

# Newsletter 9/2016

ALFRED-WEBER-INSTITUT FÜR WIRTSCHAFTSWISSENSCHAFTEN BERGHEIMER STR. 58, 69115 HEIDELBERG, TEL. 06221/54-2941 REDAKTION: FREYA SCHADT, EMAIL: NEWSLETTER@AWI.UNI-HEIDELBERG.DE

# **Upcoming Seminars**

Wednesday, 18.5. 2016 Internal Seminar

12.15-13.15

Israel Waichman

AWI 00.010

"When the richest is also the strongest: Peer punishment and cooperation in public good provision"

# **Abstract**

#### Israel Waichman

"When the richest is also the strongest: Peer punishment and cooperation in public good provision"

International cooperation in supplying global public goods is often insufficient. The consequence of (not) supplying global public goods are often enormous, but due to the sovereignty of nation states, its provision cannot be enforced by a government or central authority. This failure inspired the scientific community to study and identify cooperation-enhancing institutions that do not require a central mechanism or a government. In this respect, the seminal works by Ostrom et al. (1992) and Fehr & Gächter (2000, 2002) established the informal (costly) punishment among the most celebrated cooperation-enhancing institutions. It has been shown that this mechanism is effective under a variety of conditions, including asymmetries among parties in wealth and punishment power. However, these asymmetries in the field are usually observed in congruence, i.e., rich parties can punish more effectively than their poor counterparts. This situation is especially interesting when the maximum total benefit from the public good is lower for the rich than for the poor party. In this paper we experimentally test such a situation. Our workhorse is a public good game in which we implement a double asymmetry (in wealth and punishment power). In addition, we study the effect of asymmetries in either wealth or punishment power on public good provision.

## **Talks and Research Visits**

**Timo Goeschl** presented the paper "Clubbishness vs. Efficiency: An Online Experiment on Multi-level Public Goods" at the Environmental and Resource Chapter of the German Economic Association in Frankfurt (Oder), April 30, and the paper "Cooperation in Public Good Games. Calculated or Confused?" at the Economics Department Seminar, University of Gothenburg, April 26.

## **New Publications**

Lohse, Johannes, Timo Goeschl, and Johannes Diederich: "Giving is a Question of Time: Response Times and Contributions to a Public Environmental Good", accepted for publication in Environmental and Resource Economics.

Adam Dominiak and Jürgen Eichberger: "Support Notions for Belief Functions", Economics Letters, forthcoming.

# **Miscellaneous**

Robert Schmidt is awarded a Ph.D. scholarship from the Friedrich-Ebert-Foundation.

Editorial deadline for issue 10/2016/2016 of the newsletter: Wednesday, May 18, 2016, 12 p.m. newsletter@awi.uni-heidelberg.de

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