

Econ 264**Winter 2011**

Experimental Economics

Professor James Andreoni

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Course Description: This course will be a survey of some of the recent literature on Experimental Economics. The background for the course is graduate microeconomic theory and game theory.

Text: There is no text for the course, but students are encouraged to purchase these:

John Kagel and Alvin Roth, *Handbook of Experimental Economics*, Princeton, 1995.

Camerer, Colin, *Behavioral Game Theory*, New York, Russell Sage & Princeton University Press, 2003.

Format: This course will be taught in a seminar format, with plenty of interaction and discussion among the students. Students will be expected to make at least one presentation during the term, leading the discussion on a paper or topic. Students are expected to read the assigned papers before each meeting.

Course Project: There will be no exams for the course, but students will be required to submit a course project. Students must complete two projects.

PROJECT 1: Write a paper that surveys the literature on one area of interest of any topic concerning experimental economics, and to suggest tests of open questions. Topics need not be restricted to those covered in the course, but should be approved by Professor Andreoni. Maximum length should be 10 pages.

PROJECT 2: Design an experiment. The design should include a statement of the research question, a prediction based in economic theory, the task the subjects will complete, a sketch of the protocol (instructions for subjects, directions for experimenters), number of subjects per condition, and a description of how the data will be analyzed to test the prediction. Students are encouraged to work in pairs to design their studies. At the end of the semester, each team of designers must present their experimental ideas to the class.

Course Outline: Following is a course outline. This is a living document that will likely change and evolve as the semester proceeds-expect updates often. There are far too many papers listed here to cover in one quarter, so as the term progresses we will respond to both time and student interest to direct our attention and the depth of our discussions on the topics below.

PROPOSED OUTLINE FOR THE COURSE:

0 Background and Introduction

- A. Best Practices for Designing and Running Experiments (According to Jim)

I Individual Decisions

- A. Can People Optimize?
- B. Endowment Effect
- C. Beliefs
 - 1. Measuring Beliefs
 - 2. Over-Confidence
 - 3. Belief Polarization
- D. Risk
- E. Time

II Strategic Play

- A. Coordination
- B. Subgame Perfection
 - 1. Beauty Contest
 - 2. Centipede Game
 - 3. Backward Induction
- C. Learning and Sophistication
 - 1. Adaptive and Evolutionary Learning
 - 2. Belief Based Learning
 - 3. Reinforcement Based Learning
 - 4. Combinations of Belief and Reinforcement
 - 5. Quantile Response Equilibrium
 - 6. Level K
- D. Information and Signaling
- E. Auctions
- F. Altruism, Fairness, and Trust
 - 1. Ultimatum Games
 - 2. Dictator Games
 - 3. Trust Games
 - 4. Anonymity and Social Distance
 - 5. Models of Inequality Aversion
 - 6. A Rational Approach to Giving and Altruism

7. Altruism and the Number of Recipients

8. Sociality of Giving

G. Public Goods

1. Linear

2. Provision Point

3. Mechanism Design

4. Fund-raising & Experiments

H. Building Cooperation

1. Reputation Building

2. Sorting

3. Punishments and Rewards

4. Governing Ourselves

I. Economics and Sociology?

1. Communication and Altruism

2. Communication and Coordination

3. Deception

4. Networks

III Other Stuff That Shouldn't Matter But Does

A. Sex and Beauty

B. Preferences for Competition

C. Race

D. Audience

Experimental Economics

Econ 264 – Winter 2011

****CURRENT VERSION OF SYLLABUS: January 2, 2011****

0. Background and Introduction

Roth, A.E., "[On the Early History of Experimental Economics](#)," *Journal of the History of Economic Thought*, 15, Fall 1993, 184-209.

Larry Samuelson, "[Economic Theory and Experimental Economics](#)," *Journal of Economic Literature*, 43 (2005), 65-107.

Rabin, Matthew. "Psychology and Economics," *J Economic Literature*, March 1998, 11-46.

