Abstracts

Public Goods and Minimum Provision Levels: Does the Institutional Formation Affect Cooperation? We investigate the role of institutional formation on the implementation of a binding minimum contribution level in a linear public goods experiment. Groups either face the minimum level exogenously imposed by a central authority or are allowed to decide for themselves by means of a group vote whether or not a minimum level should be implemented. We find a binding minimum contribution level to have a positive and substantial effect on cooperation. This result is robust to the mode of implementation and thus when the minimum level is enforceable, it is a simple policy that will increase provision of the public good.

Framing and Minimum Levels in Public Good Provision Using a laboratory experiment in the field, we examine how the choice architecture of framing a social dilemma – give to or take from a public good – interacts with a policy intervention that enforces a minimum contribution level to the public good. We find that cooperation is significantly higher in the give frame than in the take frame in our standard public goods experiment. When a minimum contribution level is introduced, contributions are crowded out in the give frame but crowded in in the take frame. Our results therefore stress the importance of choosing the frame when making policy recommendations.

Frustration and Anger in Games: A First Empirical Test of the Theory This paper explores the strategic consequences of frustration and anger in human interaction. I design an experiment testing predictions based on central concepts of a theory developed by Battigalli, Dufwenberg, and Smith (2015). The focus of the experiment is on situations where other-responsibility is weak or nonexistent, and in this specific context I find only limited support for their theory.

Physician Behavior and Conditional Altruism: The Effects of Payment System and Uncertain Health Benefit This paper investigates the effect of payment system on physicians’ treatment decisions using a laboratory experiment. I find that many physicians are altruistic toward their patients but also that the degree of altruism varies across patients with different medical needs. Moreover, patients are overtreated in fee-for-service payment systems to the same extent as they are undertreated in capitation systems, and this result extends into domains of risk and uncertainty in patient health. Interestingly, the type classification of physicians based on conditional altruism is generally unaffected by payment system; the common categorization is that physician altruism is guided by severity of illness, both under capitation and fee-for-service.

Keywords: Public goods, Minimum level, Voting, Framing, Emotion, Psychological game, Physician behavior, Incentives, Risk, Experiment.

JEL Classification: C72, C91, D03, D72, D81, H41, I10.

ISBN: 978-91-88199-09-6 (printed), 978-91-88199-10-2 (pdf)

Contact information: Emil Persson, Department of Economics, University of Gothenburg, Box 640, SE 405 30 Gothenburg, Sweden; E-mail: emil.persson@economics.gu.se