Dear Members of the Committee on Faculty Compensation and Development,

I am writing to request a Jean Picker Fellowship to be used for a course release during the fall semester of 2017. During that time I plan to work on two papers related to my work on social norms and reciprocity and to develop a proposal for new research in behavioral economics and education. My goal with the course release would be to make substantial progress on the papers and to work on the experimental protocols for new research on social norms and education. With respect to the budget, I am request funding for the course release only and my coauthors and I plan to cover experimental payments in the fall with existing funds.

I am a behavioral and development economist with a focus on the economic consequences of social norms and reciprocity. I detail some of my current research below and the ways in which I plan to further that research over my sabbatical and, I hope, in the semester following my sabbatical with a Picker Fellowship.

First, I currently have a revise and re-submit for the *Journal of Economics and Behavioral Organization* based on joint work with Gabriel Burdin and Fabio Landini (the working paper is available as Burdin et al, 2015). In our paper, we investigate reciprocity, autonomy and control in the workplace based on laboratory experiments that I ran at the U. Mass Willis Lab. We are currently preparing our revisions and plan to design new experiments looking at delegation, reciprocity and autonomy in the workplace over the summer and for which I plan to implement

experiments in the fall. Having a course release to implement this work would be valuable for me in terms of the time substantial time required to run experiments.

Second, I am currently analyzing data from lab experiments run at the U. Mass Lab with my co-author Jonathan Lafky. Dr. Lafky and I are currently writing up the paper to submit by the end of my sabbatical and we are also completing the final design aspects for new research for which I shall be implementing pilot experiments during my sabbatical at the University of Cape Town and then honing the work based on the results from the pilot experiments. In the experiment, we plan to build on our existing research looking at ratings and reciprocity. In particular, we are interested in the choices among different rating systems that exist in online marketplaces and social media: how do binary 'up-vote' and 'down-vote' choices relate to underlying product quality? Under what circumstances is a 'like' or a 'good job' comment useful vs. only 'dislike' or 'bad job' feedback for given levels of product quality? How do consumers respond to a *lack* of ratings when a rating could be provided? We hope to investigate these questions through lab experimental methods. Having additional time in the fall for experimental sessions, data analysis, and writing up the results would be incredibly valuable as we pursue publication.

Furthermore, while I am on sabbatical and visiting the University of Cape

Town, South Africa, I hope to develop new research looking at the overlap of

behavioral economics and educational outcomes (see, e.g. Levitt et al, 2016). I plan

to meet with researchers at the Abdul Lateef Jameel Poverty-Action Lab's Africa

office (the central office is at MIT, and the Africa office is housed at the University of

Cape Town) and the Southern African Labor and Development Research Unit

(SALDRU, of which I am a research affiliate). A variety of new research into social norms and peers suggests that students of color face social pressures and social norms that white students do not face: the so-called stigma of "acting white."

Research in the United States among African American populations has shown that there are negative consequences for educational outcomes for the existence of this stigma, which can be ameliorated by the provision of private SAT lessons to interested students (Bursztyn and Jensen, 2015). These experiments have also been run in conjunction with providing information about the benefits of completing high school and achieving a college-qualifying grade as evidence suggests that many students – and their parents – do not have accurate information about the benefits of completing high school or attending college (Bursztyn et al, 2017). Though evidence exists in South Africa for similar stigma, there has been no experimental research to demonstrate any of the following:

- the role of providing information about the benefits of completing high school to Black South African students
- 2. the existence and extent of beliefs and norms about "acting white"
- 3. the correspondence between lab experimental methods for identifying positional concerns (that is, for concerns with social standing) and real-world outcomes such as completing high school despite social norms

Consequently, during my sabbatical while visiting the University of Cape Town and during the subsequent semester I hope to develop a field experiment and lab-in-the field experiments work with high school students in South Africa (grade 7 through grade 12) to investigate these concerns. This paper would be a departure from my

current lab research, but it relates strongly to my interests in social norms and it would build on my field research and community work before coming to Smith (I worked as a Research Assistant for an experiment in Cape Town schools, I did fieldwork as the Assistant Project Manager for the Quality of Life Survey, and I volunteered in township schools in Cape Town to teach critical thinking). I would also pursue grant funding in the future for this project if discussions about feasibility with JPAL turn out to be productive.

I hope to use a one-semester course release in Fall 2017 to make progress on two papers related to reciprocity, autonomy and ratings. I also hope to produce the groundwork for research in South Africa looking at concerns for social norms, peer pressure, and education. I believe that my proposed papers would make a valuable contribution to the growing literature on how reciprocity operates in the workplace and with respect to ratings systems. In so doing, I hope to contribute to the literature in behavioral and experimental economics more broadly, while also maintaining a research program that will inform my teaching in behavioral economics (ECO254) and the political economy of African development (ECO311) at Smith College.

Thank you for your time and consideration.

Sincerely,

Simon Halliday Assistant Professor of Economics Smith College

References

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Bursztyn, Leonardo and Jensen, Robert, 2015, "How does peer pressure affect educational investments?" *Quarterly Journal of Economics*, 130 (3): 1329-1367 Levitt, Steven D., List, John A., Neckermann, Susanne, Sadoff, Sally, 2016, "The Behavioralist Goes to School: Leveraging Behavioral Economics to Improve Educational Performance," <u>American Economic Journal: Economic Policy</u>, Volume 8, Number 4, November 2016, pp. 183-219(37)