Kahneman, "Maps of bounded rationality: Psychology for behavioral economics." *AER*, Dec 2003, 1449-1475. (Nobel lecture)

Binmore, Ken, "Economic Man – or Straw Man? Commentary on Heinrich, et al." *Behavioral and Brain Science* (2005) 28, 815-818. And more completely at [economicman.pdf](#)

Ralph Hertwig and Andreas Ortmann, "Experimental practices in economics: A methodological challenge for psychologists?" [Behavioral and Brain Sciences](#), [Volume 24](#), [Issue 03](#), June 2001, pp 383-403

Roth, A.E., "[Lets Keep the Con out of Experimental Econ.: A Methodological Note](#)" *Empirical Economics* (Special Issue on Experimental Economics), 1994, 19, 279-289.

0.A. Best Practices for Designing and Running Experiments (According to Jim)

No papers.

I. Individual Decisions

I.A. Can People Optimize?

No papers.

I.B. Endowment Effect

Kahneman, D., J. Knetsch, and R. Thaler (1991), .The Endowment Effect, Loss Aversion, and the Status Quo Bias., *Journal of Economic Perspectives*, 5, 198-206

Jack L. Knetsch “The Endowment Effect and Evidence of Nonreversible Indifference Curves” *The American Economic Review*, Vol. 79, No. 5. (Dec., 1989), pp. 1277-1284. [[Article](#)]

Anomalies: The Endowment Effect, Loss Aversion, and Status Quo Bias Daniel Kahneman, Jack L. Knetsch, Richard H. Thaler. *The Journal of Economic Perspectives*, Vol. 5, No. 1. (Winter, 1991), pp. 193-206. [[Article](#)]

Richard H. Thaler and Shlomo Benartzi **Save More Tomorrow™: Using Behavioral Economics to Increase Employee Saving** *The Journal of Political Economy* Vol. 112, No. S1, Papers in Honor of Sherwin Rosen: A Supplement to Volume 112 (February 2004), pp. S164-S187

William T. Harbaugh, Kate Krause, Lise Vesterlund, Are adults better behaved than children? Age, experience, and the endowment effect, *Economics Letters* (70)2 (2001) pp. 175-181. [[Article](#)]

List, J. (2003) “The Effect of Market Experience on the WTA/WTP disparity: Evidence from the Field,” *Quarterly Journal of Economics*.

Engelmann, Dirk and Guillaume Hollard (2010). “Reconsidering the Effect of Market Experience on the ‘Endowment Effect,’” *Econometrica*, forthcoming. [[link](#)]

Plott, Charles R. and Kathryn Zeiler (2007). “Exchange Asymmetries Incorrectly Interpreted as Evidence of Endowment Effect Theory and Prospect Theory?” *The American Economic Review* 97 (4), 1449-1466. [[link](#)]

Plott, Charles R. and Kathryn Zeiler (2005). “The Willingness to Pay—Willingness to Accept Gap, the ‘Endowment Effect,’ Subject Misconceptions, and Experimental Procedures for Eliciting Valuations,” *The American Economic Review* 95 (3), 530-545. [[link](#)]

I.C.1. Measuring Beliefs

No articles?

1.C.2. Over-Confidence

Roland Benabou and Jean Tirole, “Self-Confidence and Personal Motivation” *Quarterly*

Journal of Economics, August 2002

Muhamet Yildiz, “Wishful Thinking in Strategic Enviornments”, working paper.

Muhamet Yildiz, “Bargaining without a common prior-an immediate agreement theorem,” *Econometrica*; May 2003; 71, 3; pg. 793-811.

Muhamet Yildiz, “Waiting to Persuade” *Quarterly Journal of Economics*, February 2004

Cade Massey, Richard H. Thaler, “The Loser’s Curse: Overconfidence vs. Market Efficiency in the National Football League Draft” April 2, 2005

Claes Bengtsson,, Mats Persson, Peter Willenhag, “Gender and overconfidence” *Economics Letters* 86 (2005) 199–203

Camerer, Colin, and D. Lovallo (1999) “Overconfidence and Excess Entry: An Experimental Approach,” *American Economic Review*, 89:1 (March), 306-318.

