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MSc Thesis Thom Benjamin Volker (5868777)

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## Supervisors:

Prof. Dr. Ir. Vincent Buskens

Prof. Dr. Werner Raub

## Second grader:

Prof. Dr. Frank van Tubergen

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The future is made today: Concerns for reputation foster trust and cooperation

Thom Benjamin Volker\*

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#### Abstract

When people engage in interactions with a group of common others, they have to consider how their actions today affect their interactions tomorrow. Even if their future interaction partners differ from those encountered today, information about behavior today might be shared with future partners. Although theoretical predictions render trust, and cooperative behavior in general, more likely when today's actions can be sanctioned by others in future interactions, empirical evidence on such effects is inconsistent. We investigate the effect of future sanction opportunities through third parties (commonly referred to as the network control effect) by reanalyzing the data from 8 heterogeneous studies using a consistent analysis plan. Subsequently, we describe and apply a novel method called Bayesian Evidence Synthesis, that is applicable regardless of methodological differences between studies, to statistically aggregate the evidence for the network control effect on trustfulness, trustworthiness and cooperation over these studies. Our synthesis of results shows that future sanction opportunities by third parties are an effective mechanism to promote trustful, and even more so, trustworthy behavior. For trustfulness, the evidence is especially convincing when actors can only rely on sanctions by third parties, without being able to apply future sanctions themselves.

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## 1 Introduction

Smooth social and economic relationships often require trust and cooperation. In many buyer-seller relationships, for instance, the buyer of a product has to trust that the seller sells high-quality goods, rather than asking high prices for goods of inferior quality. After all, the buyer may have insufficient knowledge to determine the quality of the good before buying it. In social exchange (e.g., Blau 1986; Cook et al. 2013), someone may help a neighbor, trusting that this neighbor will return the favor in the future. In both situations, though, at least one of the actors has incentives to exploit the other. Selling low-quality products for high prices maximizes the returns of the transaction for the seller, while helping a neighbor in return is costly in terms of time and effort but does not yield any additional benefits. The buyer and the initial helper may anticipate on these incentives to behave opportunistically. The buyer might refrain from buying the good in the first place, and the initial helper might refrain from helping. Accordingly, both parties are worse off. The buyer and the seller do not engage in mutually beneficial exchange, while the neighbors need more time for the tasks they would finish in a trice if they collaborated. In both examples, goal-directed behavior guided by self-interest impedes coordinating toward a collectively better outcome, characterizing these situations as social dilemmas (Kollock 1998; Ostrom 1998). 16 Social dilemmas exemplify how individually rational behavior can lead to unintended and 17 suboptimal consequences for both actors. The examples, and social dilemma situations in general, can be analyzed in a game-theoretical framework. This framework helps making assumptions and the derivation of hypotheses explicit, while subsequent tests of the hypotheses allow to revise theoretical arguments by adjusting core assumptions. From a theoretical perspective, the analysis of dilemma situations allows to map how macro-consequences result from individual behavior. This can be on the level of two interacting actors, but also on the level of society as a whole, as Hobbes' discussion of the "problem of order" (Hobbes [1651] 1991) revealed. According to Hobbes, in a world of scarcity and without external institutions to enforce pro-social behavior, actors may slip
into the "warre of every man against every man," although the peaceful alternative would leave
everyone better off. Likewise, opportunistic behavior of individuals may have severe consequences
for economic markets, because contractual governance is generally insufficient to cover all possible
contingencies that may arise (see Dasgupta 1988; Raub, Buskens, and Corten 2015 for similar
arguments). 'Solving' social dilemma situations can thus improve the efficiency of many social and
economic interactions (Buskens and Raub 2002; Dasgupta 1988).

Trust and cooperation in social dilemma situations can be fostered by "embeddedness" (Granovetter 1985). Everyday interactions are seldom isolated encounters, but rather occur in some social

novetter 1985). Everyday interactions are seldom isolated encounters, but rather occur in some social
context. Customers may go to the same store repeatedly or know others who go to this store. People
also have recurring interactions with their neighbors and their neighbors' acquaintances. Accounting
for embeddedness follows from the contributions by Coleman (1986) and Granovetter (1985), who
advocated for the specification of robust assumptions on rational individual behavior while allowing
for more complexity on the social structure. Embeddedness operates on two different levels: the dyad
level, which refers to the same two actors interacting repeatedly, and the network level, which refers
to two actors interacting with common third parties as well (e.g., Buskens and Raub 2002, 2013).
On both levels, embeddedness can foster trustful and trustworthy behavior through learning and
control (Buskens, Frey, and Raub 2018; Buskens and Raub 2002, 2013; Yamagishi and Yamagishi
1994).

When people are embedded, they can learn about their partners' past actions through own
experiences or through experiences of their acquaintances. This information may be useful for
inferring how a partner will behave in the current interaction, so that one can adapt one's own
behavior accordingly. Obviously, no one wants to buy inferior goods, and neighbors might not
help those who broke their promises. Yet, if you had good experiences with a store, or know that

others had good experiences, you may return to go shopping there today, because you expect similar outcomes. Theoretical and empirical support for such learning effects have been well documented in the sociological and economic literature, both under dyadic (Anderhub, Engelmann, and Güth 51 2002; Buskens, Raub, and Van der Veer 2010; Camerer and Weigelt 1988; Embrey, Fréchette, and Yuksel 2018; Mao et al. 2017; Neral and Ochs 1992) and network embeddedness (Bolton, Katok, and Ockenfels 2004; Buskens et al. 2010; Engelmann and Fischbacher 2009; Seinen and Schram 2006; Wedekind and Milinski 2000). The control mechanism refers to one's long-term incentives being under control of future interaction partners (Buskens and Raub 2002). Those who take advantage of others today can be punished in the future, while those who act kindly today can be rewarded, for example with a recurring mutually beneficial exchange relation. Sanctions, either positive or negative, can be implemented by the person towards whom the sanctioned behavior was directed in the first place. This is the case of dyadic control. Network control refers to the possibility to inform others, who can then base their own future behavior on this information. You may, for instance, return to a seller you had good experiences with, but you could also recommend this seller to others. In this sense, the future is made today, because someone's behavior today may have lasting consequences that one must consider when deciding how to act. If there are sufficient control opportunities, that is, if the long-term consequences of a poor reputation may outweigh the short-term gains of opportunistic behavior, it is in one's best interest to build a good reputation today. Theoretical and empirical findings consistently show positive dyadic control effects on trust and cooperation (Buskens et al. 2010; Dal Bó 2005; Dal Bó and Fréchette 2011, 2018; Embrey et al. 2018). Yet, despite similar theoretical results for network control effects (Kandori 1992; Raub and Weesie 1990), the empirical evidence for network control effects is much more ambiguous (Bolton et al. 2004; Buskens et al. 2010; Corten et al. 2016; Van Miltenburg, Buskens, and Raub 2012).

Given such ambiguous evidence, this paper pursues substantive and methodological goals. The
first goal is to assess the empirical evidence concerning network control effects, using data from
multiple experimental studies in which games are played in embedded settings in laboratories.
Although all studies assessed effects of network embeddedness, only some examined network control
effects specifically. An even smaller subset found evidence for such effects. We reanalyze the data
from these studies using a consistent analysis plan and statistically summarize the empirical evidence
on network control effects. Moreover, some empirical evidence suggests a difference in network control
effects according to the role of an actor. Some studies found that network control opportunities had
an effect on those in the position to exploit their partner (e.g., on the trustworthiness of a seller),
but not on those who could be exploited (e.g., on the trustfulness of a buyer; Barrera and Buskens
2009; Buskens et al. 2010; Frey, Buskens, and Corten 2019). Therefore, the second goal is to explore
and quantify to what extent there is more evidence for network control effects on trustworthiness
than on trustfulness over all studies.

The third goal of the paper is methodological. The included studies differ considerably with respect to experimental conditions, such as the specification of the social dilemma, network size, number of transaction partners, and duration of interactions. Yet, all studies assessed network embeddedness and allow to test for network control effects. Hence, although not explicitly designed as such, these studies can be considered conceptual replications. Conceptual replications allow to assess the validity of research findings by investigating whether conclusions hold under alternative conditions, using varying measurement instruments or operationalizations (Nosek, Spies, and Motyl 2012). Previous research has particularly stressed the importance of exact, direct or close replications, which address the statistical reliability of research findings (e.g., Camerer et al. 2016; Camerer et al. 2018; Klein et al. 2014; Nosek et al. 2021; Open Science Collaboration 2015). Conceptual replications add to direct replications by using heterogeneous research designs with different strengths

and weaknesses (Lawlor, Tilling, and Davey Smith 2017; Munafò and Smith 2018). A robust line
of evidence that allows for greater generalizability is built by combining various ways of testing
the same hypotheses, using different sources of data and different methodologies (e.g., Buskens
and Raub 2013; Jackson and Cox 2013; Lawlor et al. 2017; Munafò and Smith 2018). However,
such variability complicates the use of conventional approaches for research synthesis, such as
meta-analysis (Cooper, Hedges, and Valentine 2009; Lipsey and Wilson 2001; Sutton and Abrams
2001). We apply a novel method, called Bayesian Evidence Synthesis (Kuiper et al. 2013), which
allows to statistically aggregate the evidence over conceptually similar but methodologically diverse
studies.

Bayesian Evidence Synthesis (BES) builds upon the Bayes Factor (Kass and Raftery 1995). For 106 every study, the support for a hypothesis on the effect of control through network embeddedness can 107 be quantified using a Bayes Factor (BF). The study-specific BFs can subsequently be combined 108 to quantify the overall amount of evidence for the overarching hypothesis that network control 109 fosters trust and cooperation, regardless of the study-specific differences with regard to design 110 and operationalizations of key variables. Accordingly, BES can be used to pool the evidence for 111 a hypothesis over multiple studies, even if the designs differ, and thus enables us to statistically 112 summarize the evidence for a network control effect over our set of studies. Additionally, BES 113 allows to compare the amount of evidence for a network control effect between trustors and trustees. 114 Rather than pooling effect sizes, BES quantifies the evidence over studies in favor of a more general 115 scientific theory by aggregating the relative support for the hypotheses evaluated in each study. 116 Therefore, besides contributing substantively, we aim to contribute methodologically, by outlining 117 how BES can be used to statistically summarize the evidence for a hypothesis over conceptual 118 replications, and how this statistical synthesis of results should be interpreted. 110

In the upcoming section, we outline the theoretical foundations of network control effects. Here-

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after, we describe the studies that are incorporated in our synthesis, and outline the methodological background of *BES*, including a description of how to apply this method. In the final sections, we apply *BES* to the data collected in the studies that are considered, and discuss our empirical and methodological findings.

