violations reduce the value of our event for everyone. People like you make our scientific community a better place, and we want you to be happy here. Harassment or non-inclusive behavior is defined by you. So, do not hesitate to report something because someone else thinks the behavior is “reasonable”. That person may not share your protected characteristic(s). You can make a report either personally or anonymously.

## Anonymous Report

You can make an anonymous report using an online service like <https://anonymousemail.me> to send an anonymous email to any ethics committee member of your choosing, conference organizers, and/or any member of the ESA board. Please write the same information you would put in a personal report for us to be able to process the complaint.

## Personal Report

Make a personal report by emailing the ethics officer **Catherine Eckel** (ceckel@tamu.edu). You may also report the incident to any one of the ethics committee members that you feel most comfortable reporting to or anyone in the ethics committee: **Seda Ertac** (sertac@ku.edu.tr), **Laura Gee** (laura.gee@tufts.edu), and **Charles Noussair** (cnoussair@arizona.edu), and conference organizers. The person you report to will share the information with the other ethics committee members and conference organizers.

## What happens if I make a report?

We can't follow up an anonymous report with you directly, but we will investigate it to the fullest extent possible and take all feasible actions to prevent a recurrence. When taking a personal report, our staff will adhere to the strictest confidence in handling the report. They may involve other event staff to the extent that this is required to ensure your report is managed properly. Once safe, we'll ask you to tell us about what happened. This can be upsetting, but we'll handle it as respectfully as possible, and you can bring someone to support you. You will never be asked to confront anyone and we won't tell anyone who you are. Our team will be happy to help you contact hotel or venue security, local law enforcement, local support services, provide escorts, or otherwise assist you to feel safe for the duration of the event.

We value your attendance.

**ESA ethical guidelines:** <https://www.economicsscience.org/page/ethical-guidelines>



# WELCOME TO CAPE TOWN, SOUTH AFRICA

Cape Town, lovingly referred to as the “**Mother City**” is located at the southern tip of Africa. It is the place of golden beaches, bountiful vineyards and the majestic Table Mountain. It is a top holiday destination attracting visitors from all over the world. As a visitor, you can lose yourself in all the beauty the city has to offer (many do!) though you can also plan your trips to the many historical and cultural sites.

Cape Town also offers state-of-the-art conference facilities, accommodation, infrastructure and plenty of opportunities to do business.

## Things To Do

We know that your time is limited when attending a conference, but if you plan on travelling to Cape Town, we recommend visiting a few of our top attractions:

**Table Mountain:** The ride on the aerial cableway is a gentle one: the rotating state-of-the-art cable car takes visitors from the lower station to the top in around 5 minutes. You will be 1000 m above the city, and here in this unique location, you will find rock hyrax, lizards, butterflies and the odd porcupine. There is also a wide array of birdlife flying above great patches of fynbos, the Cape’s indigenous flora. Atop the mountain is a self-service buffet cafe while you can always pack a picnic and enjoy what still is part of a national park.

**Find out more - <https://tablemountain.net>**



**Robben Island** is visited every year by thousands of people keen to understand and honour the important aspects of South Africa's history that the island represents.

**Find out more - <https://www.robben-island.org.za>**

**V&A Waterfront** is a precinct in the city center that offers a wide variety of attractions and activities to enjoy. From arts and culture, such as the Zeitz Museum of Contemporary Art Africa (MOCAA) to more leisurely pursuits such as a sunset cruise on one of the chartered boats berthed here or restaurants and shopping. Do pay a visit to The Watershed with local products, arts and crafts.

**Find out more - <https://www.waterfront.co.za>**

**Kirstenbosch National Botanical Garden** is one of the great botanic gardens of the world. Few gardens can match the sheer grandeur of the setting of Kirstenbosch with the slopes of Table Mountain as a backdrop. In summer, the gardens host open-air concerts and tickets usually sell fast.

**Find out more - <https://www.sanbi.org/gardens/kirstenbosch>**

**Cape Winelands** are for wine tasting, and a trip here is one of the best ways to spend a day in Cape Town. Combine the delicious wines with some of the most beautiful landscapes on earth, century-old architecture, and awe-inspiring food, and it's no surprise that it's one of Cape Town's most beloved activities for visitors and locals alike.

**Find out more - <https://www.sa-venues.com/attractionswc/capewinelands-attractions.htm>**

**Cape Point** is the scenic outlook where rugged rocks and sheer cliffs tower more than 200 metres above the sea and cut deep into the ocean, providing a spectacular background for the park's rich biodiversity. Cape Point falls within the southern section of Table Mountain National Park. The natural vegetation of the areas – fynbos – comprises the smallest but most diverse of the world's six floral kingdoms.

**Find out more - <https://capepoint.co.za>**

## Getting Around

All your options for Cape Town locomotion:

**<http://capetownblog.org/getting-around-cape-town>**

**<https://www.capetown.travel/travel-wise>**



## Weather

December marks the beginning of Cape Town's summer season, bringing with it warm and sunny days that are perfect for exploring all of what the city has to offer. With an average high temperature of around 30°C (86°F) and a low of 16°C (61°F), you can expect pleasantly mild evenings. The favourable climate creates an ideal setting for various outdoor activities, such as hiking Table Mountain, strolling along the breathtaking beaches, or enjoying a picnic in the lush Company Gardens.

As the holiday season approaches, Cape Town comes alive with a festive spirit that is contagious. The locals are friendly and welcoming, and you'll find the city adorned with colourful decorations, particularly in popular tourist areas like Victoria & Alfred Waterfront and Kloof Street. December is a month filled with exciting events and festivities, including open-air concerts, food and wine festivals, and lively street markets. Be sure to catch the annual Cape Town Festival of Lights, a dazzling display of lights and music, perfect for all ages.

**Pack:** While December is primarily a dry month in Cape Town, it's essential to be prepared for occasional rain. The city experiences some rainfall during this time, typically in the form of short and refreshing afternoon thunderstorms. These showers are usually brief, and they don't usually disrupt your plans too much. However, it's a good idea to pack a lightweight waterproof jacket or umbrella, just in case.

## Safety Information

Avoid carrying large sums of cash, don't carry cameras in plain sight and do not leave belongings unattended.

Heed the advice of your hosts, Cape Town Tourism Visitor Centre staff, or locals on where to go after dusk. Avoid walking in deserted and dark places at night. Park in a secure, well-lit area with street guards.

Never allow strangers to assist you in any way at ATMs or cash points.

Street children and beggars may approach you for a handout. If you wish to help, consider giving food, donating to a registered charity or contact Cape Town Tourism for advice.

Keep copies of all valuable documents in a safe place.

When exploring Table Mountain National Park, take a map, comfortable walking shoes, a few friends and a charged mobile phone.

When hiking, be prepared for weather that can change rapidly, even in summer. Bring along enough water and sunblock, as well as something warm to wear. Start heading back well before dark and don't venture away from the demarcated paths. Tell a friend or your host where you are going and when you expect to be back.

Load the Table Mountain National Park emergency number +27(0)861 106 417 into your mobile phone before departing on a hike. Cape Town Tourism and Protection and Emergency Services run a Visitor Support Programme to assist you, should you be involved in any incident during your stay.

## Loadshedding

Loadshedding is another term for rolling blackouts and power cuts. Load-shedding happens when there's a huge demand on the national power grid, leading to the interruption of the electricity supply to the country. Loadshedding discontinues the power supply to certain areas, according to a schedule, to allow the power utility to get failed generation units back online. Load-shedding is implemented in stages and depends on the extent of the shortage of electricity generation.

**Note:** The City of Cape Town only implements load-shedding when instructed by Eskom's National Control Centre. The decision to implement loadshedding is therefore beyond the City's control and often at short notice.

## Emergency Numbers

<b>Emergencies from Mobile</b>	<b>112</b>
<b>Emergencies from Landline</b>	<b>107</b>
<b>South African Police Service SAPS</b>	<b>10111</b>
<b>Table Mountain NP Emergencies</b>	<b>021 480 7700</b>
<b>Ambulance</b>	<b>10177</b>

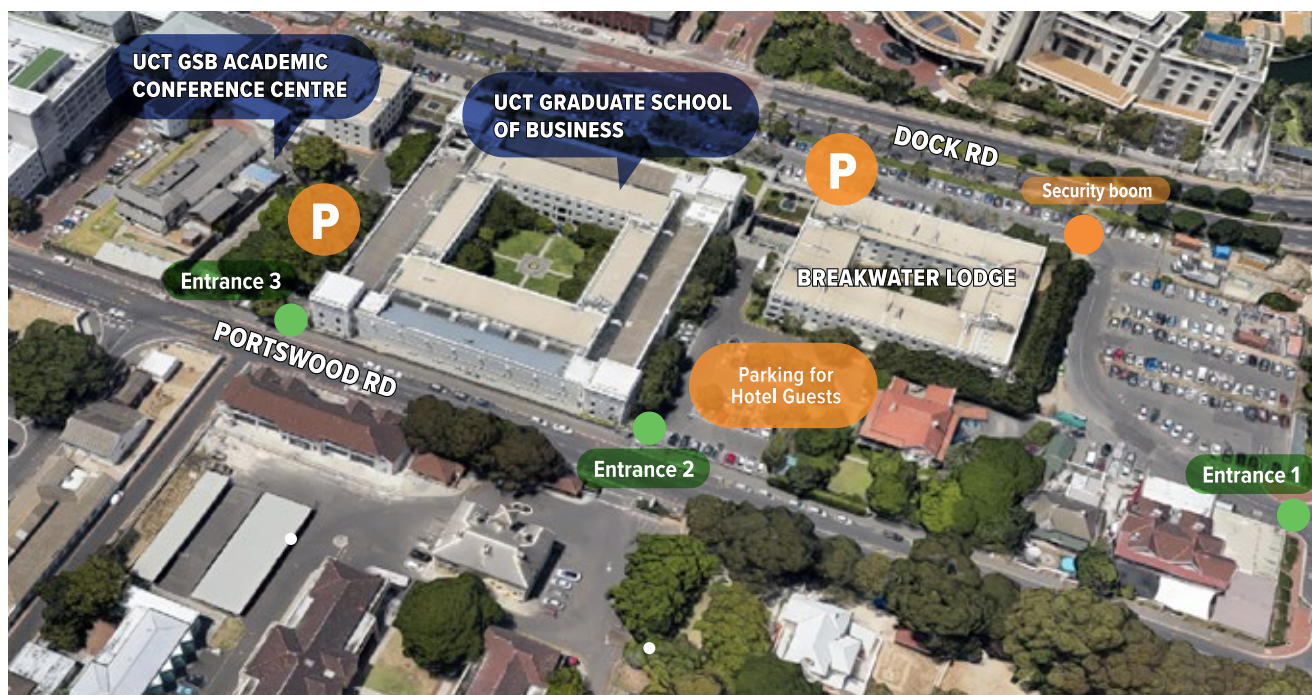
*Disclaimer: The organising committee, the congress organiser, accept no liability for any damages, injury and/or loss of whatever nature by delegates and/or accompanying persons.*

# GENERAL INFORMATION

## Conference Venue

University of Cape Town, Graduate School of Business and Conference Centre

9 Portwood Road, Victoria and Alfred Waterfront, Cape Town



## Directions from Cape Town International Airport:

- Take the N2 from the Airport to Town
- Carry on past the Southern Sun Waterfront Hotel on your left, and at the second set of traffic lights, turn right into Helen Suzman Boulevard
- Take the right-hand lane that leads to a small set of traffic lights leading into Portswood Road
- Turn right into Portswood Road
- The GSB Conference Basement Parking can be reached by taking the first road on one's right-hand side
- Please follow the GSB signs until you reach the security boom (Entrance 1)
- Hotel Guest Parking can be reached by taking the 2nd entrance on one's right hand side when coming down Portswood Road (towards the Waterfront - Entrance 2)
- The UCT Academic Conference Centre Parking will be the 3rd entrance on one's right-hand side (Entrance 3)

## Registration Desks

13 December 2023 (Wednesday) | 16:00 – 18:00

14 December 2023 (Thursday) | 07:30 – 14:30

15 December 2023 (Friday) | 07:30 – 14:30

## Name Badges

You will be given your name badge during registration. You are kindly requested to wear your name badge at all times. Only participants with name badges will have access to the scientific programme, the coffee and lunch breaks, and to the social events.