I.C.3. Belief Polarization

No articles

I.D. Risk

A whole bunch of stuff.

John A. List, 2004. "[Neoclassical Theory Versus Prospect Theory: Evidence from the Marketplace](#)," [Econometrica](#), vol. 72(2), pages 615-625.

I.E. Time

The time-additive stationary model: Varian, *Microeconomic Analysis*, 3rd ed. Pages 358-359.

Robert Strotz (1956), .Myopia and Inconsistency in Dynamic Utility Maximization., *Review of Economic Studies*, 23, 165-180

Battigali, P. (1997) “Dynamic Inconsistency and Imperfect Recall.” *Games and Economic Behavior* 20, 31-50.

Laibson, D. “Golden eggs and hyperbolic discounting”, *QJE*, v112 n2, May 1997, p.443-77.

Gruber and K•szegi, “Is Addiction "Rational"? Theory and Evidence,” *QJE*, November 1991 .

Ted O'Donoghue and Matthew Rabin. "Choice and Procrastination," *Quarterly Journal of Economics*, 2002.

Ted O'Donoghue and Matthew Rabin (1996), "Doing It Now or Later," *American Economic Review*, 89, 103-124

II. Strategic Play

II.A. Coordination

Ochs, Jack, "Coordination." In KR.

Van Huyck, AER

Van Huyck, J.B., J.M. Wilentz and R.C. Battalio (2002). "Tacit Cooperation, Strategic Uncertainty, and Coordination Failure: Evidence From Repeated Dominance Solvable Games." *Games and Economic Behavior* 38, 156-175.

Charlie Holt and J. Goeree "An Experimental Study of Costly Coordination," *Games and Economic Behavior*, (special issue in honor of Richard McKelvey) 2005 (2), 349-364.

Roberto Weber, AER 2006.

II.B. Subgame Perfection

II.B.1 Beauty Contest

Nagel, Rosemarie (1995). "Unraveling in Guessing Games: An Experimental Study," *American Economic Review* 85, 1313-1326.

II.B.2 Centipede Game

McKelvey, Richard D. and Thomas R. Palfrey (1992), "An Experimental Study of the Centipede Game," *Econometrica* 60, 803-836.

Fey, Mark, Richard D. McKelvey, and Thomas R. Palfrey (1996). "An Experimental Study of Constant-Sum Centipede Games," *International Journal of Game Theory* 25, 269-297.

Palacios-Huerta, Ignacio and Oscar Volij (2009). "Field Centipedes," *American Economic Review* 99, 1619-1635.

II.B.3. Backward Induction

Levitt, Steven D., John A. List, and Sally E. Sadoff (2010). "Checkmate: Exploring Backward Induction Among Chess Players," *American Economic Review*, forthcoming.

II.C. Learning and Sophistication

II.C.1 Adaptive and Evolutionary Learning

Miller and Andreoni, "Can Evolutionary Dynamics Explain Free Riding in Experiments?" *Economics Letters*, 1991, **36**, 9-15

Andreoni, James and John H. Miller, "Auctions with Artificial Adaptive Agents." *GEB*, **10**, 1995, 39-64.

Binmore, Ken, John Gale, and Larry Samuelson, "Learning to be Imperfect: The Ultimatum Game." *GEB*, 1995.

Crawford, Vincent P. "Adaptive Dynamics in Coordination Games." *Econometrica*, January 1995, 103-43.

Van Huyck, John B., Joseph Cook and Raymond C. Battalio, "Selection Dynamics, Asymptotic Stability, and Adaptive Behavior." *JPE*, 102, 1994, 975-1005.

II.C.2 Belief Based Learning

Fudenberg, Drew and David Levine, "Measuring Players' Losses in Experimental Games." *QJE*, 1997, 507-536.

Mookherjee, Dilip and Barry Sopher, "Learning and Decision Costs in Experimental Constant Sum Games." *GEB*, April 1997, 97-132.

Stahl, Dale O., "Boundedly Rational Rule Learning in a Guessing Game," *GEB*, 1996, 303-330.