# 2 Control effects on trust: The effect of network control

We first introduce the Trust Game as a formal representation of social dilemmas and use it to
theorize about control effects. We restrict ourselves to an informal discussion of control effects,
while referring to game-theoretical foundations of our arguments. With minor modifications, similar
theoretical results can be obtained for other dilemma situations that can be represented by different
games, such as the Investment Game, Prisoner's Dilemma and Helping Game. We will not explicitly
formulate theoretical arguments for network control effects in these games, but we address the
expectations that can be derived from such analyses.

## 133 2.1 The Trust Game

The standard one-shot Trust Game in Figure 1 captures the core elements of previously sketched 134 dilemma situations (e.g., Camerer and Weigelt 1988; Dasgupta 1988). The Trust Game involves 135 two actors: actor 1, the "trustor," and actor 2, the "trustee." First, the trustor decides whether to 136 place trust. If no trust is placed, the game ends and the trustor and trustee receive  $P_i$  (i = 1, 2), 137 respectively. If trust is placed, the trustee can honor or abuse trust. Honored trust yields the payoff 138  $R_i$ , which is better for both actors than the situation in which no trust is placed  $(R_i > P_i)$ . Abused trust however yields  $T_2 > R_2$  for the trustee, which shows why the trustee has an incentive to behave 140 untrustworthy. It is assumed that the actors are completely informed about the structure and the 141 payoffs of the game. Given that abused trust is associated with payoff  $S_1 < P_1$  for the trustor, 142

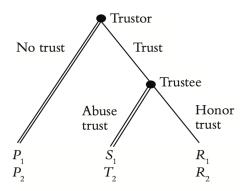


Figure 1: Extensive form of a one-shot Trust Game, with T > R > P > S. The doubled lines indicate the equilibrium path of play.

anticipating on the trustee's incentives to abuse trust, the trustor is better off by not placing trust in the first place.

The Investment Game, Prisoner's Dilemma and Helping Game can be analyzed similarly (e.g., 145 Raub et al. 2015). The Investment Game (Berg, Dickhaut, and McCabe 1995) closely resembles the 146 Trust Game, but differs in one respect: the actors' options are continuous rather than dichotomous. 147 The trustor obtains an initial endowment, and decides how much of this endowment to send to 148 the trustee. The experimenter multiplies the amount sent by some factor, after which the trustee 149 decides how much to return to the trustor. The amounts sent and returned reflect the trustor's 150 trustfulness and the trustee's trustworthiness, respectively. Other dilemma situations may resemble 151 two-sided incentive problems, which can, for instance, be represented by the Prisoner's Dilemma. 152 In a Prisoner's Dilemma, both actors have incentives to exploit each other, and likewise have an 153 incentive to protect themselves against exploitation by the other. This contrasts with the Trust 154 Game, which presents the trustee with an incentive to abuse trust, but not the trustor. The Helping 155 Game resembles the Prisoner's Dilemma, but the actors move sequentially. Actor 1 decides to help actor 2 at a certain cost that is smaller than the benefit for actor 2, while at a later point actor 2

<sup>&</sup>lt;sup>1</sup>Note, however, that when a trustor only sends a small amount, the trustee can interpret this as a lack of trust from the trustor. If the trustee subsequently returns a small amount, this might be due to (at least) two different reasons: (i) the trustee is opportunistic and returns only little to maximize short-term gains, or (ii) the trustee dislikes not being trusted, and returns little to sanction the trustor for sending a small amount.

has the option to help actor 1, irrespective of whether actor 1 helped actor 2 in the first place.

The theoretical analysis of the Trust Game shows that the "isolated" nature of the interaction 159 renders trust difficult to achieve, if both actors aim to maximize their individual returns, and the 160 trustor expects the trustee to do so (e.g., Binmore 2007; Buskens and Raub 2013). The key is 161 that if actors cannot learn about their partner's past actions, and today's actions cannot affect 162 future outcomes, no one has incentives to place or honor trust. If the actors will not interact in the future, together or with common third parties, there are no control opportunities, because actions 164 cannot be sanctioned. Hence, nothing withholds a trustee with incentives to abuse trust from 165 acting opportunistically. Anticipating on the trustee's incentives to abuse trust without adverse 166 future consequences, a trustor may not place trust in the first place out of self-protection. This 167 renders the outcome of the current interaction suboptimal. Note that the trustfulness of the trustor 168 predominantly depends on the expected trustworthiness of the trustee (Buskens and Raub 2002). 169 The same reasoning applies to the Investment Game, and similar arguments hold for the Prisoner's 170 Dilemma and the Helping Game. Although both actors have incentives to behave opportunistically 171 in the latter two games, the point remains that in the absence of future interactions, the short-term 172 gains of exploiting a partner outweigh the future consequences, rendering cooperation unlikely. 173

### 2.2 Network control effects on trust

Taking into account the social context, incentives for the actors may change. When interactions are embedded, the trustee has to realize that the returns from future interactions are under control of the trustor, and thus has to balance the short-term incentives for abusing trust with the long-term costs. As said, when the same two partners interact repeatedly, untrustworthy behavior by the trustee today can be retaliated by withholding trust in the future, while trustworthy behavior can be rewarded. This is often referred to as dyadic control (Buskens and Raub 2002), conditional

cooperation (Taylor 1987) or direct reciprocity (Nowak 2006; Rand and Nowak 2013). Gametheoretical analyses show that if the costs of future retaliation outweigh the short-term gains of 182 abusing trust, behaving trustworthy is in the trustee's self-interest (Kreps 1990).<sup>2</sup> Accordingly, the 183 trustor might foresee that an abuse of trust would be against the interests of the trustee, which 184 allows for placing trust (for a more formal discussion, see Buskens et al. 2018; Buskens and Raub 185 2013). Hence, mutually beneficial exchange can follow from actors pursuing their self-interest, such that placing and honoring trust results from equilibrium behavior. These expectations are well 187 supported in the empirical literature, providing clear evidence for dyadic control effects (Dal Bó 188 2005; Dal Bó and Fréchette 2011, 2018; Embrey et al. 2018). 189

The same mechanism holds when a trustee interacts with several trustors in a network, allowing 190 the trustors to exchange information about the trustee. If a focal trustor informs future trustors 191 about the trustee's behavior, these future trustors may sanction the trustee for behavior in the focal 192 game. The long-term payoffs of the trustee are thus still partly under control of the current trustor. 193 When future trustors sanction the trustee for abusing trust today, the trustee's long-term losses may 194 outweigh the short-term gains from abusing trust, which may mitigate the incentives for abusing 195 trust. Such network embeddedness can replace (Kandori 1992; Kreps 1990) or complement (e.g., 196 Buskens 2003) dyadic embeddedness. For example, regardless of whether you visit the same seller 197 repeatedly, informing others about your experience with this seller allows them to decide whether 198 they want to interact with this seller. If enough potential customers avoid the seller based on your 199 information, selling inferior goods will backfire by reducing the seller's future turnover. 200

If future trustors are reliably informed about the trustee's behavior in the current interaction, they can condition their actions on this behavior (which is often called indirect reciprocity; Nowak 203 2006; Nowak and Sigmund 2005). Accordingly, similar sanctions and rewards can be applied as in

<sup>&</sup>lt;sup>2</sup>This result holds for both infinitely repeated games with complete information on the incentives of the trustee (e.g., Buskens and Raub 2013; Kreps 1990), as well as for finitely repeated games with incomplete information of the trustor on incentives of the trustee (e.g., Kreps and Wilson 1982).

dyadically embedded interactions, but potentially by different trustors. If the potential sanctions are sufficiently severe, it is in the trustee's self-interest to honor trust, and in the trustors self-interest to 205 place trust. Hence, also under network embeddedness, a mutually beneficial exchange relationship 206 can result from equilibrium behavior. The severity of the sanctions depends on the likelihood that 207 information about the trustee's past behavior is disseminated, but also on the number of informed 208 future trustors that interact with the focal trustee. That is, the threat of future sanctions must be credible to have bite. Accordingly, we expect that trust, and cooperation in general, increases 210 with network control opportunities, leading to the following two hypotheses for the Trust Game and 211 Investment Game: 212

- Hypothesis  $H_1$ : The trustor's trustfulness increases in the amount of network control opportunities.
- Hypothesis  $H_2$ : The trustee's trustworthiness increases in the amount of network control opportunities.
- Similar arguments apply to the Prisoner's Dilemma and the Helping Game (e.g., Nowak and Sigmund 2005; Raub and Weesie 1990). However, these games do not allow to separate trustfulness and 219 trustworthiness. We therefore restrict the analyses of these studies to a single hypothesis:
- Hypothesis  $H_3$ : Cooperation increases in the amount of network control opportunities.
- Past empirical research obtained inconsistent evidence for these hypotheses. In the absence of dyadic embeddedness, Bolton et al. (2004) found support for a network control effect, while Corten et al. (2016) did not. Additionally, multiple studies that did not separate network control effects from other network embeddedness effects found that network embeddedness fostered trust (e.g., Bohnet et al. 2005; Bohnet and Huck 2004; Duffy, Xie, and Lee 2013; Huck, Lünser, and Tyran 2012) and cooperation (e.g., Pfeiffer et al. 2012; Seinen and Schram 2006). When network embeddedness

was assessed as an addition to dyadic embeddedness, some support for network control effects was found by Buskens et al. (2010), Barrera and Buskens (2009) and Frey et al. (2019), but not by Van 228 Miltenburg et al. (2012). Although game-theoretical argumentation suggests equivalent dyadic and 229 network control effects, there may be several reasons why the evidence for network control effects 230 is weaker and less consistent than the evidence for dyadic control effects. First, game-theoretical 231 arguments typically assume that information provided by third parties is reliable, without taking 232 incentive problems with the supply of information into account (Raub and Weesie 1990). Yet, 233 supplying information constitutes a second-order social dilemma, because it takes time and effort to 234 do so, while the individual returns from providing information may be small (Bolton et al. 2004). 235 Additionally, evaluating information from third parties may not be straightforward, especially if the information is inconsistent with own experiences. Although information is provided consistently and 237 reliably in all experiments considered, participants may attach more value to their own observations. 238 Lastly, actors may doubt whether others are willing to implement sanctions. These considerations 239 question the existence of network control effects, for which we aim to quantify the evidence. 240

#### 241 2.3 Differences between network control effects for trustors and trustees

Given that the trustor and the trustee are informed on the structure of the game, and given that
they receive the same information before entering an interaction, all network control opportunities
are known to both. Accordingly, game-theoretical predictions render equivalent network control
effects for both types of actors. However, network control opportunities do not need to be evaluated
in the same way by both types of actors. In fact, it may be easier to anticipate on network control
opportunities for the trustee than for the trustor (Buskens et al. 2010). For trustees, it may be
relatively straightforward to anticipate on the fact that abusing trust in a given round will result in
repercussions during later rounds. The reasoning only requires to think one step ahead: if future

trustors sanction an abuse of trust, abusing trust will be costly. If these costs outweigh the gains of
abusing trust, it is not worthwhile to act opportunistically.