## WIFI

Conference participants will be able to access wireless Internet via Eduroam using their home institution's credentials. Alternatively, it will be possible to connect to the local wireless networks using the conference login and password that will be posted in the rooms.

## Coffee Breaks / Lunches

Coffee breaks will be located just outside of the Conference venues. Lunch will be served at the Stonebreakers Restaurant which is in the building adjacent to the Conference Centre. Participants with specific dietary restrictions or allergies are encouraged to inform the catering staff and they will provide appropriate dishes.

## Special Needs

Persons with reduced mobility or disabilities can contact the Registration Team at the registration desks to get assistance and guidance.

## Social Events

### Welcome Reception:

13 December 2023 – from 17:00-19:00

Venue: Rooftop 3rd floor GSB Academic Conference Centre

### Conference Dinner :

14 December 2023 – 19:00 – 22:00

Grand Africa Café & Beach



# PROGRAMME OVERVIEW

## DAY 1 | WED 13 DECEMBER 2023

17:00 – 19:00 **Welcome Reception** ●  
Rooftop 3rd floor GSB Academic Conference Centre

## DAY 2 | THURS 14 DECEMBER 2023

08:30 – 09:00 **Registration and coffee** ●

09:00 – 10:40 **PARALLEL SESSION 1**  
3 parallel sessions (each presenter gets 25 mins, 4 papers)

10:40 – 11:00 **Coffee** ●

11:00 – 12:00 **Keynote Presentation**  
**BERTIL TUNGODDEN**

12:00 – 14:00 **Lunch** ●

14:00 – 15:40 **PARALLEL SESSION 2**  
3 parallel sessions (each presenter gets 25 mins, 4 papers)

15:40 – 16:00 **Coffee** ●

16:00 – 17:40 **PARALLEL SESSION 3**  
3 parallel sessions (each presenter gets 25 mins, 4 papers)

19:00 – Late **Conference Dinner** ●  
Grand Africa Café & Beach, V&A Waterfront

## DAY 3 | FRI 15 DECEMBER 2023

09:30 – 10:00 **Coffee** ●

10:00 – 12:05 **PARALLEL SESSION 4**  
3 parallel sessions (each presenter gets 25 mins, 5 papers)

12:05 – 14:00 **Lunch** ●

14:00 – 16:05 **PARALLEL SESSION 5**  
2 parallel sessions (each presenter gets 25 mins, 5 papers or 4 papers)

16:05 – 16:30 **Coffee** ●

16:30 – 17:30 **Keynote Presentation**  
**SULE ALAN**

# PROGRAMME

## DAY 1 | WED 13 DECEMBER 2023

17:00 – 19:00 **Welcome Reception at the UCT Graduate School of Business**

## DAY 2 | THURS 14 DECEMBER 2023

08:30 – 09:00 **Registration and Coffee**

### 09:00 – 10:40 **PARALLEL SESSION 1**

1A Plenary Venue	1B Breakout Room 1	1C Breakout Room 2
<b>LABOUR ECONOMICS 1</b>	<b>SOCIAL BEHAVIOUR 1</b>	<b>FIELD EXPERIMENTS 1</b>
<b>Maroš Servátka</b> Group identity and promotions	<b>Moritz Janas</b> Eliciting Thresholds for Collective Behavior	<b>Berber Kramer</b> Basis Risk, Social Comparison, Perceptions of Fairness and Demand for Insurance: A Field Experiment in Ethiopia
<b>Rocco Zizzamia</b> Ignorance is bliss? Rejection and discouragement in on-the-job search	<b>Nicky Nicholls</b> Does corruption incidence predict engagement in corrupt behaviour?	<b>Abigail Sellman</b> Leveraging social norms and reminders to increase help-seeking among university students in South Africa
<b>Agnieszka Kasperska</b> The Role of Organisational Settings and Gender Inequality in the Impact of Work from Home on Careers: Evidence from a Discrete Choice Experiment	<b>Amandine Belard</b> They know each other, but do they trust each other? Social capital and targeted beneficiaries of community-based development projects: A lab-in-the-field in rural Zimbabwe	<b>Max Baard</b> Water Conservation, Beliefs, and Fairness Preferences in Collective Burden-Sharing
<b>Rustamdjan Hakimov</b> Finding the best employees: A field experiment in hiring	<b>Andre Hofmeyr</b> The Trust Game: Salience, Beliefs, and Social History	<b>Lena Merkel</b> Self-medication under Uncertainty: Consumer Beliefs about Drug Quality in Burkina Faso

10:40 – 11:00 **Coffee**

11:00 – 12:00 **Keynote Presentation BERTIL TUNGODDEN** Plenary Venue

12:00 – 14:00 **Lunch**

### 14:00 – 15:40 **PARALLEL SESSION 2**

2A Plenary Venue	2B Breakout Room 1	2C Breakout Room 2
<b>DECISION MAKING</b>	<b>SOCIAL BEHAVIOUR 2</b>	<b>FINANCE/MACROECONOMICS</b>
<b>Lilia Wasserka-Zhurakhovska</b> An Experimental Study on Gender Differences in Goal-Setting for Others	<b>Celeste Campher</b> Playing the ultimatum game and trust game alongside the social discounting task: Evidence on altruism and social preferences	<b>Daniel Waters</b> Universal Basic Income: Labour, and Human Capital Investment
<b>Wei-Chien Liao</b> The Impact of Cognitive Capacity and Trust Level on Bayesian Updating	<b>Jana Péliová, Zuzana Brokešová</b> Transaction costs and willingness to donate	<b>Tibor Neugebauer</b> Does Structured Communication Matter in Experimental Asset Markets?
<b>Morten Lau</b> An Econometric Analysis of Intertemporal Choice Heuristics	<b>Thomas Rittmannsberger</b> Peace in an unequal world? Experimental evidence on the relationship between inequality and conflict in a guns-vs-butter setting	<b>Tomáš Tichý</b> The instability between the real and financial markets within experimental games
<b>Yating Chuang</b> Gender Biases in Competitive Music Composition Evaluation	<b>Cary Deck</b> Strategic Emotional Inducement in the Investment Game	<b>Obaid ul Rehman</b> Green gamified app experience – can gamification in e-banking be more than just fun?

15:40 – 16:00 **Coffee**

16:00 – 17:40 **PARALLEL SESSION 3**

3A Plenary Venue	3B Breakout Room 1	3C Breakout Room 2
<b>MARKETS</b>	<b>LABOUR ECONOMICS 2</b>	<b>BELIEFS 1</b>
<p><b>Peter Katusčák</b> Unpicking Non-truth-telling in Strategy-Proof Mechanisms: Input Method vs. Information Presentation</p>	<p><b>Georg Weizsäcker</b> Biased Wage Expectations and Female Labor Supply</p>	<p><b>Rinelle Chetty</b> The Accuracy of COVID-19-Related Beliefs in South Africa</p>
<p><b>Andreas Drichoutis</b> Combining between- and within-subjects design characteristics in experimental auctions</p>	<p><b>Linda Maokomatanda</b> Chinese Investors and Job Seekers' Preferences: Evidence from Zambia</p>	<p><b>Philippos Louis</b> Communication and the emergence of a unidimensional world</p>
<p><b>Peter Katusčák</b> Understanding Conditional Cooperation: A Simpler Method</p>	<p><b>Klarita Gërxhani</b> Biases in peer evaluations</p>	<p><b>Fabienne Cantner</b> Does information help to overcome resistance to carbon pricing? Evidence from a survey experiment</p>
<p><b>Dorothea Kübler</b> Fairness in Matching Markets: Experimental Evidence</p>	<p><b>George Agyeah</b> When the Modes of Interactions Matter: Virtual and in-person Integration of Newcomers in a Dynamic Setting</p>	<p><b>Don Ross</b> Measuring Intelligence with Confidence</p>

19:00 – Late **Conference Dinner at Grand Café & Beach, V&A Waterfront, Granger Bay, Cape Town**

## DAY 3 | FRI 15 DECEMBER 2023

09:30 – 10:00 **Coffee**

10:00 – 12:05 **PARALLEL SESSION 4**

4A Plenary Venue	4B Breakout Room 1	4C Breakout Room 2
<b>FIELD EXPERIMENTS 2</b>	<b>PUBLIC ECONOMICS</b>	<b>BELIEFS 2</b>
<p><b>Berber Kramer</b> Control over future payouts and willingness to pay for insurance: Experimental evidence from Kenyan farmers</p>	<p><b>Fabio Galeotti</b> The power of leadership in changing social norms</p>	<p><b>Kwabena Donkor</b> Identity and Economic Incentives</p>
<p><b>Zabambo Nale Ndesi</b> Effects of physical displacement on risk and social preferences: field experiment in rural Eastern Cape, South Africa</p>	<p><b>Andreu Arenas</b> Pre-electoral polls and aggregate uncertainty in the field</p>	<p><b>Sofia Monteiro</b> Correlation Neglect in Belief Formation: Team versus Individual Decision-Making</p>
<p><b>Abigail Sellman</b> Behavioral Science: An effective tool to enhance the impact of cash transfers</p>	<p><b>Arthur Schram</b> Do Party Labels Polarize?</p>	<p><b>Fabienne Cantner</b> Greenwashing your personality</p>
<p><b>Markus Dertwinkel-Kalt</b> Household gas consumption reacts to the energy crisis, but not to economic incentives</p>	<p><b>Matej Lorko</b> Tax compliance in the lab: the effect of nudges and economic incentives</p>	<p><b>Kai Barron</b> Narrative Persuasion</p>
	<p><b>Charles Noussair</b> Inclusive and Extractive Institutions and Economic Growth: An Experiment</p>	