II.C.3. Reinforcement Based Learning

Roth, Alvin and Ido Erev, "Learning in Extensive-Form Games: Experimental Data and Simple Dynamic Models in the Intermediate Term." *GEB*, January 1995, 164-212.

Erev, Ido and Alvin E. Roth, "Predicting How People Play Games: Reinforcement Learning in Experimental Games with Unique, Mixed Strategy Equilibria." *AER*, 1998, 848-881.

Slonim, Robert and Alvin E. Roth, "Learning in High Stakes Ultimatum Games: An Experiment in the Slovak Republic." *Econometrica*, 1998, 569-596.

II.C.4. Combinations of Belief and Reinforcement

Camerer, Colin and Teck-Hua Ho, "Experience-weighted Attraction Learning in Normal Form Games." *Econometrica*, 1999, 827-874.

Feltovich, Nick, "Reinforcement-Based vs. Belief-Based Learning Models in Experimental Asymmetric-Information Games." *Econometrica*, 2000, 605-642.

II.C.5. Quantile Response Equilibrium

McKelvey and Palfrey, "Quantal Response Equilibria for Normal Form Games." *GEB*, July 1995, 6-38.

Charles Holt, Jacob Goeree and Tom Palfrey, "Regular Quantal Response Equilibrium" *Experimental Economics*, 2006.

Charlie Holt and Jacob Goeree, "A Model of Noisy Introspection", *Games and Economic Behavior*, 2004, 46(2), 281-294.

Charlie Holt and Jacob Goeree, "Ten Little Treasures of Game Theory, and Ten Intuitive Contradictions," *American Economic Review*, December 2001, 1402-1422.

II.C.6. Level K

Camerer, Colin F., Teck-Hua Ho, and Juin-Kuan Chong. "A Cognitive Hierarchy Model for Games," *Quarterly Journal of Economics* 2004 119:3, 861-898

Costa-Gomes, Miguel A. and Vincent P. Crawford. "Cognition and Behavior in Two-Person Guessing Games: An Experimental Study," *American Economic Review* 2006, 96, 1737-1768.

II.D. Information and Signaling

Holt, Charlie and Lisa Anderson, "[Information Cascades in the Laboratory](#)," *American Economic Review*, December 1997, 847-862, received a 1999 ANBAR Citation of Excellence.

II.E. Auctions

Kagel, John, "Auctions." Chapter 7 in KR.

Richard H. Thaler, "Anomalies: The Winner's Curse." *Journal of Economic Perspectives*, Vol. 2, No. 1. (Winter, 1988), pp. 191-202.

Paul Milgrom, "Auctions and Bidding: A Primer (in Symposia: Auctions)" *Journal of*

Economic Perspectives, Vol. 3, No. 3. (Summer, 1989), pp. 3-22.

Lucking-Reiley, David, "Using Field Experiments to Test Equivalence Between Auction Formats: Magic on the Internet." *American Economic Review*, December 1999.

John G. Riley, "Expected Revenue from Open and Sealed Bid Auctions (in Symposia: Auctions)" *Journal of Economic Perspectives*, Vol. 3, No. 3. (Summer, 1989), pp. 41-50.

Kagel, Harstad and Levin, "Information Impact and Allocation Rules in Auctions with Affiliated Private Values: A laboratory Study." *Econometrica*, 1987, 1275-1304.

Andreoni, James and John H. Miller, "Auctions with Artificial Adaptive Agents." *Games and Economic Behavior*, 10, 1995, 39-64.

Levin, Dan, John Kagel, and Jean-Francois Richard, "Revenue Effects and Information Processing in English Common Value Auctions." *AER*, 1996, 442-460.

Andreson, Simon P., Jacob K. Goeree and Charles A. Holt, "Rent Seeking with Bounded Rationality: An Analysis of the All-Pay Auction." *Journal of Political Economy*, 1998, 828-853.

List, John A. and David Lucking-Reiley, "Demand Reduction in Multiunit Auctions: Evidence from a Sportscard Field Experiment." *AER*, 2000, 961-972.