Before having a good reason to act upon network control opportunities, trustors have to reason 252 one more step ahead. Specifically, trustors must speculate on how potential future sanctions by 253 other trustors affect a trustee's behavior. That is, the trustor's trustfulness may increase only if this 254 trustor foresees that the trustee anticipates on how abusing trust now will affect the trustfulness 255 of future trustors, and thus on how future trustors will condition their behavior on the trustee's 256 current actions. If you do not know whether a seller finds it a credible threat that you inform others 257 after buying inferior goods, the risk of getting exploited might be too high, leading you to refrain 258 from interacting with the seller. In short, people tend to have difficulties overseeing the complex dynamics of situations with multiple interdependent actors, especially if they have no experience 260 with such situations (Binmore 2007; Buskens et al. 2010; Dal Bó 2005; Dal Bó and Fréchette 2011; 261 Milinski et al. 2001). Therefore, we also assess the following conjecture, which can only be assessed 262 for Trust Games and Investment Games: 263

• Conjecture 1: We expect more evidence for a network control effect on trustees' behavior than on trustors' behavior.

## <sub>6</sub> 3 Data and methods

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We assess the evidence for network control effects on trust and cooperation by reanalyzing the data from eight heterogeneous experimental studies (Table 1). We attempted to search for and include all experimental studies on network embeddedness effects in two-person dilemma games. Observational studies were deliberately disregarded, because control and learning effects are typically entangled in real-life settings, rendering the operationalization of the separate constructs without spillover effects

extremely challenging.<sup>3</sup> Moreover, we could not obtain the data from 4 of the 13 experimental studies on this topic that we are aware of (Bohnet et al. 2005; Bohnet and Huck 2004; Huck et al. 273 2012; Pfeiffer et al. 2012), while we only discovered the existence of one after we finished our study 274 (Duffy and Ochs 2009). The remaining eight are included. The studies differed substantially with 275 respect to the game played, game length, operationalization of network embeddedness, network sizes, 276 payoffs and hierarchical structure of the data (see Table 1 and the upcoming section for an elaborate 277 discussion). Regardless of the conceptual similarities, the variation between studies complicates 278 the use of conventional research synthesis approaches, like meta-analysis. Yet, Bayesian Evidence 270 Synthesis (BES; Kuiper et al. 2013) is applicable to quantify the support for the hypotheses over 280 studies. 281

In each study, participants engaged in one or more rounds of a social dilemma game, commonly 282 referred to as a supergame, under varying amounts of network embeddedness. A supergame is 283 defined as a sequence of identical games, in which information on the behavior of the actors can be 284 transmitted. Hence, in each supergame, the participants play multiple rounds of the same game. 285 After each round, information on the outcome of the round is shared with the two actors that 286 interacted in this round. Dyadic embeddedness implies that the same two actors interact repeatedly, 287 and hence know the outcomes of all previous rounds in which these actors interacted. Under network 288 embeddedness, the outcome of the interaction of two actors in a given round can be shared with the 289 partners of the actors in one or more subsequent rounds. 290

We study the network control effect by comparing participants' first-round behavior between embeddedness conditions. The advantage of focusing on first-round behavior is that participants cannot condition their behavior on past behavior of their partner. In the first round, either there is no past behavior, because the current interaction takes place in the first, and potentially only,

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<sup>&</sup>lt;sup>3</sup>In real-life, transaction partners who expect to interact in the future, either with each other or with common third parties, are likely to have interacted in the past, or at least have common acquaintances that provide information on one's partner's past behavior.

Table 1: Information on all data sets assessed in this study.

Study	Game	Conditions	Sample size (actions / subjects / sessions)	Actors per network	Number of rounds / continuation probability $(\delta)$	Hypothesis	Multilevel structure (levels)
Bolton et al. (2004)	Trust Game	<ol> <li>No embeddedness</li> <li>Network embeddedness</li> </ol>	82/82/6	16	30 rounds	$\beta_{ m Net} > \beta_{ m NoEmb}$	Actions (1)
Duffy et al. (2013)	Trust Game	<ol> <li>No embeddedness</li> <li>Network embeddedness with minimal information</li> <li>Network embeddedness with full information</li> </ol>	1072/84/14	6	$\delta = 0.8$	$ \beta_{\text{NetFull}} > \beta_{\text{NoEmb}} $ $ \beta_{\text{NetMin}} > \beta_{\text{NoEmb}} $	Actions in individuals in sessions (3)
Seinen and Schram (2006)	Helping Game	<ol> <li>No embeddedness</li> <li>Network embeddedness</li> </ol>	52/52/8	10/14	90 rounds fixed, $\delta = 0.9$ thereafter	$\beta_{ m Net} > \beta_{ m NoEmb}$	Actions (1)
Corten et al. (2016)	Prisoner's Dilemma	<ol> <li>No embeddedness</li> <li>Network embeddedness</li> </ol>	312/156/19	6	40 rounds	$\beta_{ m Net} > \beta_{ m NoEmb}$	Actions in individuals (2)
Buskens et al. (2010)	Trust Game	<ol> <li>Dyadic embeddedness</li> <li>Dyadic and network embeddedness</li> </ol>	136/72/4	3	15 rounds	$\beta_{ m Net} > \beta_{ m Dyad}$	Actions in sessions (2)
Van Miltenburg et al. (2012)	Trust Game	Dyadic embeddedness     Dyadic and network embeddedness	522/138/8	3	15 rounds	$\beta_{ m Net} > \beta_{ m Dyad}$	Actions in individuals in sessions (3)
Frey et al. (2019)	Trust Game	<ol> <li>Dyadic embeddedness</li> <li>Dyadic and network embeddedness</li> </ol>	718/114/6	3	3 rounds	$\beta_{ m Net} > \beta_{ m Dyad}$	Actions in individuals in sessions (3)
Barrera and Buskens (2009)	Investment Game	<ol> <li>Dyadic embeddedness</li> <li>Dyadic and network embeddedness</li> </ol>	186/104/6	6	15 rounds	$\beta_{ m Net} > \beta_{ m Dyad}$	Actions in individuals in sessions (3)

Note. The terms  $\beta_{\text{Net}}$ ,  $\beta_{\text{NoEmb}}$  and  $\beta_{\text{Dyad}}$  in the hypotheses refer to the amount of trustfulness, trustworthiness or cooperation in the condition with network embeddedness (potentially in addition to dyadic embeddedness), in the condition with no embeddedness whatsoever or in the condition with dyadic embeddedness but without network embeddedness. A more elaborate discussion of the exact operationalizations is included in the subsequent section.

supergame people play. Alternatively, it can be that participants play multiple supergames, but information about behavior is never shared across supergames. Hence, focusing on first round behavior allows to separate network control effects from network learning effects. Given that actors play the same number of rounds in the different embeddedness conditions, the difference between the embeddedness conditions can solely be ascribed to the difference in sanction opportunities.

Accordingly, in all but one studies we analyze the difference in trustfulness, trustworthiness or cooperation between the embeddedness conditions, without requiring control variables.

In some of the experimental studies considered, the participants played multiple supergames, 302 and hence played multiple "first rounds." In such instances, all "first rounds" the participants 303 played were included in the analyses, because playing multiple supergames allows participants 304 to gain experience with the experimental design. Past research showed that it may take time 305 before participants understand the complex dynamics of social dilemma games, especially in rather 306 artificial experimental settings (e.g., Binmore 2007; Dal Bó 2005). Playing multiple supergames 307 allows participants to gain experience with the experimental set-up. Note that playing multiple 308 supergames does not allow the participants to "learn" in the sense of dyadic or network learning 300 effects, because they do not obtain information about past behavior of their partner. Nevertheless, 310 participants who play multiple supergames make multiple decisions, which adds to the hierarchical 311 structure of the data. Such hierarchical nesting is always taken into account (we will discuss this 312 point in more detail when we discuss the analysis models). 313

Broadly speaking, the data sets can be grouped in two categories. In the first group, all
experiments are characterized by random partner matching. This implies that participants were
randomly matched with a network member before every round of a supergame, and played a single

<sup>&</sup>lt;sup>4</sup>If the supergames had a predetermined endpoint, the number of rounds played in both conditions was exactly equal. If the supergames were terminated randomly with a fixed probability, this probability was the same in both conditions.

<sup>&</sup>lt;sup>5</sup>Only in the analysis of the data by Frey et al. (2019) a control variable is used, because they employ another experimental manipulation within the varying embeddedness conditions. More detail is provided in the next section.

round of a social dilemma game with this partner. In these experiments, network embeddedness is characterized by the fact that participants obtain information about previous actions of their 318 partner in the current round. One's behavior in the current round is likewise disseminated to one's 319 partners in future rounds. The network embeddedness condition was commonly compared with 320 a "no embeddedness" condition, in which participants only obtained information about their own 321 interactions. In the second group of studies, participants played supergames in triads, consisting of two trustors and a single trustee. Both trustors interact repeatedly with the same trustee, and each 323 participant's role remains constant throughout the supergame. In contrast to the first set of studies, 324 all trustors are dyadically embedded with the trustee. Network embeddedness was defined as the 325 presence of a tie between the two trustors, through which information on the trustee's behavior 326 was transmitted. The "no embeddedness" condition is defined as the absence of such a tie. Hence, 327 the first group generally contrasts a condition with network embeddedness but without dyadic 328 embeddedness with a condition without both forms of embeddedness. The second group compares a 329 condition with network embeddedness and dyadic embeddedness to a condition with only dyadic 330 embeddedness. Because of the distinct designs, the results of the studies will be aggregated per set 331 as well. 332

In the remainder of this section, the characteristics of the included data sets are discussed. Four design factors of the experimental set-up of each study are described:

- Type of social dilemma game;
- The interaction network;
- The number of rounds participants play per supergame;
- Information provided under the embeddedness conditions.
- Additionally, the analysis procedure is discussed in terms of two key features:

- The multilevel structure of the data:
- The statistical model used (including control variables, if applicable).