12:05 – 14:00 **Lunch**

14:00 – 16:05 **PARALLEL SESSION 5**

**5A** Plenary Venue

**RISK**

**Benno Guenther**

PDOSPERT: A new scale to predict domain-specific risk-taking behaviors in times of a pandemic

**Fabio Römeis**

Regret Theory and Decoy Effects

**Said Said**

Correlation Aversion Premium (CAP), Intertemporal Elasticity of Substitution (IES) and Relative Risk Aversion (RRA)

**Brian Monroe**

Parametric Estimation of Higher Order Risk Preferences

**5B** Breakout Room 1

**SOCIAL BEHAVIOUR 3**

**Aurora García Gallego**

Watching the embezzler: An experiment on gender and antisocial behaviour

**Robert Mwanypedza**

Willingness to Pay for Neighbourhood Safety and Residential Locational Choice

**Claudia Keser**

Public good provision under inequality in endowment and return from the public good

16:05 – 16:30 **Coffee**

16:30 – 17:30 **Keynote Presentation SULE ALAN** Plenary Venue



# ABSTRACTS

## SESSION 1A

### LABOUR ECONOMICS 1

**Maroš Servátka**

#### **Group identity and promotions**

ABSTRACT:

How does group identity influence promotion decisions and what impact does it have on the performance of organizations through promotions? We provide answers based on two experiments in which we identify the effect of group identity on the employer's preferences regarding whom to promote, the employer's expectations of post-promotion effort of promoted and non-promoted workers, and the post-promotion effort itself. In both experiments we find strong evidence of group identity biasing the employer's preferences. The observed group identity bias in the promotion decision significantly reduces efficiency. Contributions to the literature on promotions in organizations and discrimination in promotions is discussed.

---

**Rocco Zizzamia**

#### **Ignorance is bliss? Rejection and discouragement in on-the-job search**

ABSTRACT:

I investigate the effect that experiencing repeated rejection has on on-the-job search. Using a lab-in-the-field experiment implemented with young workers in South Africa, I repeatedly ask subjects to choose between a high-return activity with frequent exposure to rejection signals and a lower-return activity with less frequent exposure to rejection signals. I ask whether subjects take costly action to avoid exposure to information on rejection by choosing the lower-return, lower-rejection activity. To do so, I experimentally vary both the rewards and the amount of rejection that subjects experience when choosing between the two tasks, holding other salient drivers of search behaviour constant, including risk preferences and eliminating the ability of players to learn about returns to search through experiencing rejection. I find that when exposed to (more frequent) rejection, subjects choose to trade-off expected earnings in order to avoid receiving rejection signals. I interpret these results as an example of active information avoidance.

---

**Agnieszka Kasperska**

#### **The Role of Organisational Settings and Gender Inequality in the Impact of Work from Home on Careers: Evidence from a Discrete Choice Experiment**

ABSTRACT:

Work from home (WFH) has become an integral part of the professional lives of many people across the globe. Yet, its impact on career progression is still not entirely understood. This article explores how WFH affects workers' career prospects from the gender perspective in the post-pandemic context of the United Kingdom (UK). More specifically, we study how WFH impacts workers' opportunities for promotion and salary increase, their access to training opportunities and employers' assessment of workers' commitment level and competencies. We also investigate whether the observed effects vary

depending on the presence of the ideal worker norms and work-family reconciliation measures in the company, as well as the manager's level of gender equality. We use data from the discrete choice experiment fielded between July and December 2022 among 1,000 managers in the UK. Each respondent (manager) was presented with a pair of workers' profiles and asked to select one employee for promotion, salary raise, training, and which employee he/she thinks is more competent and committed. The workers' profiles included seven attributes (age, working mode, skills ranking, work experience, sex, family situation, and performance rank) with ranges from 2 to 3 levels each. The findings indicate that employees who WFH are less likely to be considered for promotion and salary increase, and more likely to be negatively evaluated than on-site workers. These results pertain only to organisations that have more demanding organisational cultures, namely those with stronger ideal worker norms (i.e. an ideal worker is an employee who puts work above personal matters) and fewer work-family reconciliation policies. In addition, the more traditional gender norms of the manager, the fewer chances for promotion and pay raises for women who WFH. Men who work on-site experience advantages when operating in more demanding and traditional workplaces. Conversely, women who WFH encounter a disadvantageous impact on their career outcomes when working in such environments. Our findings underline the importance of organisational settings in the impact of flexible working arrangements on careers.

---

**Rustamdjan Hakimov**

## **Finding the best employees: A field experiment in hiring**

ABSTRACT:

We run an online experiment to study the origins of algorithm aversion. Participants are either in the role of workers or of managers. Workers perform three real-effort tasks: task 1, task 2, and the job task which is a combination of tasks 1 and 2. They choose whether the hiring decision between themselves and another worker is made either by a participant in the role of a manager or by an algorithm. In a second set of experiments, managers choose whether they want to delegate their hiring decisions to the algorithm. In the baseline treatments, we observe that workers choose the manager more often than the algorithm, and managers also prefer to make the hiring decisions themselves rather than delegate them to the algorithm. When the algorithm does not use workers' gender to predict their job task performance and workers know this, they choose the algorithm more often. Providing details on how the algorithm works does not increase the preference for the algorithm, neither for workers nor for managers. Providing feedback to managers about their performance in hiring the best workers increases their preference for the algorithm, as managers are, on average, overconfident.

# SESSION 1B

## SOCIAL BEHAVIOUR 1

**Moritz Janas**

### **Eliciting Thresholds for Collective Behavior**

ABSTRACT:

Threshold models have a longstanding tradition in studying collective behavior. An individual's threshold captures the share of others that must adopt a particular behavior before the individual does so too. Despite the prevalence of threshold models, literature on the empirical distributions of such thresholds, and the factors determining them, remains scarce. We introduce a theoretical framework that predicts an individual's threshold based on their values, personal traits, and the institutional environment (e.g., if the behavior is public or not). We develop an incentive-compatible method to elicit individual thresholds. We test and validate our method by surveying a representative sample of 4000 Americans, stratified by race and gender. Our respondents must decide to donate to one of two organizations with opposed goals regarding affirmative action. We find that most people condition their donation on the decisions of other society members - i.e., most individuals have interior thresholds. We can use the elicited threshold distributions to simulate societal equilibria for collective action. These simulations account for social tipping dynamics. For example, they allow us to identify efficient targeting of individuals to stir societal change.

---

**Nicky Nicholls**

### **Does corruption incidence predict engagement in corrupt behaviour?**

ABSTRACT:

The costs of corruption are widely acknowledged. Concerns exist around whether perceptions of pervasive corruption might lead more people simply to accept and even to embrace corrupt practices. If pervasive corruption does not make people embrace corruption, this would suggest room for more optimism in the fight against corruption. However, if the reverse is true, and pervasive corruption does breed persistent corruption, government and society might require extraordinary measures to fight this. We investigate this question in South Africa, where we experimentally vary the pervasiveness of corruption to investigate the impact of differing levels of corruption on (incentivised) decision making. We follow a body of experimental literature on corruption by using a modified Trust Game, where participants choose whether or not to make and accept corrupt offers. A corrupt offer is associated with higher profits for the decision makers engaging in corruption (proposing or accepting the corrupt offer), but welfare costs (reduced payments) for other players in the experiment. In the first round of our experiment, we identify "corrupt" versus "honest" players based on their decision to make or not to make a corrupt offer. We use this information to form (anonymous) groups with varying incidences of corruption. Respondents then make a series of choices about engaging in corruption when paired alternatively with a partner from a high (80% corrupt) group, medium (50% corrupt) group or low (20% corrupt) group. Tracking within-subject incidence of corrupt decision making when partnered with players from these three groups allows us to see whether corruption incidence predicts offering and/or accepting of corrupt deals. To ensure that our communication about levels of corruption impacts perceptions in the expected way, we also elicit incentivised beliefs about the likelihood of facing a corrupt partner.

---

**Amandine Belard**

## **They know each other, but do they trust each other? Social capital and targeted beneficiaries of community-based development projects: A lab-in-the-field in rural Zimbabwe**

ABSTRACT:

Community-based development (CBD) projects have played a significant role in development assistance for several decades, emphasizing a bottom-up approach that prioritizes beneficiary involvement in project design and management. For CBD initiatives to succeed, communities must harness their social capital, organizing themselves and actively engaging in development processes. While proponents highlight the promotion of social capital through community-based projects, critics argue that their effectiveness relies on pre-existing levels of trust, trustworthiness, and community interactions. This paper examines the preexisting social capital of individuals targeted by an NGO in Zimbabwe. We investigate the differences in networks between beneficiaries and non-beneficiaries, exploring whether these networks translate into increased elicited trust, altruism and cooperativeness based on incentivized experimental tasks. Our study, conducted in the rural district of Murehwa (Zimbabwe), employed a survey and lab-in-the-field experiments involving 340 individuals in 2022. Our findings indicate that beneficiaries indeed exhibit higher network levels compared to non-beneficiaries. However, we did not observe behavioral differences between the two groups before project implementation. Beneficiaries did not exhibit higher levels of trust, altruism, or cooperativeness

---

**Andre Hofmeyr**

## **The Trust Game: Saliency, Beliefs, and Social History**

ABSTRACT:

The trust game is the standard experimental measure of trust and reciprocity in the social sciences. However, trust game experiments typically do not satisfy the saliency precept, which is required to instantiate a microeconomic system in the lab. In three experiments, we find that when subjects are given all relevant information about the mapping between their actions and the earnings of both players, there is a dramatic increase in amounts returned. Beliefs about amounts returned, though, are pessimistic relative to the actual return behaviour we observe. After providing information on these returns in a graphical, easily intelligible manner, there is a marked increase in amounts sent, suggesting that the provision of social history information can be welfare enhancing for both players, and attributed to belief updating. Our results challenge the stylised facts of the trust game, and demonstrate that institutions matter.

# SESSION 1C

## FIELD EXPERIMENTS 1

**Berber Kramer**

### **Basis Risk, Social Comparison, Perceptions of Fairness and Demand for Insurance: A Field Experiment in Ethiopia**

ABSTRACT:

Index insurance is considered an important strategy to de-risk agriculture and increase smallholder farmers' investments. However, insured farmers may develop mistrust of insurance if they experience crop losses and do not receive a payout, for instance because index insurance covers only a subset of covariate risks. At the same time, insurance for idiosyncratic risks would introduce differences in payouts within social networks, which might be considered unfair, introduce jealousy, and further depress demand for insurance. We conduct lab-in-the-field experiments with farmers in Ethiopia to examine the effects of a novel insurance approach that ensures insurance payouts for farmers with crop losses due to idiosyncratic events. We also examine the effects of informing farmers about their neighbors' experiences alongside their own. We find that such social comparison increases perceived fairness of weather index insurance. In addition, providing complete insurance coverage for crop losses increases farmers' perceived fairness of outcomes and willingness to pay, without introducing jealousy over neighbors receiving different payouts. Finally, we find that the increase in willingness to pay for complete insurance is concentrated among men and risk averse respondents.