Kagel, John H. and Dan Levin, "Common Value Auctions with Insider Information." *Econometrica*, 1999, 1219-1238.

Andreoni, James, Yeon-Koo Che and Jinwoo Kim ["Asymmetric Information about Rivals' Types in Standard Auctions: An Experiment."](#) February 2005.

II.F. Altruism, Fairness, and Trust

II.F.1. Ultimatum Games

Guth, Werner, R. Schmittberger, and B. Schwartz. "An Experimental Analysis of Ultimatum Bargaining" *Journal of Games and Economic Behavior*, December 1982, 3(4), pp. 367—88.

Forsythe, Robert, Joel Horowitz, N.S. Savin and Martin Sefton. "Fairness in Simple Bargaining Games." *Games and Economic Behavior*, May 1994, 6(3), pp. 347—69.

Ochs, Jack and Alvin E. Roth. "An Experimental Study of Sequential Bargaining." *American Economic Review*, June 1989, 79(3), pp. 355—84.

Roth, Alvin E., V. Prasnikar, M. Okunofujiwara and S. Zamir. "Bargaining and Market Behavior in Jerusalem, Ljubljana, Pittsburgh, and Tokyo: An Experimental Study." *American Economic Review*, December 1991, 81(5), pp. 1068—95.

Slonim, Robert and Alvin E. Roth, "Learning in High Stakes Ultimatum Games: An Experiment in the Slovak Republic." *Econometrica*, 66, 3, May 1988, 569-96.

II.F.2. Dictator Games

See above.

II.F.3. Trust Games

Berg, Joyce, John Dickhaut, and Kevin McCabe. "Trust, Reciprocity, and Social Norms," *Games and Economic Behavior*, 1995, 10, 122-142.

Van Huyck, John B.; Battalio, Raymond C.; Walters, Mary F. "Commitment versus Discretion in the Peasant-Dictator Game." *Games and Economic Behavior*, July 1995, 10(1), 143-70.

Fehr, Ernst, et al., "Does Fairness Prevent Market Clearing? An Experimental Investigation." *QJE*, May 1993, 437-59.

Glaeser, Edward L., David I. Laibson, Jos• A. Scheinkman, and Christine Soutter, "Measuring Trust." *Quarterly Journal of Economics*, August 2000, 115, 811–846.

Cox, James C. "How to Identify Trust and Reciprocity." *Games and Economic Behavior*, 2004, 46, 260–281.

Fehr, Ernst, Simon G•chter, and Georg Kirchsteiger. "Reciprocity as a Contract Enforcement Device: Experimental Evidence." *Econometrica*, 1997, 65, 833–860.

Bohnet, Iris, Bruno S. Frey, and Steffen Huck, "More Order with Less Law: On Contract Enforcement, Trust, and Crowding," *American Political Science Review*, March 2001, 95(1), 131–144.

Andreoni, James ["Trust, Reciprocity, and Contract Enforcement: Experiments on Satisfaction Guaranteed."](#) March 2005.

Sobel, Joel. ["Interdependent Preferences and Reciprocity,"](#) *Journal of Economic Literature*, 2005.

Engelmann, Dirk and Andreas Ortmann, "The Robustness of Laboratory Gift Exchange: A Reconsideration," Working Paper, CERGE-EI, Prague, Czech Republic, 2002.

Gneezy, Uri, and List, John A., "Putting Behavioral Economics to Work: Testing for Gift

Exchange in Labor Markets Using Field Experiments.” *Econometrica*, September 2006; 74(5): 1365-84

II.F.4. Anonymity and Social Distance

Andreoni, James and B. Douglas Bernheim, “Social Image and the 50-50 Norm: A Theoretical and Experimental Analysis of Audience Effects,” *Econometrica*, 77, no. 5, September 2009, 1607-1636.

Ariely, Dan, Anat Bracha and Stephan Meier, “Doing Good or Doing Well? Image Motivation and Monetary Incentives in Behaving Prosocially,” IZA Discussion Paper No. 2968; FRB of Boston Working Paper No. 07-9. [[link](#)]

Hoffman, E, K. McCabe, K. Shachat, and V. Smith, “Preferences, Property Rights and Anonymity in Bargaining Games.” *GEB*, 1994, 346-380.