A more extensive description of the data, including a discussion of factors that were of interest to the original study, but not to the current, is provided in Appendix A. Additional conditions in the original study that impair a clean comparison between a condition with and a condition without network embeddedness are disregarded.<sup>6</sup> Appendix A also reports on our ability to reproduce the original findings of each study, for those analyses that aligned with the aims of the current study.

## 3.1 Description of the data sets considered

In the upcoming section, the data from each study are discussed. The experiments with random partner matching are described first, followed by the experiments in triads.

## 350 3.1.1 Studies with random partner matching

The upcoming four studies all assessed network embeddedness under a random partner matching 351 scheme. Bolton et al. (2004) were among the first to study the effect of network embeddedness on 352 trust in the standard Trust Game, using this matching scheme. All participants played 30 rounds of 353 the Trust Game in a network consisting of sixteen participants. In the no embeddedness condition 354 (consistently denoted  $\beta_{\text{NoEmb}}$  in Table 1), participants effectively played 30 one-shot Trust Games, 355 in which they were randomly assigned a role (i.e., trustor or trustee) and a partner. In the network 356 embeddedness condition (consistently denoted  $\beta_{\text{Net}}$  in Table 1), participants were also randomly 357 assigned a role and a partner, but in this condition, the trustors were informed on the total number 358 of times the trustee honored trust in the past and the round-by-round history of past actions.<sup>7</sup> In 359

<sup>&</sup>lt;sup>6</sup>For example, some studies considered the effect of network embeddedness established by the participants themselves, rather than by the experimenter. These conditions are discarded, because the effects of such endogenously chosen forms of embeddedness likely differ from effects of embeddedness imposed by the experimenter.

<sup>&</sup>lt;sup>7</sup>The authors also considered a dyadic embeddedness condition, but this condition is disregarded because most studies did not consider dyadic embeddedness separately.

both conditions, the participants were always informed on the outcome of their own interactions.

Matches of the same two participants in the same roles were avoided by design.

Because the participants made 30 decisions and were involved in a single group, the actions are 362 nested within individuals, while the individuals are nested within the groups. However, when only 363 considering first round trustfulness and first round trustworthiness given trustfulness, the nested 364 structure does not apply, as only a single action per subject is considered. Because participants only 365 interact once with a single partner, it is unlikely that there is any dependence between the actions 366 within a group, because there are no interactions between others that took place before the current 367 interaction. Hence, the data are analyzed using a regular one-level logistic regression model, in 368 which the outcomes of first round trustfulness (0/1 indicator for placing trust) and trustworthiness 369 (0/1) indicator for honoring trust given that trust is placed) are regressed on network embeddedness 370 (0/1 indicator for the absence/presence of network embeddedness).371

Like Bolton et al. (2004), Duffy et al. (2013) assessed the effect of network embeddedness 372 in Trust Games played in networks. Yet, Duffy et al. (2013) implemented a network with six 373 participants (three trustors and three trustees, randomly matched before each round), and the Trust 374 Game was repeated with continuation probability  $\delta = 0.80$ , such that the expected length of the 375 entire supergame was equal to five rounds. The roles were assigned to the participants before the 376 start of a supergame. All rounds within this supergame were played in the same role, but the actors 377 played multiple supergames. In the "no embeddedness" condition, the participants only obtained 378 information on their own history of play, but did not obtain any information about the person they 379 were matched to. It was thus not possible to infer the behavior of one's partner against oneself in past interactions. Rather than a single network embeddedness condition, Duffy et al. (2013) 381 employed two distinct network embeddedness conditions. In the "minimum network embeddedness" 382 condition (denoted  $\beta_{\text{NetMin}}$  in Table 1), trustors were informed only on the trustee's behavior in the 383

round prior to the current round. In the "full network embeddedness" condition (denoted  $\beta_{\text{NetFull}}$  in Table 1), the trustors were informed about the trustee's behavior in up to the 10 most recent periods of the current supergame, and obtained a summary over these rounds.<sup>8</sup> Note that the authors employed a within-subjects design, in which participants played in multiple conditions. The participants could either play in the "no embeddedness" and "minimum network embeddedness" condition or in the "no embeddedness" and "full network embeddedness" condition.

When focusing on first round trustfulness and trustworthiness, part of the multilevel structure 390 can be ignored again. Yet, since the subjects played multiple supergames with a common group of 391 others, we have to take into account that the actions are nested within individuals, and that the 392 individuals were nested within the group they played with. We employ logistic regression, with the binary variables trustfulness and trustworthiness (given trustfulness) regressed on embeddedness, 394 and adjust the standard errors for clustering at two levels, which takes the within-subjects design 395 of the data into account. Additionally, we use separate models for the comparison between no 396 embeddedness (0) and minimum network embeddedness (1), and between no embeddedness (0) 397 and full network embeddedness (1), because participants exclusively participated in one of the two 398 comparisons. 390

Seinen and Schram (2006) employed a similar experimental setup, but used another social
dilemma game. In this experiment, the participants played the Helping Game, in which only a
single person moves per round. The subjects played a single supergame in groups of 14, and the
supergame lasted at least 90 periods. After the 90<sup>th</sup> period a continuation probability of 0.90 was
implemented. In every round, participants were randomly assigned a role (either donor or recipient)
and a partner. The authors considered the "no embeddedness" condition, in which no information
on previous choices by the recipient is provided to the donor, and the "network embeddedness"

 $<sup>^{8}</sup>$ Duffy et al. (2013) considered two other conditions that are beyond the scope of our study (see Appendix A or the original study).

condition in which the donors obtained information on up to six previous choices by the recipient,
summarized as the number of times the recipient helped and did not help as a donor.

Like Bolton et al. (2004), the data has a multilevel structure that can be ignored when only focusing on first round behavior. Hence, we regress the binary variable "helping" on a network embeddedness indicator using a regular logistic regression model.

The study by Corten et al. (2016) closely resembles the previous studies, but also differs in 412 important respects. In Corten et al. (2016), participants played a 2-person Prisoner's Dilemma in 413 a network with five others, and all played a single supergame of 40 rounds. In every round, each 414 participant was randomly matched to two others, and played the game with both of these separately. 415 After each round, each participant was informed on the outcome of both interactions. The authors 416 compared a "no embeddedness" condition, in which participants only obtained information on the 417 outcome of their own interactions, with a "network embeddedness" condition, in which participants 418 were informed on the outcome of all interactions in each round. Unlike the previous studies, 419 participants were informed on the identity of their partners. The combination of the identifiability 420 of past partners and a game length of 40 rounds with two partners per round in groups of 6 (which 421 yields expectedly 16 interactions between each pair of actors), renders a substantial amount of dyadic 422 embeddedness in both conditions. Hence, rather than combining "no embeddedness with" network 423 embeddedness", the comparison is closer to "dyadic embeddedness" versus "network embeddedness 424 and dyadic embeddedness." 425

The corresponding data has a nested structure, that cannot be ignored, because each participant makes two simultaneous decisions in the first round. We therefore apply a logistic regression model in which cooperation is regressed on network embeddedness, with cluster-adjusted standard errors

on the level of the individual.

<sup>&</sup>lt;sup>9</sup>The authors also considered a third condition, similar to the embeddedness condition, but with a different cost of helping than in the other conditions. Due to these different costs, this third condition impairs a fair comparison against the "no embeddedness" condition, and hence it is disregarded.

#### 3.1.2 Studies in triads

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experiment on behavior in Repeated Triad Trust Games, which was replicated in Van Miltenburg et 432 al. (2012). In both studies, participants played fifteen rounds of the Trust Game within a triad 433 that was formed before the start of the first round, consisting of two trustors and one trustee. 434 In every round, the first trustor interacts first with the trustee, after which the second trustor 435 interacts with the same trustee. In both studies, two conditions were considered. In the "no network embeddedness" condition (consistently denoted  $\beta_{Dvad}$  in Table 1), the trustors were immediately 437 informed about the outcomes of their own interactions with the trustee, such that the trustor 438 and trustee were dyadically embedded. In the "network embeddedness" condition, the trustors 439 were informed about the outcomes of their own interactions, but also received information on the outcomes of the interactions between the other trustor and trustee. Accordingly, the trustors could 441 act upon own experiences, and upon experiences by the other trustor, representing a situation with 442 both dyadic and network embeddedness. 443 In the study by Buskens et al. (2010), the participants played once in every role, resulting in a complicated cross-classified nesting structure: actions are nested in supergames and in individuals, 445 and individuals play multiple supergames in different triads. However, this structure can be mostly 446 ignored when focusing on first round behavior of, and towards, the first acting trustor. In each 447 supergame, the first interaction between the first acting trustor and the trustee are assessed, because 448 these are the only actions that are free of potential learning effects, resulting in one action per 449 participant, with participants nested within sessions. Because adjusting the standard errors for 450 clustering at the session level yields an estimated cluster-adjusted standard error that equals zero, 451 we analyze the data with a logistic regression model with unadjusted standard errors, in which 452 trustfulness and trustworthiness are regressed on the embeddedness condition. 453

We now describe the studies on games played in triads. Buskens et al. (2010) conducted an

In the study by Van Miltenburg et al. (2012) the subjects played twice in every role. Focusing
on first-round interactions between the first trustor and the trustee yields multiple actions per participant, with participants nested within the sessions. Accordingly, we fit a logistic regression model
with cluster-adjusted standard errors, in which the binary variables trustfulness and trustworthiness
are regressed on the embeddedness condition.