---

**Abigail Sellman**

### **Leveraging social norms and reminders to increase help-seeking among university students in South Africa**

ABSTRACT:

Graduating from university can offer many benefits, such as increased access to job opportunities and increased earning potential. We worked with a scholarship program that helps low-income, high-achieving students enrolled in South Africa's top universities navigate common barriers to graduation by offering students academic and mental-health support. The program has a strong track record of helping students succeed, but still, many students do not utilize its support (e.g., in 2021 only 38% of students accessed a tutor). We designed a series of interventions, grounded in qualitative behavioral science insights, that encouraged students to seek support and evaluated them using experimental methods. One intervention was a WhatsApp message delivered to a random sample of students before final exams. The goals of the message were to: (1) prompt action through a just-in-time reminder, (2) provide social proof that other students like them access support, and (3) reduce hassles to support-seeking. Students who received the WhatsApp message were significantly more likely to use academic support compared to those who did not receive a message, by 6.6 percentage points on average ( $p < 0.05$ ). The impact of this simple WhatsApp intervention is promising and may go a long way in helping students to seek the support they need to thrive.

---

**Max Beard**

## **Water Conservation, Beliefs, and Fairness Preferences in Collective Burden-Sharing**

ABSTRACT:

This paper presents empirical findings from a comprehensive survey of 3,002 respondents from the City of Cape Town, South Africa, aimed at eliciting household beliefs about water consumption, fairness perceptions, and policy views. We employed a behavioural nudge treatment as an approach to discern how different types of information affects individuals' water policy and burden-sharing perspectives. These results were then linked with participants' actual water consumption data, offering a valuable perspective on the relationship between burden-sharing views and tangible water usage.

Significant results emerged, notably, we found that perceptions about the consumption levels of wealthier households were significantly misunderstood, particularly among less affluent and less educated individuals. We further found a strong correlation between individuals' burden-sharing preferences and policy perspectives, revealing a marked shift towards soft policies such as education and raising awareness about consumption patterns. Providing information on actual consumption levels was insightful as we found that it increased the propensity for households to prioritise their own water needs in crisis times. These findings underscore the potential for strategic behavioural treatments to drive more effective water conservation efforts, bearing significant implications for future interventions and policy decisions.

---

**Lena Merkel**

## **Self-medication under Uncertainty: Consumer Beliefs about Drug Quality in Burkina Faso**

ABSTRACT:

In many countries, access to affordable, quality-assured, and effective medicines is constrained by inadequate regulation, poor supply chain management, and weak gatekeeping, resulting in the proliferation of substandard or falsified (SF) products. In the absence of quality health care and the widespread availability of medicines over-the-counter (OTC) in formal and informal outlets, consumers often resort to self-medication to address all kind of health problems. While self-medication with SF antibiotics might lead to ineffective treatment, leading to prolonged illness and additional spending on remedial health care, antibiotic overuse is an important driver behind the spread of antimicrobial resistant (AMR) bacteria. Our research study aims to examine self-medication practices in the context of uncertain drug quality. Adopting a lab-in-field experimental design, our study comprises a sample of 400 urban community dwellers in six randomly selected districts of Ouagadougou, the capital of Burkina Faso. To determine the presence of SF antibiotics in the market, we purchased samples of amoxicillin from licensed pharmacies and health centers, as well as from informal (street) vendors. The samples were subsequently submitted for laboratory testing. Laboratory quality testing using thin layer chromatography (TLC) indicates that 33.3% of the samples from licensed pharmacies and health facilities were sub-standard. Every second product purchased from the informal vendors failed to meet minimum quality standards. Using the results of the laboratory testing, we conduct an individual survey integrated with lab-in-field experiments to determine i) the extent to which consumers are aware of the risk of SF antibiotics, ii) the extent to which they are able to infer quality, and iii) whether their decisions regarding self-medication are influenced by the uncertainty about drug quality. In the first experiment, participants are asked to express their probabilistic belief about buying SF antibiotics from a licensed pharmacy in their district or from a local street vendor. We aim to explore whether individuals hold accurate priors and share common beliefs about drug quality across different types of vendors. The accuracy of these beliefs will be compared to the factual benchmark of drug quality obtained from laboratory testing. In the second experiment, we provide participants with images of antibiotics which have been tested and ask respondents to identify which one out of a sample of three is SF. Participants will be provided with additional information in consecutive rounds. The objective is to measure participants' ability to correctly identify SF antibiotics when presented with different signals. The third experiment employs a decision game to model self-medication decision-making. Participants are presented with repeated decisions to either self-medicate with medicine of uncertain quality and effectiveness or receive a safe option where treatment is effective. The uncertainty regarding drug quality is randomized and disclosed to participants at the beginning of each round. This experiment aims to explore the relationship between the preference for purchasing medicine (choosing an uncertain option) and the probability of purchasing SF medicine. All three experiments are incentivized.

# SESSION 2A

## DECISION MAKING

**Lilia Wasserka-Zhurakhovska**

### **An Experimental Study on Gender Differences in Goal-Setting for Others**

ABSTRACT:

The use of goals has been shown to positively impact performance (Latham, 2017). However, recent studies have found that women set lower goals compared to men (Dalton et. al, 2013; Clark et. al, 2020; Koch and Nafziger, 2020; Brandts et. al. 2021) and that their performance appears to be less responsive to externally set goals (Smithers, 2015). These findings suggest that there may be gender differences in how goals are set for others, and that these differences may in turn affect men's and women's performance in different ways. The goal of this project is to shed light on these two possibilities through an experimental study.

---

**Wei-Chien Liao**

### **The Impact of Cognitive Capacity and Trust Level on Bayesian Updating**

ABSTRACT:

Past literature in decision theory or poverty behavior has discussed the effect on decision making raised by rational inattention. However, they seldom analyzed whether rational inattention arises from a lack of trust or cognitive capacity, and furthermore, how large the effect size is. In this research, we manipulate participants' trust levels by asking them to read different attitude articles and limit their cognitive capacity by asking them to remember one or two numbers while making decisions. We use the prediction game as our main measurement of rational decision-making to assess the size of the effect of different levels of trust and cognitive capacity. The results show that trust treatment can counter bias, and the cognitive burden diminishes the positive effect from the original cognitive level. Overall, innate cognitive capacity is larger and more prominent than trust in preventing bias, but trust is easier to manipulate to improve bias.

---

**Morten Lau**

### **An Econometric Analysis of Intertemporal Choice Heuristics**

ABSTRACT:

Recent studies in psychology suggest that linear index models of intertemporal choice heuristics outperform structural discounting models in terms of out-of-sample predictive performance. The findings apply to structural models that are widely used in economic analyses, including non-constant discounting models. We evaluate the predictive performance of heuristic and structural discounting models using data from a field experiment with a representative sample of the adult Danish population. We consider two types of heuristic discounting models, namely the Difference-Ratio-Interest-Finance-Time (DRIFT) model and the Intertemporal Choice Heuristic (ITCH), as well as a broad range of structural discounting models. Our analysis suggests that the seemingly superior performance of heuristic discounting models disappears in comparison to structural discounting models with mixtures of Luce and Fechner error components.

**Yating Chuang**

## **Gender Biases in Competitive Music Composition Evaluation**

ABSTRACT:

Women's underrepresentation in science has drawn attention from scholars in many disciplines. Our study aims to advance understanding on this issue through examining the extreme case of gender imbalance in music composition. We conducted an audit experiment to examine whether such gender imbalance is due to unfair judgment in evaluative settings. We invited composition faculty to rate new compositions with randomly assigned gendered names along with live recordings directed by the same conductor. Contrary to our hypotheses, we do not observe gender bias against women. Instead, there is evidence that compositions associated with female names are rated higher than those with male names. There is no evidence of in-group bias either: reviewers do not favor compositions from composers of their genders. In the heterogeneity analysis, we find suggestive evidence that male faculty and senior faculty favor female composers in both general and structured evaluations.



# SESSION 2B

## SOCIAL BEHAVIOUR 2

**Celeste Campher**

### **Playing the ultimatum game and trust game alongside the social discounting task: Evidence on altruism and social preferences**

ABSTRACT:

This study defines a distinct framework of indicative social subject-types by combining the strategy method responses of staff and student subjects from a South African university in an Ultimatum Game (UG) and Trust Game. This is done to firstly, determine the prevalence of types of social preferences and secondly, to investigate the extent to which altruism as measured with the Social Discounting Task (SDT) is associated with these social subject-types. As far as it could be ascertained, to date no studies have employed the UG and TG alongside the SDT with a view to investigating the association between these social preferences. For this purpose, both descriptive analysis and regression analysis models are employed. The study finds altruism to be associated with egalitarianism and reciprocity.

---

**Jana Péliová, Zuzana Brokešová**

### **Transaction costs and willingness to donate**

ABSTRACT:

In economic decision-making, transaction costs could have a substantial impact on final decisions. As documented in previous research, they could be a factor that significantly reduces the willingness to donate or the amount of donation. We run a laboratory experiment shed the light on the effect of transaction costs on willingness to donate. We use real effort task, where subjects proofread academic text for ten minutes and for each error corrected they could earn a monetary reward. Depending on the amount of money subjects earned, they could decide whether not to donate or to donate a share of it to Slovak charity Červený nos. To differentiate the effect of transaction costs and opportunity costs, we use 2 x 2 design when manipulating transaction and opportunity costs in four treatments. We simulate different levels of transactions costs of donation by the extend of data needed to donate and different opportunity costs by addressing donors during or after real effort task. In the first treatment, subjects were asked to donate during the real effort task simply by hitting the DONATE button. In the second treatment, subjects could also donate during the real effort task, but in this treatment, they had to register to donate, which meant that they had to fill in information into a registration form. In the third treatment, subjects have the option to donate after the completion of the real effort task by simply by hitting the DONATE button. In the fourth treatment, subjects have the option to donate after the real effort task, but they have to register to do so. In the pilot experiment, we studied behaviour of 80 subjects, of which 19% decide to donate. The willingness to donate varies between treatments. Our preliminary results follow the intuition and show that introducing transaction costs substantially reduce the willingness to donate. In the case of the opportunity cost, an increase in opportunity costs reduces the willingness to donate to charity.