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Iris Bohnet, Bruno S. Frey, “Social Distance and other-regarding Behavior in Dictator Games: Comment,” *American Economic Review*, Vol. 89, No. 1 (Mar., 1999), pp. 335-339.

Bolton, Gary E., and Rami Zwick, “Anonymity versus Punishment in Ultimatum Bargaining.” *GEB*, **10**, 1995, 95-121.

Bohnet, I., Frey, B., 1999a. “The sound of silence in prisoner’s dilemma and dictator games.” *Journal of Economic Behavior and Organization* 38, 43– 57.

II.F.5. Models of Inequality Aversion

Fehr, Ernst & Schmidt, Klaus (1999), “A Theory of Fairness, Competition, and Cooperation,” *Quarterly Journal of Economics*, **114**, 817-868.

Bolton, Gary E. & Ockenfels, Axel (2000), “ERC ♣ A Theory of Equity, Reciprocity and Competition,” *American Economic Review*, **90**, 166-193.

Rabin, Matthew (1993), “Incorporating Fairness into Game Theory and Economics,” *American Economic Review*, **83**, 1281-1302.

Charness, Gary & Matthew Rabin (2002), “Understanding Social Preferences with Simple Tests,” *Quarterly Journal of Economics*, **117**, 817-869.

Levine, D. (1998): “Modelling Altruism and Spitefulness in Game Experiments.” *Review of Economic Dynamics*, 1, 593–622.

Dufwenberg, M. & Kirchsteiger, G. “A Theory of Sequential Reciprocity,” *Games and*

Economic Behavior 47 (2004), 268-98. [[pdf](#)].

Li, Jing "[The Power of Convention: A Theory of Social Preferences](#)," November 2005, *Journal of Economic Behavior and Organization*, forthcoming

Joel Sobel, "[Putting Altruism in Context](#)," *Brain and Behavioral Science*, 2003

II.F.6. A Rational Approach to Giving and Altruism

Andreoni, James, "Giving with Impure Altruism: Applications to Charity and Ricardian Equivalence." *Journal of Political Economy*, v.97, December 1989, 1447-58. [[pdf](#)]

Andreoni, James , "Impure Altruism and Donations to Public Goods: A Theory of Warm-Glow Giving." *Economic Journal*, v.100, June 1990, 464-477. [[pdf](#)]

Andreoni, James, and J.H. Miller, "Giving According to GARP: An Experimental Test of the Consistency of Preferences for Altruism." *Econometrica*, v. 70, no.2, March 2002, 737-753. [[pdf](#)]

Andreoni, James, Marco Castillo, and Ragan Petrie. "What do Bargainers' Preferences Look Like? Exploring a Convex Ultimatum Game." *American Economic Review*, June 2003, 93(3), 672-685.

Andreoni, James, Marco Castillo, and Ragan Petrie. "[Revealing Preferences for Fairness in Ultimatum Bargaining](#)" Working paper, 2005.

II.F.7. Altruism and the Number of Recipients

Andreoni, James, "Is Altruism Congestable? On Giving and Group Size." Draft, 2006.

II.F.8 Sociality of Giving

Dal B•, Ernesto and Pedro Dal B• (2009). "‘Do the Right Thing:’ The Effects of Moral Suasion on Cooperation," NBER. [[link](#)]

Ellingsen, Tore and Robert •stling (2010). "When Does Communication Improve Coordination?" *American Economic Review* 100, 1695-1724. [[link](#)]

Ellingsen, Tore, Magnus Johannesson, Gaute Torsvik and Sigve Tj•tta (2010). "Testing Guilt Aversion," *Games and Economic Behavior* 68, 95-107. [[link](#)]

Ellingsen, Tore, Anna Dreber, David Rand, Drew Fudenberg and Martin Nowak (2009). “Positive Interactions Promote Public Cooperation,” *Science* 325, 1272-1275. [[link](#)]

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Andreoni, James and Justin Rao (2011). “The Power of Asking: How Communication Affects Selfishness, Empathy, and Altruism,” *Journal of Public Economics*, forthcoming. [[link](#)]

Andreoni, James and B. Douglas Bernheim, “Social Image and the 50-50 Norm: A Theoretical and Experimental Analysis of Audience Effects,” *Econometrica*, 77, no. 5, September 2009, 1607-1636.