Frey et al. (2019) built upon the previous Repeated Triad Trust Game studies, but somewhat 459 altered the specifications of the game. First, each trustor plays three, rather than 15 rounds. 460 Additionally, the authors introduced incomplete information, in the sense that the trustors do 461 not know whether the trustee has incentives to abuse trust. When a trustee has no incentive 462 to abuse trust, the trustee's payoff for abusing trust is altered by the experimenter, such that 463 abusing trust yields the lowest payoff. While the trustees know whether they have incentives to 464 abuse trust before the interaction starts, the trustors do not have this information. The trustors 465 only know the probability that the incentives of the trustee are altered (see Appendix A for more 466 information). Incomplete information was implemented in all conditions, such that our expectations 467 on the effects of embeddedness are unlikely to be affected. These authors also consider two 468 embeddedness conditions. In the "no network embeddedness" condition, the trustors only obtain 469 information about the outcomes of their own interactions with the trustee, and in the "network 470 embeddedness" condition, the trustors obtain information about both their own and the other's 471 outcome. 10 Additionally, the authors introduce three incomplete information conditions, all with a 472 different probability to encounter a trustee without incentives to abuse trust (this probability equals 473 0.05, 0.20 or 0.40). Although this experimental manipulation is not of substantive interest, it will be statistically controlled for.

<sup>&</sup>lt;sup>10</sup>Frey et al. (2019) also consider two conditions in which the actors could choose to invest in network embeddedness. However, these conditions are disregarded, because authors who are willing to invest in embeddedness might have an advanced understanding of the game, might be more willing to act trustful and trustworthy because they invested (i.e., the sunk cost fallacy), or might in other ways differ from those who do not invest in network embeddedness, which can affect the results of the analysis.

The authors employed a within-subjects design, in which the subjects played in both embeddedness 476 conditions. Additionally, each subject played 12 supergames, four times in each role. Hence, the 477 nesting structure is cross-classified, with every action nested within an individual, while individuals 478 play multiple supergames, all within an experimental session. When focusing on first round behavior 479 of and against the first acting trustor, we can ignore the nesting in supergames, and thus consider 480 actions, nested in individuals, nested in sessions. The data is analyzed using logistic regression with cluster-adjusted standard errors, in which trustfulness and trustworthiness are regressed on the 482 embeddedness indicator, controlling for the different probabilities of encountering a trustee without 483 incentives to abuse trust (included in the analyses as dummy variables; the estimated coefficients for 484 these dummies are reported in Appendix B). Note that trustworthiness is only assessed for trustees with an incentive to abuse trust. 486

In contrast to the previous three studies, Barrera and Buskens (2009) assess embeddedness effects 487 using Investment Games. The Investment Game was played in networks of six actors, with four 488 trustors and two trustees. Two of the trustors both interact for 15 rounds with one of the trustees. 480 and the other two trustors have 15 interactions with the other trustee. Unlike the previous triad 490 studies, the trustors interact simultaneously with the trustee, rather than sequentially. The authors 491 consider two embeddedness conditions. In the "network embeddedness" condition, the trustors 492 obtain information from the outcomes of interactions (i.e., the amounts sent and returned) between 493 the other trustor playing with the same trustee after each round. Hence, misdemeanors against 494 one of the trustors can be sanctioned by both. In the "no network embeddedness" condition, the 495 trustors receive information on another trustor, playing with another trustee. Although there is some information dissemination through the network, this information does not allow for sanctions, and 497 hence the term "no network embeddedness." All subjects first played in the network embeddedness 498 condition, and thereafter in the no network embeddedness condition, and played both conditions in the same role. The authors vary multiple other factors that are not of interest in the current study (see Appendix A or Barrera and Buskens (2009) for a full description).

The data has a nested structure, with actions nested in supergames and in individuals, both 502 nested in sessions. When focusing on first round behavior, the level of the supergames can be ignored 503 for the trustors. Because the trustors act simultaneously, and the trustee has to decide how to 504 respond to both at the same time, each trustee makes two decisions in the first round. Theoretically, 505 a linear regression model with cluster-adjusted standard errors on the level of the individual and the 506 level of the session can be applied for the trustors. However, as taking the clustering into account 507 reduces, rather than increases, the standard error of the regression coefficients, we opt for the most 508 conservative choice, and fit a linear regression model with conventional standard errors, in which 509 trustfulness (the proportion of the initial endowment sent to the trustee) is regressed on network 510 embeddedness. For the trustees, a linear regression model with cluster-adjusted standard errors on 511 the level of the supergame, the individual and the session should be fitted. Again, incorporating the 512 level of the supergame drastically decreases the standard error of the coefficient. Hence, we fit a 513 linear regression model with cluster-adjusted standard errors on the level of the individual and the 514 session, in which trustworthiness (the proportion of the amount sent that is returned to the trustor) 515 is regressed on the embeddedness condition.

### 3.2 Bayesian Evidence Synthesis

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Despite the conceptual similarities between the aforementioned studies, the methodological differences render conventional approaches for research synthesis, such as meta-analysis, unfeasible (Cooper et al. 2009; Lipsey and Wilson 2001). The heterogeneity between studies results in multiple embeddedness effects for which the effect sizes are not directly comparable, due to the use of different games, different specifications of the conditions and different statistical models. Hence, combining the

parameter estimates of a network control effect into a single "pooled" effect is not straightforward. BES allows to combine the support for a scientific theory or an overall hypothesis, by shifting the 524 focus from parameter estimation to hypothesis evaluation. Unlike meta-analysis, BES does not allow 525 to estimate an "aggregated" effect-size, which might be regarded as a shortcoming of the approach. 526 Obtaining effect sizes is generally desirably, and important to determine whether estimated effects are 527 also statistically relevant. Yet, in the context of heterogeneous studies, obtaining an aggregate effect size might not be too informative, as the effect size is likely to differ according to the experimental 529 set-up and the contrasted conditions. That is, the aggregated effect size might not be easy to 530 interpret, or even become meaningless due to different scales. 531 Using BES, we build upon the work by Kuiper et al. (2013), who developed the methodology and applied it on four studies that assessed dyadic learning effects. While methodologically insightful,

532 533 their empirical results were less surprising, as all studies considered consistently found support for 534 the hypothesis under consideration. In the present paper, we apply BES to multiple studies, of 535 which those that already assessed network control effects found inconsistent results. Hence, we use 536 BES to answer substantive research questions that could not have been answered before. In every 537 study, the network control hypotheses will be formalized as informative hypotheses. Accordingly, 538 Bayesian evaluation of informative hypotheses will be applied on the level of the individual studies, 539 and the resulting support for the hypotheses will be aggregated using BES. That is, we apply BES540 to statistically aggregate the support for the network control hypotheses, regardless of the differences 541 between the studies. Simultaneously, we extend the work by Kuiper et al. (2013) by discussing the 542 methodological consequences of different alternative hypotheses (that is, the hypotheses with which the network control hypotheses are contrasted). In the remainder of this section, we discuss each 544 ingredient of BES: informative hypotheses, Bayesian evaluation of informative hypotheses, and the 545 aggregation procedure of *BES*.

## 3.2.1 Informative hypotheses

In the conventional framework of null-hypothesis testing, the classical null hypothesis implies that 548 the hypothesized relationship is non-existent (e.g., the network control effect equals zero). The null hypothesis is generally evaluated against the traditional alternative hypothesis, indicating that 550 the hypothesized relationship can be anything (e.g., the network control effect differs from zero, 551 leaving implicit how this effect differs from zero). That is, the alternative hypothesis is often an 552 unconstrained hypothesis, in the sense that no constraints are placed on the estimated parameters of the model, such that they can take any value. A scientific theory or theoretical hypothesis 554 can also be formalized as an informative hypothesis (Hoijtink 2012; Klugkist and Volker n.d.). 555 Evaluation of informative hypotheses is a statistical technique that allows researchers to evaluate 556 their expectations more directly than through null hypothesis testing. When researchers evaluate 557 a one-sided hypothesis (e.g., a one-sided t-test), they, in fact, evaluate an informative hypothesis. 558 As such, informative hypotheses allow to explicitly formalize the researchers' expectations on the 550 parameters of the statistical model (Hoijtink, Klugkist, and Boelen 2008). Informative hypotheses 560 can be relatively simple, such as in the case of a one-sided hypothesis test, but can also become rather 561 complex, with simultaneous expectations on multiple parameters (e.g., all regression coefficients in 562 a model are positive). In the context of the current study, we expect a positive network control 563 effect, in the sense that there is more first round trust and cooperation in conditions with network 564 embeddedness. Capturing this expectation in informative hypotheses yields

 $H_1: \beta_{\text{Net-tf}} > 0,$ 

 $H_2: \beta_{\text{Net-tw}} > 0,$ 

 $H_3: \beta_{\text{Net-coop}} > 0,$ 

stating that there is a positive effect of network embeddedness on trustfulness, trustworthiness and cooperation, respectively. These hypotheses are equivalent to the hypotheses specified in Table 1, given that the conditions without network embeddedness are considered as the reference categories. 568 We contrast the hypotheses with the alternative hypotheses that the hypothesized relationships are 569 not true. That is, these hypotheses are compared with their respective complements, indicating that 570 the effects are smaller than or equal to zero. Additionally, we compare the hypotheses of interest with an unconstrained alternative hypothesis. Although the unconstrained hypothesis is of little 572 substantive interest, as it allows the parameters to take on any value, it renders a more conservative 573 evaluation of our hypotheses. We return to these considerations in the subsequent section, and 574 when discussing the results of our analyses.

Informative hypotheses can be evaluated using a Bayesian approach. Whereas the conventional 576 significance testing approach only allows to reject the null hypothesis (i.e., it is formally impossible 577 to accept the null hypothesis), Bayesian evaluation allows to quantify the support for all hypotheses 578 under consideration. This framework is more in line with the idea that statistical inference 579 should not be focused on rejecting a null hypothesis (e.g., Cohen 1994; Lykken 1991), but rather on 580 comparing scientifically meaningful hypotheses (Royall 1997). Even if researchers specify scientifically 581 meaningful hypotheses, and evaluate these through one-sided hypothesis tests, the classical hypothesis 582 test and resulting p-value cannot provide the support for either of the two hypotheses. Bayesian 583 evaluation of informative hypotheses allows to make a meaningful comparison between hypotheses, 584 by expressing the support in the data for each of the hypotheses under consideration. 585

#### 3.2.2 Bayesian evaluation of informative hypotheses

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The hypotheses must be evaluated in each study separately. Within the Bayesian framework, the models used to analyze the data are combined with a prior distribution on the parameters of the

model, resulting in the posterior distribution of the parameters given the data and the hypotheses.