**Thomas Rittmannsberger**

## **Peace in an unequal world? Experimental evidence on the relationship between inequality and conflict in a guns-vs-butter setting**

ABSTRACT:

Despite the well-documented negative consequences of armed conflicts and violence on human well-being and economic development, achieving lasting peace remains an unresolved challenge. Although the causes of conflicts are manifold and highly complex, a growing body of theoretical and empirical literature has explored the relationship between inequality and the outbreak of armed conflicts. We contribute to this literature by further investigating this relationship experimentally. Building on the theoretical framework by Garfinkel and Syropoulos (2021), we conduct a laboratory experiment with student participants as conflicting parties. Participants make two separate decisions: first, they have to allocate their endowment between arming and production, and second, they have to decide whether or not to start a conflict in order to potentially seize the production of someone else. We consider conflict to be highly destructive, thus, whenever a conflict occurs, parts of the potential prize fought over are destroyed. To investigate the effect of inequality, we vary the endowments of conflicting parties. In one treatment, both parties start with equal resources, while in the other treatment one (the advantaged) possesses more resources than the other (the disadvantaged). Our findings indicate that inequality leads to higher investments in arming and an increased occurrence of conflicts. Surprisingly armed peace, though not theoretically considered an equilibrium, is the most frequently chosen decision. Additionally, our results underscore the critical role of trust in achieving peace and reveal that trustworthy participants are more inclined to choose peace and invest less in arming. Overall, our findings provide insights into the complex relationship between inequality and conflicts, emphasizing the significance of trust in shaping peaceful outcomes.

---

**Cary Deck**

## **Strategic Emotional Inducement in the Investment Game**

ABSTRACT:

This paper examines how emotions impacts behavior in an investment game. First mover emotions are manipulated using videos validated in previous studies. What video is shown to the first mover is either determined exogenously by the experimenter or endogenously by the second mover. We then compare the level of trust exhibited by first movers conditional on their induced emotional state and the degree to which first movers recognize the strategic incentives of second movers.

# SESSION 2C

## FINANCE/MACROECONOMICS

Daniel Waters

### Universal Basic Income: Labour, and Human Capital Investment

ABSTRACT:

Merging life-cycle consumption experiments (eg Duffy and Li, 2019) and stated-effort experiments (eg Charness et al., 2018), we aim to understand how UBI affects work, leisure, and human capital investment decisions with an impact on life-cycle consumption in an individual decision making experiment. Lab-experiments incorporating UBI basically do not exist (Füllbrunn et al., 2019); we implement a UBI in the laboratory. Preliminary results from the pilot experiment suggest the introduction of a UBI leads to: 1) no significant change in consumption behaviour; and 2) additional investment in human capital. We will run the full experiment in October/November and hope to present the full paper to you in December in Cape Town.

In life-cycle consumption experiments, participants receive pre-determined income (tokens) in every period during their working life, consume part of it – transferred to Eurocents based on a concave utility function  $u_c(C_t)$  – and save the rest by earning some interest (tokens). During their retirement, they have no additional income but consume their savings. The concavity of the utility function and the interest payments on savings yield a consumption-saving trade-off. The optimal decision  $\{C_1^*, \dots, C_T^*\}$  is an increasing consumption stream over time (Duffy and Li, 2019). Other studies also consider tax payments, chances of dying, risky income profiles, etc. Choice variable: Consumption  $C$  in every period. In stated-effort experiments, participants choose effort levels to earn income. In many such experiments, income equals  $e \in \{0, \dots, E\}$ . A concave production function yields output  $f(e)$  based on the chosen effort ( $e \in \{0, \dots, E\}$ ) that is compensated with wage  $w$ . The effort is costly such that the convex cost function  $c(e)$  inserts negatively in the income function. In fact, an optimal  $e^*$  exists that yields the highest income given the parameters. Recall gift-exchange experiments, where an employer sets the wage and the employee makes an effort decision (with result higher wage = higher effort). Choice variable: Effort  $e$ . We combine both elements yielding endogenous income based on effort. However, we implement effort slightly different as the above situation is just an intra-period optimisation problem. In our case, the participants choose effort  $e$  and earn tokens (income)  $y = wf(e)$  but also utility from leisure  $u_l(E - e)$  that transfers into Eurocents. Hence:

- in the “token world”, participants choose effort for production  $f(e)$  to earn income. Then, they split the period-wealth  $w_t = wf(e_t) + s(t-1)(1+r)$  into consumption and savings  $w_t = C_t + s_t$ ;
- in the Eurocent-world, the participants earn  $u_c(C_t) + u_l(E - e_t)$  in period  $t$ ; the latter is the benefit from leisure – suppose  $E$  is the time available per day and  $e$  is the time you spend on work.

We extend this environment by allowing participants to build up human capital: Human Capital Accumulation (HCA). In each period, they can opt for advanced training to improve  $f(e) = f_a(e)$ . Such training yields  $f_a(e) \geq f_{\{(a-1)\}(e)}$ , i.e. a higher income in the future. The back side is neither income in the advanced-training period nor leisure utility. Treatment variable 1: HCA vs NoHCA. We further extend this environment by allowing for UBI which is simply a lump sum payment in each period. Treatment variable 2: UBI vs NoUBI. Hence, we have a 2x2 design: NoH-NoU, H-NoU, NoH-U, H-U. Cost-benefit analyses investigating UBI often overlook the endogenous growth possibilities a UBI may enable; if individuals invest the additional income in themselves, through extra training or education, or those in their family and/or community, it is hypothetically possible that the costs of implementing such a scheme could be recouped through taxation of future productivity gains. This human-capital-accumulation (HCA) investment aspect motivates our experiment.

**Tibor Neugebauer**

## **Does Structured Communication Matter in Experimental Asset Markets?**

ABSTRACT:

In an experimental asset market which is known for being prone to mispricing (Smith Suchanek Williams 1988), we allow structured communication. Subjects communicate their beliefs between one another. We measure the effects of communication on efficiency including mispricing. Our preliminary results confirm that structured communication move heterogeneous expectations closer to another.

---

**Tomáš Tichý**

## **The instability between the real and financial markets within experimental games**

ABSTRACT:

In this contribution we introduce the financial accelerator effect into the New Keynesian model with heterogeneous expectations. In this way, we connect the financial market with the real economy and investigate the contagion of instability. Within such setting, we run several experiments in student labs and study how the participants aggregate the information under various policies. Specifically, the interaction between the transmissions of instability and possible behaviour frames of market agents is evaluated. We show several interesting results and propose specific conditions which might stabilize the market.

---

**Obaid ul Rehman**

## **Green gamified app experience – can gamification in e-banking be more than just fun?**

ABSTRACT:

The role of gamification in e-banking has become prominent and contain futuristic approaches which not only are useful to determine the customer's changing preferences but also address the experiences of customers while using these apps, however gamification in e-banking with green context is new and yet to explore. This paper is designed to determine how green gamified app experiences enhance the green gamified banking (GGB). In this context we have analyzed the Green gamified App experiences while engaging in e-banking applications supporting both gamification and green banking. After theoretical evidences we did mediation analysis, which proved a significant partial mediation between e-banking and GGB, to have confined combinations among variables we performed fsQCA, this led our study to two-stage fsQCA analyses providing evidences related to combinations where conditions were applied. After all the analysis, we proposed a game-based algorithm in which we visualize various game objects as per the requirements of the algorithm and covered the mechanism through unity.

# SESSION 3A

## MARKETS

**Peter Katuščák**

### **Unpicking Non-truth-telling in Strategy-Proof Mechanisms: Input Method vs. Information Presentation**

ABSTRACT:

It is well-documented that many participants do not report their preferences truthfully in strategy-proof mechanisms. In this paper, we shed light on what factors may cause this. In the context of student-school matching, we focus on the Top Trading Cycles mechanism described as a contingent choice task. We implement a 2x2 between-subjects design varying the preference input method (ranking vs. contingent choice) and the information presentation (priorities vs. probabilities). We find that facing subjects with a contingent choice task or probability presentation mildly increase truth-telling. When both are implemented simultaneously, truth-telling increases significantly.

---

**Andreas Drichoutis**

### **Combining between- and within-subjects design characteristics in experimental auctions**

ABSTRACT:

This study investigates consumers' preferences and their willingness to pay for organic and local apples through a combination of within-subjects and between-subjects design using a second-price Vickrey auction. The experiment comprised three stages: a visual phase, an information phase, and a sensory phase. We recruited 206 participants from Zagreb County, Croatia, to take part in a computerized experiment. The experiment began with a real effort task where subjects could earn additional money to use in the auction stage, aiming to mitigate any house money effects. Subsequently, participants engaged in a second-price Vickrey auction in groups of four, bidding for one kilogram of two different types of apples. To streamline logistics, we employed the Between-Subject Random Incentivized Scheme (BRIS), where decisions were binding for one person in each group. The study design enabled comparisons of treatment effects both within-subjects and between-subjects. Descriptive analysis indicated that, on the whole, organic apples received higher rankings than conventional apples, while local apples obtained higher hedonic scores compared to non-local apples, particularly during the sensory stage. Econometric analysis results revealed that the premium for organic apples exceeded that of the local attribute. The premium for organic apples was higher when information was provided, but after sensory evaluation, the premium became comparable for local and non-local apples. Notably, the premium for local apples was statistically significant for organic apples but diminished after sensory evaluation.

Comparing within-subjects and between-subjects effects, we found that within-subjects effects exhibited smaller confidence intervals but also smaller magnitudes compared to between-subjects effects. By employing a combined estimation that utilized data from both within-subjects and between-subjects designs, we obtained effect magnitudes that fell between the within-subjects and between-subjects effects, with smaller confidence intervals.

In summary, this study sheds light on consumers' preferences for organic and local apples, emphasizing the influence of information provision and sensory evaluation on their willingness to pay a premium for these attributes. Furthermore, our findings underscore the advantages of integrating elements from within-subjects and between-subjects designs.

**Peter Katuščák**

## **Understanding Conditional Cooperation: A Simpler Method**

ABSTRACT:

Casual observations from the field, as well as an extensive experimental literature, document that people often cooperate in social dilemma situations. Fischbacher, Gächter and Fehr (2001) (FGF) document that approximately half of the experimental subjects are conditional cooperators i.e., they exhibit a propensity to cooperate in response to cooperation by others. This finding has been replicated by numerous subsequent studies, establishing the FGF method as a common approach for studying conditional cooperation. However, Katuščák and Miklánek (2023) suggest that this method is not necessarily a reliable gauge of the true propensity to conditionally cooperate based on social preference and social norm considerations. To address this limitation, we propose a novel approach for measuring conditional cooperation. This approach is based on simplicity of the public good environment and a reduction in potential experimenter demand effects. Data collection is planned for the fall of 2023 and first results will be presented in December 2023.