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Dana, J., Weber, R., and Kuang, J. (2007). Exploiting moral wiggle room: experiments demonstrating an illusory preference for fairness. *Economic Theory*, 33(1):67–80.

Harbaugh, W., Mayr, U., and Burghart, D. (2007). Neural responses to taxation and voluntary giving reveal motives for charitable donations. *Science*, 316(5831):1622.

Xiao, E. and Houser, D. (2005). Emotion expression in human punishment behavior. *Proceedings of the National Academy of Sciences*, 102(20):7398–7401.

II.G. Public Goods

Ledyard, John, "Public Goods: A Survey of Experimental Research." Chapter 2 in KR.

II.G.1. Linear

Marwell, Gerald and Ruth Ames, "Economists Free Ride, Does Anyone Else? Experiments on the Provision of Public Goods." *Journal of Public Economics*, 1981, 295-310.

Isaac, R. Mark and James Walker, "Group Size Effects in Public Goods Provision: The Voluntary Contributions Mechanism." *QJE*, 1988, 179-99.

Isaac, R. Mark and James Walker, and Arlington Williams, "Group Size and the Voluntary Provision of Public Goods: Experiments Utilizing Very Large Groups." *Journal of Public Economics*, 1994, **54**, 1-36.

Andreoni, James, "Why Free Ride?: Strategies and Learning in Public Goods Experiments." *Journal of Public Economics*, 1988.

Andreoni, James, "Cooperation in Public Goods Experiments: Kindness or Confusion?" *AER*, 1995.

Andreoni, James, "Warm-glow versus Cold Prickles: The Effects of Positive and Negative Framing in Public Goods Experiments." *QJE*, 1995.

Palfrey, Thomas and Jeffrey Prisbrey, "Anomalous Behavior in Public Goods Experiments: How Much and Why?" *AER*, December 1997, 829-46.

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Andreoni, James, "An Experimental Test of the Public Goods Crowding Out Hypothesis." *AER*, 1993.

Palfrey, Thomas and Howard Rosenthal, "Testing the Effects of Cheap Talk in a Public Goods Game with Private Information." *GEB*, **3**, 183-220.

Anderson, Simon P., Jacob K. Goeree and Charles A. Holt, "A Theoretical Analysis of Altruism and Decision Error in Public Goods Games." *Journal of Public Economics*, 1998, 297-323.

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II.G.2 Provision Point

Davis, Douglas and Charles Holt, *Experimental Economics*, Princeton: Princeton University press, pp. 338-343.

Dawes, Robin, John Orbell, R.T. Simmons, and A.J.C. van de Kragt, "Organizing Groups for Collective Action." *American Political Science Review*, 80, 1986, 1171-85.

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II.G.3 Mechanism Design

Sefton, Martin and Abdullah Yavas, "Abreu-Matsushima Mechanisms: Experimental Evidence." *GEB*, 16, 1996, 280-302.

Chen, Yan and Charles Plott, "The Groves-Ledyard Mechanism: An Experimental Study of Institutional Design." *Journal of Public Economics*, 1996.

Chen, Yan and Fang-Fang Tang, "Learning and Incentive-Compatible Mechanisms for Public Goods Provision: An Experimental Study." *Journal of Political Economy*, 1998, 633-662.

II.G.4 Fundraising and Experiments

John Morgan, "[Financing Public Goods by Means of Lotteries](#)," *Review of Economic Studies*, 67 (2000), 761-84.

John Morgan and Martin Sefton, "[Funding Public Goods with Lotteries: An Experiment](#)," *Review of Economic Studies*, 67 (2000), 785-810.

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