The aforementioned statistical models used to analyze the data from the experiments fall under
the generalized linear model (GLM) family. GLMs use some link function  $g(\cdot)$  to transform the
linear predictor  $\eta = X\beta$  (X denotes the matrix containing the predictor variables, while  $\beta$  denotes
the vector with regression coefficients) into the predicted value on the outcome variable Y for all
observations. The likelihood of the parameters given the data under the generalized linear model is
formalized as

$$L(\beta, \phi|Y, X) \equiv f(Y|X, \beta, \phi) = \prod_{i=1}^{n} f(Y_i|X_i, \beta, \phi),$$

where i is an indicator for each individual observation and  $\phi$  denotes the variance or dispersion parameter.

In most studies, the outcome variable is dichotomous (i.e., actors trust/cooperate or they do not),
which renders the logistic regression model applicable. The corresponding likelihood is defined by

$$L(\beta|Y,X) = \prod_{i=1}^{n} p_i^{Y_i} (1 - p_i)^{1 - Y_i},$$

where  $Y_i$  is either 0 or 1,  $p_i = \frac{1}{1 + \exp\{-X_i\beta\}}$  and the dispersion parameter is omitted because it is fixed at  $\phi = 1$ . The data collected by Barrera and Buskens (2009) is analyzed with a linear regression model, which yields the likelihood

$$L(\beta, \sigma^2 | Y, X) = \prod_{i=1}^n \frac{1}{\sqrt{2\pi\sigma^2}} \exp\left\{-\frac{(Y_i - X_i \beta)^2}{2\sigma^2}\right\},\,$$

in which the dispersion parameter is represented by the more common notation  $\sigma^2$ .

After defining the analysis model, the prior distribution for the parameters in the model must be specified to obtain the posterior distribution. Because the prior and posterior distribution under an

Laudy, and Hoijtink 2005), we first discuss the former. The prior distribution  $Pr_u(\beta)$  contains the information about the parameter values under the unconstrained hypothesis that is present 608 before observing the data. 11 Although researchers have freedom in specifying the prior distribution, 609 inadequate choices can have adverse consequences for hypothesis evaluation (O'Hagan 1995). A 610 practical solution to this issue is to specify a fractional default unconstrained prior (Gu, Mulder, and 611 Hoijtink 2018; Hoijtink, Gu, and Mulder 2019), as implemented in the R-package bain (Gu et al. 612 2020) that is suitable for calculation of Bayes factors. This approach entails that a non-informative 613 prior is combined with a small fraction  $b = \frac{J}{n}$  of the observed data. Accordingly, large sample 614 theory dictates that the corresponding prior distribution can be approximated by a (multivariate) 615 normal distribution (e.g., Gelman et al. 2004) with an implied covariance matrix of  $\hat{\Sigma}_{\beta}/b$ , where 616  $\hat{\Sigma}_{\beta}$  is the estimated covariance matrix of the regression coefficients. Multiple scholars advised to 617 center the prior distribution around the boundary of the hypotheses under consideration, because 618 this renders a Bayes factor that does not have a preference for either the hypotheses of interest or 619 their complements a priori (e.g., Mulder 2014; Mulder and Olsson-Collentine 2019; Zellner and 620 Siow 1980). Given that our hypotheses are centered around 0, we choose a prior mean of  $\mu_0 = 0$ . 621 Accordingly, in all our analyses, the prior distribution is defined as  $Pr_u(\beta) = \mathcal{N}(0, \hat{\Sigma}_{\beta}/b)$ , where the 622 covariance matrix is estimated for each study separately. 623 After specifying the prior distribution and calculating the likelihood of the parameters of interest, 624 we can combine the two to obtain the posterior distribution of the parameters of interest. The 625

unconstrained hypothesis encompass the prior and posterior under constrained hypotheses (Klugkist,

$$P_u(\beta|X,Y) \propto L(\beta|Y,X)Pr_u(\beta).$$

posterior distribution is proportional to the product of the prior and the likelihood, which yields

<sup>&</sup>lt;sup>11</sup>We do not further consider prior choices for the variance parameters, as these are integrated out when calculating the Bayes factor.

The posterior distribution quantifies the support for all possible values of the regression parameters, by combining the information on the parameters in the likelihood and the prior. When using the fractional prior distribution, large-sample theory dictates that the posterior distribution of the 629 regression parameters can be approximated by a normal distribution  $P(\beta|Y,X) \approx \mathcal{N}(\hat{\beta},\hat{\Sigma}_{\beta})$ , where 630  $\hat{\beta}$  and  $\hat{\Sigma}_{\beta}$  are the maximum likelihood estimates of the regression coefficients with corresponding 631 covariance matrix, potentially adjusted for clustering at different levels (Gelman et al. 2004). These 632 estimates can generally be obtained from the analysis output of standard statistical software. 633 After the posterior distribution has been defined, it can be used to calculate the Bayes factor 634 (Kass and Raftery 1995). Bayes factors quantify the relative support in the data for a set of 635 competing hypotheses. Hence, unlike p-values, Bayes factors can be interpreted as direct measures of 636 support for one hypothesis over the other, and thus render the relative plausibility of the hypotheses 637 under comparison. Mathematically, the Bayes factor of a hypothesis  $H_i$  against the unconstrained 638 hypothesis  $H_u$  is defined by the ratio of their marginal likelihoods (Jeffreys 1961)

$$BF_{i,u} = \frac{m(Y|X, H_i)}{m(Y|X, H_u)}.$$

A marginal likelihood  $m(Y|X, H_i)$  is defined as the volume of the posterior distribution in line with the hypothesis, that is, the average posterior density over all parameter values that are admitted by the prior. To obtain the marginal likelihood under different hypotheses, Klugkist et al. (2005) proposed the encompassing prior approach, which makes use of the fact that every informative hypothesis is nested within the unconstrained hypothesis (see also Hoijtink 2012; Mulder, Hoijtink, and Klugkist 2010). Accordingly, the Bayes factor can be obtained by evaluating the unconstrained model, and determining to what extent the prior and posterior distributions under the unconstrained model are in agreement with the constraints imposed by the hypothesis of interest  $H_i$  (see Figure 2). This approach provides a relative measure of the fit  $f_i$  of hypothesis  $H_i$  versus the unconstrained model, where the fit is defined as the proportion of the posterior distribution of the parameters that is in agreement with all possible values the regression coefficients can take under hypothesis  $H_i$  (e.g., Gu et al. 2018; Klugkist et al. 2005). The prior distribution of the parameters can be evaluated in a similar way, which yields the complexity  $c_i$  of hypothesis  $H_i$ , which indicates how specific the hypothesis is. That is, the complexity is defined by the proportion of the prior that is in agreement with the hypothesis of interest.

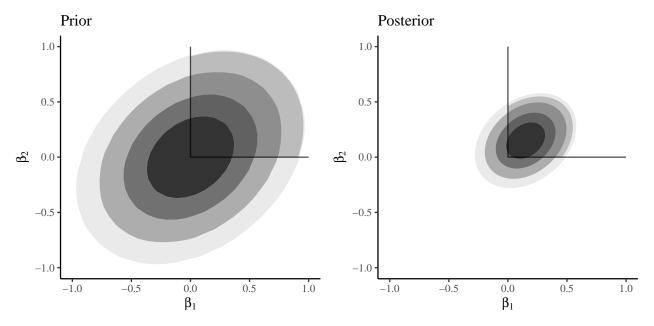


Figure 2: Prior and posterior density for two regression parameters.

The conceptual idea of encompassing prior and posterior distributions is graphically depicted in Figure 2 (see, e.g., Volker 2022 for a more technical exposition). This figure shows the joint prior and posterior distribution for two regression coefficients, under an unconstrained hypothesis. If, for the sake of exposition, we assume that we are interested in an informative hypothesis  $H_i: \{\beta_1, \beta_2\} > 0$ (stating that both regression coefficients are positive), the shaded areas in the upper right quadrants reflect the proportions of the prior and posterior in line with the hypothesis of interest. The left-sided panel shows the prior distribution, centered at the constraints imposed by the hypothesis. Given that the regression coefficients are slightly correlated, about 30% of the prior is in accordance with the hypothesis  $H_i$ , indicating that this hypothesis has a complexity of about 0.3. The right-hand figure shows the posterior distribution, centered at the posterior estimates of the regression coefficients. It can be seen that the variance drastically decreased by combining the prior and the likelihood (e.g., the density is condensed), but that the shape remained the same. Since the posterior estimates are quite in line with the hypothesis, the proportion of the posterior that is in line with the hypothesis is much larger as compared to the prior. In fact, about 75% of the posterior distribution is in line with the specified hypothesis, resulting in a fit of 0.75.

Based on the notion of fit and complexity, the Bayes factor boils down to a relatively simple expression. The Bayes factor of hypothesis  $H_i$  versus the unconstrained hypothesis is defined by

$$BF_{i,u} = \frac{m(Y|X, H_i)}{m(Y|X, H_u)} = \frac{f_i}{c_i}.$$

Returning to the aforementioned hypothetical example, comparing the hypothesis of interest with 672 an unconstrained hypothesis yields a Bayes factor of  $BF_{i,u}=\frac{0.75}{0.3}=2.5$ . Conventionally, rules of 673 thumb for interpreting the size of the Bayes factor have been provided by Kass and Raftery (1995): 674  $1 < BF_{i,i'} < 3$  indicates unconvincing support for hypothesis  $H_i$  over  $H_{i'}$ ,  $BF_{i,i'} > 3$  indicates substantial support,  $BF_{i,i'} > 10$  yields strong support, and  $BF_{i,i'} > 100$  indicates decisive support, 676 although these rules are not strict and context dependent (Gu et al. 2018). Note, for example, that 677 these benchmarks are generally inappropriate when evaluating an informative hypothesis against an unconstrained hypothesis, because the corresponding Bayes factor has an upper bound determined 679 by the complexity. Accordingly, when the informative hypothesis has a perfect fit, the maximum 680 Bayes factor cannot exceed  $BF_{i,u} = \frac{1}{c_i}$ . 681

The Bayes factor quantifies the fit of the data to the hypothesis, while accounting for how specific

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this hypothesis is. When comparing two informative hypotheses  $H_i$  and  $H_{i'}$ , the Bayes factor can be defined with reference to this relatively simple measure, such that

$$BF_{i,i'} = \frac{BF_{i,u}}{BF_{i',u}} = \frac{f_i}{c_i} / \frac{f_{i'}}{c_{i'}}.$$