---

**Dorothea Kübler**

## **Fairness in Matching Markets: Experimental Evidence**

ABSTRACT:

We investigate fairness preferences in matching mechanisms using a spectator design. Participants choose between the Boston mechanism or the serial dictatorship mechanism (SD) played by others. In our setup, the Boston mechanism generates justified envy, while the strategy-proof SD ensures envy-freeness. When priorities are merit-based, many spectators prefer the Boston mechanism, and this preference increases when priorities are determined by luck. At the same time, there is support for SD, but mainly when priorities are merit-based. Stated voting motives indicate that choosing SD is driven by concerns for envy-freeness rather than strategy-proofness, while support for the Boston mechanism stems from the belief that strategic choices create entitlements.

# SESSION 3B

## LABOUR ECONOMICS 2

**Georg Weizsäcker**

### **Biased Wage Expectations and Female Labor Supply**

ABSTRACT:

We quantify the effects of biased wage expectations on female labor market outcomes. A wide sample of full-time and part-time employees report counterfactual predictions about their own wage trajectories in future full-time and part-time employment, revealing severe misperceptions. Actual wage growth occurs almost exclusively in full-time work, whereas it is close to zero in part-time work, as we show with reduced-form regressions and in a structural life-cycle model. Subjective expectations, however, predict a mild difference in the opposite direction, with strong over-optimism about the returns to part-time experience. We leverage the structural model to quantify how employee beliefs influence their labor supply, earnings and welfare over the life cycle. The bias increases part-time employment strongly, induces flatter long-run wage profiles, and substantially influences the employment effects of a widely discussed policy reform, the introduction of joint taxation. The most significant impact of the bias appears for college-educated women, consistent with the large difference between expected and realized wages observed for this group.

---

**Linda Maokomatanda**

### **Chinese Investors and Job Seekers' Preferences: Evidence from Zambia**

ABSTRACT:

Chinese investments on the African continent have increased in recent years and have created countless job opportunities in countries that are characterized by high unemployment. At the same time, reports show that Chinese investors have earned a bad reputation for having violated labor laws and human rights. Given these contrasting implications, this study addresses the question of how job seekers in Zambia perceive Chinese employers. We use a discrete choice experiment with hypothetical job advertisements to analyze their job preferences. We find that job seekers in general have a strong preference for jobs offered by Zambian and multinational firms rather than those offered by Chinese firms. This is especially pronounced for job seekers that initially have negative perceptions of Chinese investors and Chinese people in general, but that this strong preference dissipates the more perceptions become positive. Based on these results, we argue that Chinese investors should engage in reputation building if they seek to attract local employees. This study makes a relevant contribution to the literature on Chinese investments in Zambia and in Africa at large that has to date only focused on the conduct of Chinese investors at the workplace and not on how potential employees take these accounts into consideration as they make job market related decisions.

**Klarita Gërkhani**

## **Biases in peer evaluations**

ABSTRACT:

Peer evaluations are becoming increasingly popular, both within companies and universities. According to Forbes Magazine, more than 85% of Fortune 500 companies use 360-degree feedback as a core element of their leadership development. Using peer assessments as an instrument to evaluate employees or students is not necessarily innocuous, as it may introduce additional biases into the assessments. Several gender biases in teamwork are already documented. Women tend to receive less credit for group work (Sarsons et al., 2021) and also claim less credit (Isaksson, 2018). Independent of the quality of their work, women are less influential, perceived to be less influential (Stoddard et al., 2020), and tend to contribute fewer ideas to group work, particularly in male-dominated fields (Coffman, 2014). Peer evaluations within groups might also exhibit a gender bias, with women's evaluations being deflated compared to men's evaluations. Furthermore, this pattern is likely to be similar for other underrepresented groups. In this paper we experimentally examine whether peer evaluation introduces additional biases in performance evaluations for teamwork, and if so, through which behavioral channels these biases are introduced.

---

**George Agyeah**

## **When the Modes of Interactions Matter: Virtual and in-person Integration of Newcomers in a Dynamic Setting**

ABSTRACT:

The 2020 Coronavirus pandemic has sparked the rise of remote work, leading to its widespread adoption among teams across different settings post-pandemic. However, the impact of this setup on team coordination and cooperation remains inadequately understood. Complicating matters further is the dynamic nature of teams within many organizations, where new members join existing teams and commence their work in a virtual or hybrid environment. In this study, we aim to explore the influence of the introduction and integration methods for newcomers – whether virtual or in-person – on both the performance of existing groups and the performance of the newcomers themselves. By deliberately varying the methods of introducing newcomers to teams, we seek to ascertain the extent to which it affects both the newcomers and the group as a whole.



# SESSION 3C

## BELIEFS 1

**Rinelle Chetty**

### **The Accuracy of COVID-19-Related Beliefs in South Africa**

ABSTRACT:

The novel Coronavirus disease (COVID-19) created an abundance of COVID-19-related health information, which has led to individuals forming their own perceptions, or beliefs, about the mortality risk of COVID-19. Beliefs about COVID-19 are essential to public policy interventions to inform effective messaging to encourage adherence to precautions to reduce the spread of COVID-19. The accuracy and confidence that people have in their beliefs are crucial to health interventions as individuals with low confidence may be more amenable to policies and interventions than others with greater confidence in their beliefs. This study analyses subjective beliefs using an online, incentivised, experimental beliefs elicitation task over six waves of the pandemic in South Africa from May to October 2020. The sample consists of 544 students at the University of Cape Town, South Africa. Subjects reported their beliefs about the future number of COVID-19-related deaths by allocating 100 tokens across 10 possible histogram bins which covered all possible outcomes of expected deaths over the range of the South African population. The experimental elicitation and estimation of subjective beliefs in this experiment allow for making inferences about whether these beliefs are biased relative to expert opinion (in this case the data reported by the National Institute for Communicable Diseases (NICD)).

---

**Philippos Louis**

### **Communication and the emergence of a unidimensional world**

ABSTRACT:

While individuals hold, exchange, and update opinions over multiple issues, opinions are often correlated and a unidimensional spectrum is enough to summarize them. The prevalence of a unidimensional world raises the question regarding its origin. DeMarzo, Vayanos, and Zwiebel (2003) provide a seminal model of opinion updating in a fixed network of communication and show how repeated communication among boundedly rational individuals over multidimensional opinions can reduce disagreement on a single dimension. Despite the attractiveness of such an argument, there is no empirical evidence corroborating their theoretical findings: Can communication give rise to a unidimensional world? And what is the role of the communication structure in determining the shape of disagreement? In this paper, we precisely answer the above questions by testing and validating in a laboratory experiment the theoretical predictions of DeMarzo et al. (2003). Moreover, we provide and experimentally validate a conjecture on the generalizability of their results when communication networks are not fixed. Our experimental results not only support the predictions in DeMarzo et al. (2003) but also suggest that communication gives rise to unidimensionality in more instances than the (specific) ones known so far. In particular, our experiment validates our simulations that permit: a) communication channels to vary over time and hence the absence of a fixed network structure, and b) individuals to potentially assign different weights to one's opinions in different rounds. Our experimental design permits subjects to communicate their opinions over two issues (across ten rounds in groups of five). In two treatments, subjects were linked through a (different) fixed network (similar to Corazzini et al. 2012; Brandts et al. 2015). In a third treatment, subjects listened the opinions of different randomly picked subjects in each round. In line with the theoretical framework, our results support the emergence of a unidimensional world in all three treatments, and the role of networks in determining individuals' relative positions. Nevertheless, we still find some divergence between theoretical predictions and experimental data. While unidimensional worlds emerge prominently in some groups, they fail to do so in others. To understand whether this divergence is due to individual behavior not conforming to the averaging model,

we extend the simple homogeneous model to allow for heterogeneity. We use clustering analysis to classify subjects into different types. We then show through simulations that once possible heterogeneous behavior is taken into account, the averaging model can closely replicate our experimental results. Taken together, our results provide support for the emergence of unidimensionality through communication, but also highlight the critical role of heterogeneity in this process.

---

**Fabienne Cantner**

### **Does information help to overcome resistance to carbon pricing? Evidence from a survey experiment**

ABSTRACT:

We document people's attitudes toward climate change and carbon pricing and study whether information affect their policy views shortly before the introduction of the German carbon price. Using a survey experiment, we show that despite high climate change awareness, support for the carbon price is low. We also show that providing information about the efficiency of carbon pricing or emission levels and carbon prices outside Germany changes people's views. Informing about distributional implications of carbon pricing is not effective. Further evidence suggests that the effectiveness of the information interventions increases with trust in the government and climate change awareness.

---

**Don Ross**

### **Measuring Intelligence with Confidence**

ABSTRACT:

The measurement of intelligence should identify and measure an individual's subjective confidence that a response to a test question is correct. Existing measures that use multiple-choice answers are constrained in measuring responses that reflect, at best, only modal beliefs, due to using surveys with no extrinsic financial incentive for a truthful response and by not eliciting measures of confidence. We rectify both issues, and show that each matters for the measurement of intelligence. We use a canonical measure of fluid intelligence, the Raven Advanced Progressive Matrices test. We demonstrate that awareness of the confidence of responses, and being able to express them in a properly incentivized manner, plays a critical role in interpreting intelligence measures. Despite evidence that women and Blacks tend to do worse than others in historically cited intelligence measures using the Raven test, both do much better than others when allowing for incentivized measures of confidence. We also show that our results on gender and confidence have wider applications in terms of "competitiveness" and financial literacy. When confidence in the face of risky earnings is measured correctly, it is not the case that women "shy away" from the risks of competition: they respond exactly as any risk averse agent should. In our experimental sample, women on average earn more than men, who tend to be over-confident. When confidence in response to questions about financial literacy is measured correctly, "do not know" responses are not evidence that women are afraid of answering questions about financial knowledge.

# SESSION 4A

## FIELD EXPERIMENTS 2

**Berber Kramer**

### **Control over future payouts and willingness to pay for insurance: Experimental evidence from Kenyan farmers**

ABSTRACT:

Agricultural insurance is a prominent tool in the effort to increase the resilience of smallholder farmers, but women's ability to access and benefit from agricultural insurance is often more limited than men's. For instance, insurance payouts are ideally made via mobile money or bank accounts, but women are less likely than men to have their own account, which may result in payments being made to their spouse's (or other household member's) mobile money account. We therefore conduct an experiment among a population of Kenyan smallholder farmers to estimate how willingness to pay (WTP) for an agricultural insurance product depends on the recipient of future potential insurance payouts: the farmer him- or herself, the farmer's spouse, and the farmer's rotating savings and credit association (ROSCA). Using a set of Becker-DeGroot-Marschak auctions, we find that own control of future payouts is associated with a substantially higher WTP. Sending payments to a spouse's account decreases WTP by 29% and paying into a ROSCA decreases WTP by 54%, relative to sending payments directly into one's own account. This has important implications for the design of gender-responsive agricultural insurance schemes.

**Zabambo Nale Ndesi**

### **Effects of physical displacement on risk and social preferences: field experiment in rural Eastern Cape, South Africa**

ABSTRACT:

Some of the infrastructure development projects lead to physical displacement of households, to pave way for the development and to reduce hazards when too close to new infrastructure (such as dam, road, among others). Although the said infrastructure is argued to improve overall social and economic welfare of the community, the effects on individual households (especially those displaced) may offset the benefits. Compensation is often provided in the form of rebuilding houses, yet the effect may go beyond losing a house- social and risk preferences maybe revised, which have far reaching implications on wellbeing of households. Such holistic effect goes beyond the directly displaced households (movers), it affects the "non-movers", and the receivers and has not been well investigated. Road expansion project in rural South Africa- Libode local municipality presents a natural experiment to test these effects. Data was collected using surveys (to measure the socio-economic factors and reported risk and social preferences) and experimental games to elicit risk and social preferences (which included risk elicitation games, public goods games, and trust games). We compare the preferences across the three groups (movers, non-movers and receivers), and how such preferences explain wellbeing. The preliminary findings indicate that those who were displaced (movers) are more risk taking and are more self-centred (contribute less to public good, whereas those who were not displaced (non-movers) were generally risk averse, according to the survey, and exhibited risky behaviour in the experiments. Non-movers- are more trusting (send back more) and contribute more to public good; receivers are less trusting; while movers are generally not trustworthy. With food security being the dependent we establish that the movers are less likely to be food secure compared to the non-movers and receivers. We observe that the more people are trusting, the more food secure they are. Those who are in some form of community groupings are more food secure and their preferences are more stable- indicating stabilizing effect of socialization. The results have implications for planning development projects and assisting in resettling displaced households.

**Abigail Sellman**

## **Behavioral Science: An effective tool to enhance the impact of cash transfers**

ABSTRACT:

Cash transfers are an effective tool for poverty alleviation. However, such programs are rarely designed to account for the complex budgeting decisions and actions recipients must undertake to use their cash optimally for their immediate needs and future goals, thus leaving potential impact on the table. Behavioral science can inform light-touch, low-cost designs- such as tools for goal-setting, plan-making, cash partitioning tools, and self-affirmation activities- that can have outsized impacts on participant behavior. Through randomized controlled trials (RCTs) in 7 countries (Madagascar, Tanzania, Kenya, Ethiopia, DRC, Ghana, and South Sudan), our research has concluded that tailored, context-specific behavioral interventions can have significant positive impacts outcomes for participants when layered onto cash transfer programs when compared to delivering the cash without the addition of behavioral interventions. The series of RCTs has been varied in length, size, and rigor, ranging from a large-scale, 18-month cluster-RCT in Madagascar that found significant increases in standardized child development test scores between .11-.15, to a large 6-month cluster-RCT in Tanzania that found a 65% increase in savings and 22% increase in the incidence of productive investments among treatment households, to smaller, 1-month RCTs in other countries that showed significant positive impacts on immediate behaviors such as saving and spending in line with long-term goals. A newly developed cost-effectiveness multiplier also suggests that the incorporation of behavioral designs may be more effective at improving outcomes of interest than the provision of additional cash equivalent to the cost of the behavioral interventions.

---

**Markus Dertwinkel-Kalt**

## **Household gas consumption reacts to the energy crisis, but not to economic incentives**

ABSTRACT:

As a response to the gas shortage following Russia's invasion of Ukraine in 2022, European politicians and gas suppliers created economic incentives and appealed to citizens to save gas in order to reduce the risk of a catastrophic energy crisis. In Germany, the government introduced a so-called "gas price brake", which relieved consumers of high gas costs while maintaining high prices for marginal consumption. Additionally, many German utilities paid premiums to households for gas conservation. These measures were introduced on the basis of textbook economic advice that highlights the critical role of marginal economic incentives for household energy consumption. We conducted a field experiment with a German energy supplier and a survey experiment with large population samples and show that, while household savings during the crisis were substantial, economic incentives did not play a significant role in changing behavior. A large majority of consumers do not understand the incentives arising from the gas price brake, and when they do understand incentives, they do not respond to either the government's gas price brake or the design of the utilities' energy saving programs. These findings show that while households strongly react to a potentially catastrophic gas shortage, the contribution of crisis interventions that rely on citizens' willingness and ability to respond to marginal economic incentives is very small.

# SESSION 4B

## PUBLIC ECONOMICS

**Fabio Galeotti**

### **The power of leadership in changing social norms**

ABSTRACT:

We investigate whether a leader can trigger or impede the change in social norms when the leader's interests are misaligned with the incentives of the society. Additionally, we examine whether the leaders' impact on the speed of transitioning to the new norm depends on their leadership style: democratic or dirigiste. We focus on the dynamic setting introduced by Andreoni et al. 2021 in which a norm that was beneficial for the society becomes detrimental over time. In a laboratory experiment, we introduced Advanced leaders in Conservative societies and Conservative leaders in Advanced societies. We found that both types of leaders were equally successful in moving the society to a more efficient norm. In addition, we observed that normative change happened slower (resp. faster) in the Conservative societies than in the Advanced societies in presence of a democratic (resp. dirigiste) leader.

---

**Andreu Arenas**

### **Pre-electoral polls and aggregate uncertainty in the field**

ABSTRACT:

This paper examines how the presence of pre-electoral polls, a source of common-knowledge information about the distribution of voters' preferences, affects the predictions of Duverger's Law. Exploiting the time-varying and rotating nature of municipality-specific pre-electoral polls for local elections in Spain, I find that pre-electoral polls significantly increase the vote share concentration for the top two candidates as well as the gap with the third most voted candidate. The results are consistent with models and lab experiments featuring aggregate uncertainty, which favors the emergence of non-Duverger's law equilibria in plurality elections. Moreover, they outline the relevance of pre-electoral polls as a policy tool to facilitate voters' coordination.

---

**Arthur Schram**

### **Do Party Labels Polarize?**

ABSTRACT:

Do party policies become more polarized when voters know what policies were proposed by which parties? We consider a setting with two parties and one median voter on a one-dimensional policy space. While parties' bliss points are common knowledge, the voters' is private information. Parties compete by proposing policy positions, voters receive noisy signals, and elect one party whose policy is then implemented. We examine two cases: one where the voter observes signals without knowing their party origins, and another where the voter knows which party proposed which policy. Our theoretical prediction is that the latter case will lead to higher polarization if voters are boundedly rational. We present an experiment designed to test this prediction, and aim at running experimental sessions in the fall of 2023.

**Matej Lorko**

## **Tax compliance in the lab: the effect of nudges and economic incentives**

ABSTRACT:

While using nudges to increase tax compliance has recently gained popularity, several questions remain open as the interventions do not always succeed, and the effects are often short-lived. We run a controlled multi-period laboratory experiment in which we manipulate the tax audit probability and nudging frequency to test (i) if the effect of nudge depends on whether it is aligned with economic incentives of a taxpayer and (ii) if sustainable compliance can be achieved by a periodically repeated nudging intervention. We find that nudges have positive (and potentially persistent) effect on tax compliance when they are aligned with taxpayer's motivation and no effect otherwise.

---

**Charles Noussair**

## **Inclusive and Extractive Institutions and Economic Growth: An Experiment**

ABSTRACT:

Trying to understand the connection between economic and political institutions and economic growth is a challenge with observational data because of endogeneity of the institutions and the existence of many confounds when comparing different countries. The current project uses the laboratory to compare the behavior of institutions in dynamic economies with regard to their capacity to promote economic growth and efficiency. The experiment has a 2x2 design. One dimension is the economic institution, with property rights either guaranteed or subject to the possibility of confiscation by the state. The second dimension is the political institution, with either a dictatorial or a democratic system in place. The data suggest that preserving property rights is the crucial institutional feature promoting economic growth and high efficiency in our economies.

# SESSION 4C

## BELIEFS 2

**Kwabena Donkor**

### **Identity and Economic Incentives**

ABSTRACT:

This paper examines how beliefs and preferences drive identity-conforming consumption or investment decisions. We first present a model where identity (or associations) distorts individuals' beliefs about uncertain outcomes and imposes psychic costs on identity-incongruent actions. Then, using two large field experiments on soccer betting in Kenya and the UK, we experimentally varied material incentives for betting on matches where soccer fans are supporters or neutral observers of the teams playing. We find that soccer fans have overoptimistic (underconfident) beliefs about identity congruent (incongruent) outcomes rather than neutral outcomes. Finally, we combine the model with respondents' portfolio allocations across the potential outcomes of different matches and find that; on average, respondents undervalue gains from identity-incongruent assets by 16% to 26%. Moreover, identity-specific preferences account for 20-30% of investment differences between neutral observers and supporters.

---

**Sofia Monteiro**

### **Correlation Neglect in Belief Formation: Team versus Individual Decision-Making**

ABSTRACT:

Recent research explores how individual beliefs respond to information sources that are correlated with each other rather than independent signals. Correlated signals characterise much of the information we process quickly on a daily basis, and the resulting biased beliefs can be costly. We show that team decision-making ameliorates this bias, generating more rational beliefs in a setting where individuals tend to exhibit substantial correlation neglect. In a 2x2 between-subjects design, participants are randomly assigned to either INDIVIDUAL treatment, with Uncorrelated or Correlated information structures and individual beliefs, or TEAM treatment, with Uncorrelated or Correlated information structures and team beliefs. Randomly paired teams of two use a chat box to reach an agreement. To account for the heterogeneity within teams, we add a single incentivised belief-formation task as a proxy for the naïveté of individual members. Pairs with at least one rational member form significantly more rational beliefs than teams with two naïve members and individuals working alone. Just having one rational team member is sufficient to shift beliefs. In the chat data, teams with at least one rational member shared more communications coded as computational logic and fewer proposals outside the rational interval.

---

**Fabienne Cantner**

### **Greenwashing your personality**

ABSTRACT:

Behaving more sustainable has been shown to signal cooperativeness in social dilemmas. We investigate whether people exploit this apparent signaling value by innating their intention to behave sustainably without changing their actual behavior. We explore this question in an online experiment in which participants self-report the importance of sustainability in their daily lives before engaging in a prisoner's dilemma game. Using a between-subjects design, we manipulate whether participants have the opportunity to adjust their self-reported sustainability scores after receiving instructions for the game. The results show that almost 30% of participants increase their sustainability scores in anticipation of higher transfers from their matched partners. However, this greenwashing strategy proves to be unsuccessful, as higher sustainability scores do not lead to higher transfers.

**Kai Barron**

## **Narrative Persuasion**

ABSTRACT:

Modern life offers nearly unbridled access to information; it is the harnessing of this information to guide decision-making that presents a challenge. We study how one individual may try to shape the way another person interprets objective information by proposing a causal explanation (or narrative) that makes sense of this objective information. Using an experiment, we examine the use of narratives as a persuasive tool in the context of financial advice where advisors may hold incentives that differ from those of the individuals they are advising. Our results reveal several insights about the underlying mechanisms that govern narrative persuasion. First, we show that advisors construct self-interested narratives and make them persuasive by tailoring them to fit the objective information. Second, we demonstrate that advisors are able to shift investors' beliefs about the future performance of a company. Third, we identify the types of narratives that investors find convincing, namely those that fit the objective information well. Finally, we evaluate the efficacy of several potential policy interventions aimed at protecting investors. We find that narrative persuasion is difficult to protect against.