The Bayes factor thus allows to evaluate multiple competing hypotheses and quantify the support for each hypothesis. In the current study, the informative hypotheses of interest are evaluated against their corresponding complements. The complement of an informative hypothesis is the parameter space that is *not* in line with the hypothesis of interest. The corresponding Bayes factor is then defined by

$$BF_{i,ic} = \frac{BF_{i,u}}{BF_{ic,u}} = \frac{f_i}{c_i} / \frac{f_{ic}}{c_{ic}} = \frac{f_i}{c_i} / \frac{1 - f_i}{1 - c_i}.$$

Given our current specification, it is easy to see that the complexity of the hypotheses under consideration equals the prior probability that  $\beta_j > 0$ , which renders  $c_i = 0.5$ , given that our prior distribution is symmetrically centered around 0. Since we compare the hypotheses of interest versus their complements, the corresponding Bayes factors are given by

$$BF_{i,ic} = \frac{f_i}{0.5} / \frac{f_{ic}}{0.5} = \frac{f_i}{f_{ic}} = \frac{f_i}{1 - f_i}.$$

Additionally, we compare the hypotheses of interest with the unconstrained hypothesis, placing no constraints on the parameters, as this yields a more conservative evaluation of the hypothesis of interest over studies. It is easy to see that testing against an unconstrained hypothesis is more conservative, as the Bayes factor when testing against an unconstrained hypothesis has an upper bound of  $\frac{1}{c_i}$ , but a lower bound of 0, which indicates infinitely more support for the unconstrained hypothesis than for the hypothesis of interest. Evidence against the hypothesis of interest thus

weights heavier than evidence in favor of the hypothesis of interest. When evaluating against the complement hypothesis, the Bayes factor has no upper bound. With a perfectly fitting hypothesis, 701 the fit of the complement tends to 0, and both positive and negative evidence is weighted equally. 702 It can be convenient to express the support for hypotheses not in terms of the Bayes factor 703 itself, but in terms of posterior model probabilities. Posterior model probabilities quantify the 704 support for each of the hypotheses under consideration on a scale from 0 to 1, in such a way that 705 the posterior model probabilities of all hypotheses combined sum to 1. To obtain posterior model 706 probabilities, the Bayes factors are combined with prior model probabilities, reflecting the a priori 707 plausibility of each hypothesis under consideration (i.e., before observing the data). The posterior 708 model probabilities for hypothesis  $H_i$  are given by

$$PMP(H_i) = \frac{\pi_i BF_{i,u}}{\sum_{i'=1}^{m} \pi_{i'} BF_{i',u}},$$

where m is the total number of hypotheses under consideration and  $\pi_i$  indicates the prior model probability of hypothesis  $H_i$ . The posterior model probabilities render the relative support for the hypotheses under consideration *after* observing the data.

If there are multiple studies that assess a conceptually similar hypothesis, such as in our case,
the support for this hypothesis can be aggregated over the separate studies using Bayesian Evidence
Synthesis (BES). Namely, each of the studies provides some support for, or against, this overall
hypothesis. BES statistically aggregates the support for the hypotheses under consideration by
updating the prior model probabilities. After analyzing the first study, the support for the hypothesis
can be expressed in terms of posterior model probabilities. These posterior model probabilities can
be used as prior model probabilities for the second study, resulting in the evidence for (or against)
the hypothesis in the first two studies combined. The resulting posterior model probabilities can

again be used as prior model probabilities in the third study, and so on.

Hence, formally, the posterior model probabilities after study j are used as prior model probabilities in study j + 1 (Kuiper et al. 2013). Independent of the order of updating, repeating this process for J studies yields

$$PMP(H_i)^J = \frac{\pi_i^0 \prod_{j=1}^J BF_{i,u}^j}{\sum_{i'=1}^m \pi_{i'}^0 \prod_{j=1}^J BF_{i',u}^j},$$

where  $\pi_i^0$  indicates the prior model probabilities for hypothesis  $H_i$  before any study has been conducted. To stay neutral with respect to the hypotheses of interest and their complements, a priori, we specify equal initial prior model probabilities for all hypotheses and their complements. In our setup, we always compare the hypothesis of interest  $H_i: \beta_k > 0$  versus its complement  $H_{ic}: \beta_k \leq 0$  and the unconstrained hypothesis  $H_u: \beta_k$ . Accordingly, given equal initial prior model probabilities and only two hypotheses under comparison per evaluation, the posterior model probabilities after aggregating over all studies yield<sup>12</sup>

$$PMP_{i,u}^{J} = \frac{\prod_{j=1}^{J} BF_{i,u}^{j}}{1 + \prod_{j=1}^{J} BF_{i,u}^{j}}, \qquad PMP_{i,c}^{J} = \frac{\prod_{j=1}^{J} BF_{i,c}^{j}}{1 + \prod_{j=1}^{J} BF_{i,c}^{j}}.$$

The posterior model probabilities after analyzing the data from all studies yield the relative plausibility that there indeed is a positive network control effect versus the unconstrained hypothesis, and versus no, or a negative, network control effect (i.e., the complement hypothesis). With this procedure, we are able to quantify the evidence in favor of, or against, our hypothesis, in all studies combined, rather than in each of the studies individually.

<sup>&</sup>lt;sup>12</sup>The fit and the complexity of the unconstrained hypothesis are both equal to 1, such that the aggregated Bayes factor over multiple studies likewise equals 1. When evaluating against the complement, each  $BF_{i,u}^j$  can be divided by each  $BF_{c,u}^j$ , which yields the Bayes factor against the complement hypothesis. Dividing  $BF_{c,u}^j$  in the denominator by itself renders the 1 in this equation as well.

## 737 4 Results

We first describe our results on first round behavior in the data from the individual studies.

Subsequently, we showcase how Bayesian Evidence Synthesis can be employed to aggregate the
results over studies. After the overall synthesis of results, we present separate results for trustfulness,
trustworthiness and cooperation according to our hypotheses. In addition, conform our distinction
between two categories of studies, we consider studies with on the one hand random partner matching
and on the other hand games played in triads. We also aggregate the results of the studies within
each subset. We solely report Bayes factors and posterior model probabilities. The coefficients of
the main analyses and of the robustness checks can be found in Table 4 in Appendix B.

#### 746 4.1 Results in individual studies

We describe the results for trustfulness (Hypothesis  $H_1$ ) and trustworthiness (Hypothesis  $H_2$ ) in the individual studies, and the difference in evidence between the two (Conjecture 1), followed by the results on cooperation (Hypothesis  $H_3$ ). We consistently start with the studies with random partner matching (set one), followed by the studies played in triads (set two).

Trustfulness First round trustfulness rates are higher under network embeddedness than 751 in the absence of network embeddedness in all three experiments in set one. The corresponding 752 evidence is therefore in favor of the network control hypothesis in all three studies, with Bayes factors that are all greater than 1. For the data by Bolton et al. (2004), the network control hypothesis obtains  $BF_{i,u} = 1.47$  times more support than the unconstrained hypothesis, and  $BF_{i,c} = 2.80$  times 755 more support than the complement hypothesis. The experiments by Duffy et al. (2013) render 756 Bayes factors of  $BF_{i,u} = 1.29$  and  $BF_{i,c} = 1.83$  in the minimum versus no network embeddedness sessions, and  $BF_{i,u} = 1.80$  and  $BF_{i,c} = 8.96$  in the full versus no network embeddedness sessions, 758 and thus also support the network control hypothesis. 759

Table 2: Trustfulness and trustworthiness rates or cooperation rates for each of the studies considered, with corresponding Bayes factors against the respective unconstrained and complement alternative hypotheses.

Study	Outcome	No Network	Network	$BF_{i,u}$	$BF_{i,c}$
Bolton et al. (2004)	Trustfulness	0.67	0.75	1.47	2.80
	Trustworthiness	0.69	0.61	0.64	0.47
Duffy et al. (2013)	Trustfulness	0.62	0.64	1.29	1.83
No-NetMin	Trustworthiness	0.68	0.77	1.82	10.32
Duffy et al. (2013)	Trustfulness	0.75	0.86	1.80	8.96
No-NetFull	Trustworthiness	0.62	0.94	2.00	2.60e + 04
Buskens et al. (2010)	Trustfulness	0.83	0.94	1.85	12.17
	Trustworthiness	0.87	0.94	1.68	5.25
Van Miltenburg et al. (2012)	Trustfulness	0.90	0.88	0.67	0.51
	Trustworthiness	0.90	0.91	1.11	1.26
Frey et al. (2019)	Trustfulness	0.77	0.81	1.43	2.49
	Trustworthiness	0.67	0.88	2.00	1.01e + 03
Barrera and Buskens (2009)	Trustfulness	0.73	0.70	0.48	0.32
	Trustworthiness	0.46	0.50	1.45	2.63
Seinen and Schram (2006)	Cooperation (helping)	0.38	0.61	1.90	19.35
Corten et al. (2016)	Cooperation	0.49	0.37	0.10	0.05

In the second set of studies, Buskens et al. (2010) and Frey et al. (2019) find higher first-round 760 trustfulness rates with network embeddedness than without, resulting in Bayes factors larger than 761 one  $(BF_{i,u} = 1.85 \text{ and } BF_{i,c} = 12.17, \text{ and } BF_{i,u} = 1.43 \text{ and } BF_{i,c} = 2.49, \text{ respectively}).$  In Van 762 Miltenburg et al. (2012) and Barrera and Buskens (2009), on the contrary, trustfulness is higher in 763 the absence of network embeddedness than under network embeddedness. Hence, the Bayes factors 764 for these experiments are smaller than one, rendering support against the network control hypothesis  $(BF_{i,u}=0.67 \text{ and } BF_{i,c}=0.51 \text{ in Van Miltenburg et al. 2012}; BF_{i,u}=0.48 \text{ and } BF_{i,c}=0.32 \text{ in }$ 766 Barrera and Buskens 2009). Hence, we find consistent support for the network control hypothesis 767 for trustfulness  $(H_1)$  in the first set of studies, while the second set yields inconsistent results. 768