---



# SESSION 5A

## RISK

**Benno Guenther**

### **PDOSPERT: A new scale to predict domain-specific risk-taking behaviors in times of a pandemic**

ABSTRACT:

Understanding risk tolerance is crucial for predicting and changing behavior across various domains, including health and safety, finance, and ethics. This remains true during a crisis, such as the COVID-19 pandemic, and leads to a key question: do current risk measures reliably predict risk taking in the drastically different context of a pandemic? The Domain Specific Risk-Taking (DOSPERT) scale, one of the most widely used risk taking measures, assesses self-reported risk-taking in response to 30 risky situations across five domains. With the hypothetical risks of the DOSPERT being based on pre-pandemic circumstances, we estimate that three out of four of its risk-taking situations were not possible due to preventive measures or did not reflect risk taking in times of COVID-19. In addition, COVID-19 brought forth new behaviors deemed risky. With an aim to better predict risk taking in times of a pandemic, we introduce the Pandemic DOSPERT (PDOSPERT). We summarize three pre-registered online studies with 1,254 UK participants to validate the scale against the original DOSPERT and three other common risk-taking measures. We also test its ability to predict pandemic risk-related behaviors at three points in time over two years. Overall, we find that the PDOSPERT scale significantly improves predictions for pandemic-related risk behavior as compared to the original DOSPERT. In particular, the health/safety subscale is significantly and strongly associated with pandemic-related risk behavior. We not only validate a pandemic-specific risk task, but also introduce a template for developing context- and domain-sensitive measures for risk-taking in the future.

---

**Fabio Römeis**

### **Regret Theory and Decoy Effects**

ABSTRACT:

For pairwise choice under risk, salience theory (Bordalo et al., 2012) was found to be a special case of generalized regret theory (Loomes and Sugden, 1987) and to nest original regret theory (Loomes and Sugden, 1982) as a special case itself. Given the tight relationship between these theories for the case of pairwise choice together with the current lack of consensus how to coherently extend these intransitive theories to choice from larger choice sets in an empirically valid way, the increasingly popular view that salience theory is the better correlation-sensitive model because it predicts the decoy effect seems surprising. In this paper, we theoretically show that - contrary to this opinion - regret theory is well capable of explaining the two most prominent forms of the decoy effect, the attraction effect and the compromise effect. Furthermore, in a laboratory experiment, we test these theoretical predictions, in particular the associated comparative statics with regard to the choice environment.

---

**Said Said**

### **Correlation Aversion Premium (CAP), Intertemporal Elasticity of Substitution (IES) and Relative Risk Aversion (RRA)**

ABSTRACT:

This paper jointly estimates the parameters of atemporal risk preference, time preference, and intertemporal risk preference using the full information maximum likelihood structural estimation method. It uses the data collected through an online experiment from students at the University of Cape Town (UCT), South Africa. The study was incentivised, i.e., the students received a fixed participation fee and payments according to their decisions in the four experimental tasks: atemporal

risk preference, time preference, intertemporal risk preference, and belief tasks. In each task, one decision was randomly selected for payment. The estimation model assumes CRRA in the atemporal and intertemporal risk preferences and tests the relationship between the inverse of IES and the atemporal risk preference coefficient. The estimation results show that the Expected Utility Theory (EUT) and the exponential discounting do not reflect the important feature of the intertemporal risk aversion behaviour, i.e., the nonconstant stochastic discounting behaviour. If one employs the Rank Dependent Utility (RDU) and the quasi-hyperbolic discounting model to jointly estimate the parameters of the atemporal risk preference, the time preference, and the intertemporal risk preference, then the present bias parameter captures the RDU behaviour. That is, the present bias parameter can be greater than one depending on the evidence of the RDU. In this paper, we find positively significant CAP using alternative models, and this means that the inverse of IES is significantly different from the atemporal risk preference coefficient. We also analyse the effect of the Fechner error on the CAP and the IES. That is, accounting for the Fechner error significantly increases the CAP, and the magnitude of the increase is so large that the IES becomes negative. The negative IES reflects the important feature of nonconstant stochastic discounting in the intertemporal risk aversion behaviour. Finally, we analyse the effect of the increase in the smaller amount by R10 on the CAP. We find that the CAP increases significantly, and this is evidence of greater intertemporal risk aversion. However, it is more so when we use the RDU and the quasi-hyperbolic discounting models than when we employ the EUT and the exponential discounting models. Therefore, in this paper, we find that the undesirable attribute of time overwhelms the desirable attribute of money.

---

**Brian Monroe**

## **Parametric Estimation of Higher Order Risk Preferences**

ABSTRACT:

Higher order risk preferences have become central to economic analyses where choice behavior over higher moments of probability distributions matter. Unlike risk aversion, for which structural estimation of the utility function is common, higher order risk preferences are rarely estimated through structural models, primarily due to the lack of flexible and continuous higher order derivatives for common parametric utility functions. We propose a parametric utility function derived from the well known Bézier curve functional, which is continuously differentiable for all derivatives, and therefore helps to unlock the straitjacket that has constrained structural investigations of higher order risk attitudes.

---

# SESSION 5B

## SOCIAL BEHAVIOUR 3

**Aurora García Gallego**

### **Watching the embezzler: An experiment on gender and antisocial behaviour**

ABSTRACT:

Embezzlement is defined as “the fraudulent appropriation of property by one lawfully entrusted with its possession” (Jorgensen, p.513). Whether we like it or not, embezzlement occurs, and it has been often observed in some NGOs. In fact, embezzlement is a type of antisocial behaviour that actually occurs in our daily life. In this study, the importance of watching eyes for reducing this type of antisocial behaviour is examined. The embezzlement game is implemented, focusing on the decision of an intermediary, who gets an amount of money donated by some people to an NGO and decides on how much to give to the beneficiaries of that money. Here it is proposed that implementing watching eyes can effectively reduce embezzlement. The variable sex is also considered, analysing the sex of the subject and the interaction between the sex of the decision maker and the sex of the eyes. A laboratory experiment with four treatments and a baseline is run, controlling for who is watching you (woman vs. man), and how realistic it feels (static image vs. GIF). Gender differences on embezzlement decisions are significant. Furthermore, significant differences are found regarding the realism of the tool of watching eyes and the sex of it. Therefore, it is relevant the type of tool used in order to reduce antisocial behaviour, as well as the sex of that tool (eyes in this case). Also the sex and other individual characteristics of the sample population matter. All these variables should be considered when defining an intervention in order to accurately reduce antisocial behaviour.

---

**Robert Mwanypedza**

### **Willingness to Pay for Neighbourhood Safety and Residential Locational Choice**

ABSTRACT:

Neighbourhood safety has become an important factor when households are making residential location decisions. Neighbourhoods that are regarded as safe protect the value of properties and promotes upward mobility and accumulation of wealth, increases confidence in routine activities of consumers, workers, and the business community. Neighbourhood safety as a public goods can either be funded private individuals raising contributions or by the government through public taxation. To effectively promote neighbourhood safety, there is need for private individuals to cooperate and raise contributions to complement government efforts. However, when a society benefits from cooperation, there is always a social dilemma were individual and collective goals are in conflict. When households pursue individual-interest it results in a deficient collective outcome. The pursuits of individuals interests creates a situations were those who are unwillingness to cooperate enjoy the benefits of safe neighbourhoods at the expense of those who cooperates. This problem has been termed as free-rider problem by Paul Samuelson (1954). This problem has emerged as a recurrent problem that severely undermines efforts to curtail crime and has undermined the provision of neighbourhood safety in communities.

Mainstream economics has been consistent in concluding that the free-rider problem causes dead weight loss in the provision of public goods leading to social and economic inefficiencies. When there is no clear neighbourhood cooperation the private sector find it difficult to afford to devote their resources to solving problems in the public domain due to the characteristic of non-excludability, they can only provide public goods when there is organized collective action with maximum willingness to pay for the service. Non-excludability is a relative characteristic of most public goods. A good is usually termed non-excludable if the costs of excluding individuals from consuming the good are very high. Private markets often under-provide non-excludable public goods because individuals have the incentive to free ride, or to not pay for the benefits they receive from consuming the public good. With a free-rider problem, private firms cannot earn sufficient revenues from selling the public good to induce them to produce the socially optimal level of the public good. Cooperation has proved to be a real solution in social dilemmas particularly in game theory considering the prisoner's

dilemma and the tragedy of commons. The study is interested in investigating whether households are willing to relocate to safe neighbourhoods with cooperative tax payment for security measures using discrete choice experiments. Discrete choice experiments are a quantitative technique for eliciting individual preferences. It allows researchers to uncover how individuals' willingness to pay for selected attributes on a hypothetical choice set. Discrete choice experiments have proved to be reliable in addressing valuation biases when compared to contingent valuations. Since neighbourhood safety is regarded a public good, the study expects unwillingness to pay for government taxes to curb crime high willingness to pay for private security to promote neighbourhood safety. The findings of the study will be of paramount importance to private security companies, households and local government.

---

**Claudia Keser**

## **Public good provision under inequality in endowment and return from the public good**

ABSTRACT:

In a laboratory experiment, we investigate voluntary contributions to the funding of a public good under a two-dimensional inequality. In three treatments of the 25-period game, we vary the distribution of endowments among four players, who differ from each other in their returns from the public good (i.e., their MPCRs). We observe no significant difference in average group contribution, when introducing inequality in endowments such that the player with the highest MPCR gets the lowest endowment, but we find a significantly higher average group contribution in the case that the richest player has the highest MPCR. At the same time, the first scenario significantly reduces inequality in the sense that the Gini coefficient of the participants' total payoffs in the experiment is lower than the Gini coefficient of their endowments, whereas the second scenario leaves the inequality unaffected. While in experiments with endowment heterogeneity but symmetric return from the public good we observe a "fair-share rule", which implies that (on the aggregate) players tend to contribute the same share of their respective endowments, we do not expect this rule to necessarily apply in all of our treatments. For a better understanding of the potentially conflicting interests related to endowment and MPCR differences, we construct a "cooperation interest" index (CI) based on how profitable the full cooperation solution is compared to the equilibrium in dominant strategies of zero contribution. Assuming that a player with a higher CI considers it as "fair" to contribute a higher proportion of their endowment than a player with a lower CI, we can derive hypotheses regarding the ordering of the relative contributions of the different player types in each of the three treatments. Our experimental results confirm these predictions.

---

# Notes

---

A series of horizontal dotted lines for taking notes.