The data by Bolton et al. (2004) provides support against the network

Trustworthiness

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control hypothesis for trustworthiness, in favor of the unconstrained  $(BF_{i,u} = 0.64)$  and complement  $(BF_{i,c} = 0.47)$  hypotheses. Both experiments by Duffy et al. (2013) support the network control hypothesis, with more trustworthiness under network embeddedness than in the absence of network 772 embeddedness. The corresponding Bayes factors are  $BF_{i,u} = 1.82$  and  $BF_{i,c} = 10.32$  for the minimal 773 versus no network embeddedness sessions, and  $BF_{i,u} = 2.00$  and  $BF_{i,c} = 2.60e + 04$  for the full versus no network embeddedness sessions. With Buskens et al. (2010), Van Miltenburg et al. (2012), 775 Frey et al. (2019) and Barrera and Buskens (2009) finding more trustworthiness under network 776 embeddedness than in the absence of network embeddedness, the network control hypothesis obtains 777 between 1.11 and 2.00 times more support than the unconstrained hypothesis, and between 1.26 and 778 1.01e + 03 times more support than the complement hypothesis. Hence, the first set of studies yields 779 inconsistent results, whereas the second set of studies consistently supports the network control 780 hypothesis for trustworthiness  $(H_2)$ . 781

Trustfulness versus trustworthiness Comparing the evidence for trustfulness and trust-782 worthiness reveals that in the first set of studies, only the data from Bolton et al. (2004) yields 783 a larger Bayes factor for the network control hypothesis for trustfulness than for trustworthiness. 784 In the second set of studies, only the data from Buskens et al. (2010) yields more evidence for a 785 network control effect on trustfulness than for a network control effect on trustworthiness. The 786 data from the six other experimental tests of a network control effect provide more evidence for a 787 network control effect on trustworthiness than on trustfulness. Hence, on the level of the individual 788 studies, the amount of evidence for a network control effect on trustworthiness exceeds the evidence 789 for trustfulness, in line with Conjecture 1.

Cooperation Seinen and Schram (2006) and Corten et al. (2016) assessed cooperation in a Helping Game and Prisoner's Dilemma Game, respectively. In Seinen and Schram (2006), there is substantially more cooperation with network embeddedness than without, reflected by

relatively large Bayes factors (i.e.,  $BF_{i,u} = 1.90$  and  $BF_{i,c} = 19.35$ ). Corten et al. (2016) find more cooperation in the absence of network embeddedness than under network embeddedness, resulting in Bayes factors that are substantially smaller than 1 ( $BF_{i,u} = 0.10$  and  $BF_{i,c} = 0.05$ ). Hence, individual studies provide inconsistent results for network control effects on cooperation ( $H_3$ ). Robustness checks The above analyses were also performed with multilevel regression instead

of one-level regression models with cluster-adjusted standard errors (see Appendix B). Substantively 799 this yields the same results, although the evidence, for or against, the hypothesis tends to increase 800 in size. That is, evidence for the hypothesis of interest tends to become stronger (which happens 801 in 6 out of 8 experiments that show a positive effect of network control opportunities for which 802 a robustness check was done), while evidence against the hypothesis of interest tends to become 803 more negative (which happens in 2 out of 3 experiments with a multilevel structure that show a 804 negative effect of network control opportunities). Hence, although some inconsistencies remain 805 there is considerable support for our hypotheses and conjecture over the whole on the level of the 806 individual studies, regardless of the statistical model used. 807

## 4.2 Aggregating results over studies using Bayesian Evidence Synthesis

After analyzing the individual studies, the results can be aggregated using Bayes Evidence Synthesis (Table 3), as each of the studies under consideration provides some evidence for the network control hypothesis. When aggregating over all individual tests, the network control hypothesis obtains 7.27 times more support than than the unconstrained hypothesis (Table 3). The resulting posterior model probability is equal to  $PMP_{i,u} = 0.88$  over all studies combined, rendering more support for the network control hypothesis than for the unconstrained hypothesis. Moreover, the network control hypothesis obtains substantially more support than the complement alternative hypothesis. That is, a positive network control effect is more than 500 billion times more likely than a negative

Table 3: Aggregated Bayes factors and posterior model probabilities for the network control hypothesis for different outcomes and different (sub)sets of studies.

	$BF_{i,u}$	$PMP_{i,u}$	$BF_{i,c}$	$PMP_{i,c}$	Amount of support
All studies and outcomes combined	7.27	0.88	5.23e+11	1.00	Very strong
Trustfulness $(H_1)$	2.94	0.75	224.06	1.00	Strong
Random partner matching	3.43	0.77	45.77	0.98	Substantial
Triads	0.86	0.46	4.90	0.83	Positive
Trustworthiness $(H_2)$	12.71	0.93	2.24e + 09	1.00	Very strong
Random partner matching	2.34	0.70	1.27e + 05	1.00	Very strong
Triads	5.43	0.84	1.76e + 04	1.00	Very strong
Cooperation $(H_3)$	0.19	0.16	1.04	0.51	Undecisive

network control effect, which renders a posterior model probability of about one. Although the 817 difference might seem remarkable, it should be noted that in every study, the Bayes factor versus the 818 unconstrained hypothesis has an upper bound of  $1/c_i = 1/0.5 = 2$ , but can approach 0 corresponding 819 with infinite support for the unconstrained hypothesis. When evaluating against the unconstrained 820 hypothesis, evidence against a hypothesis weighs much heavier than evidence for this hypothesis, 821 which may result in undesirable behavior when performing BES (Volker 2022). In fact, when evaluated against the unconstrained hypothesis, the study by Corten et al. (2016) provides such 823 strong evidence against the hypothesis of interest that adding three experiments that fully support 824 the hypothesis of interest (resulting in three Bayes factors of  $BF_{i,u}=2$ ) would still render more 825 support for the unconstrained hypothesis. Evaluating against the complement hypothesis weighs 826 evidence for and against the network control hypothesis equally heavy, and provides tremendous 827 support for the network control hypothesis. 828

We now assess the support for the network control hypothesis separately for trustfulness,

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trustworthiness and cooperation, and additionally distinguish between experiments with random
partner matching and with triads.

Trustfulness When considering the evidence for the network control hypothesis for trustfulness 832 over all studies, we find that the network control hypothesis provides a better fit to the data 833 than the unconstrained hypothesis, although the amount of evidence is not overwhelming. The 834 network control hypothesis obtains  $BF_{i,u} = 2.94$  times more support than the unconstrained 835 hypothesis, which renders a posterior probability of  $PMP_{i,u} = 0.75$  that the network control 836 hypothesis is a more accurate hypothesis than the unconstrained hypothesis (Table 3). Note, 837 however, that evidence against the network control hypothesis again weighs heavier than evidence 838 for this hypothesis when comparing against the unconstrained hypothesis. Comparing against the 839 complement hypothesis renders strong support for the network control hypothesis for trustfulness 840  $(BF_{i,c} = 224.06; PMP_{i,c} = 1.00).$ 841

We further assess the evidence for the network control hypothesis for trustfulness distinctly for 842 experiments with random partner matching and experiments with triads. Under random partner 843 matching, the aggregated evidence shows that the network control hypothesis obtains  $BF_{i,u} = 3.43$ 844 times more support than the unconstrained hypothesis, and  $BF_{i,c} = 45.77$  times more support than 845 the complement hypothesis. In terms of posterior model probabilities, this yields  $PMP_{i,u} = 0.77$  and  $PMP_{i,c} = 0.98$ . In the studies in triads, the unconstrained hypothesis obtains more support than 847 the network control hypothesis ( $BF_{i,u} = 0.86$ ;  $PMP_{i,u} = 0.46$ ), which is not extremely surprising as 848 two of the studies in this set find evidence against the network control hypothesis for trustfulness. 849 However, the network control hypothesis obtains more support than its complement ( $BF_{i,c} = 4.90$ ;  $PMP_{i,c} = 0.83$ ), although the aggregated support is not too convincing in this set. Hence, although 851 there is strong support for the network control hypothesis for trustfulness  $(H_1)$  in both sets of 852 studies combined, this result stems predominantly from the consistent results in the first set. In the

854 studies in triads, there is no consistent support for this hypothesis.

Trustworthiness The results for the network control effect on trustworthiness are more 855 consistent, and therefore the aggregation procedure renders very strong evidence for Hypothesis  $H_2$ . 856 Aggregated over all studies combined, the network control hypothesis obtains  $BF_{i,u} = 12.71$  times 857 more support than the unconstrained hypothesis ( $PMP_{i,u} = 0.93$ ), and  $BF_{i,c} = 2.24e + 09$  times more 858 than the complement  $(PMP_{i,c} = 1.00)$ . Also in both distinct sets of studies, there is considerable 859 support for the network control hypothesis. In the first set, the support in Duffy et al. (2013) 860 outweighs the lack of support for the network control hypothesis in Bolton et al. (2004). This renders 861 the network control hypothesis  $BF_{i,u} = 2.34$  times more plausible than the unconstrained hypothesis 862  $(PMP_{i,u} = 0.70)$  and  $BF_{i,c} = 1.27e + 05$  times more plausible the complement  $(PMP_{i,c} = 1.00)$  in 863 this first set. As the results were consistent in the experiments with triads, the network control 864 hypothesis is strongly supported, regardless of whether we compare against the unconstrained 865  $(BF_{i,u} = 5.43; PMP_{i,u} = 0.84)$  or the complement hypothesis  $(BF_{i,c} = 1.76e + 04; PMP_{i,c} = 1.00)$ . Trustfulness versus trustworthiness With respect to Conjecture 1, we find that there 867 is indeed more evidence over all studies for a network control effect on trustworthiness than for 868 this effect on trustfulness, as shown by the large difference between the aggregated Bayes factors 869 for trustfulness and trustworthiness. The same pattern appears within the two subsets. Although 870 in studies with random partner matching, there is slightly more evidence for the network control 871 hypothesis for trustfulness than for trustworthiness when evaluated against the unconstrained 872  $(BF_{i,u} = 3.43 \text{ versus } BF_{i,u} = 2.34, \text{ respectively}), \text{ comparing against the complement } (BF_{i,c} = 45.77)$ 873 versus  $BF_{i,c} = 1.27e + 05$ ) yields more support for the network control hypothesis for trustworthiness. Hence, on the level of the individual studies and on the aggregate level, there is more evidence for a 875 network control effect on trustworthiness than on trustfulness, in line with Conjecture 1. 876

**Cooperation** When aggregating over the studies on cooperation, we find little support for

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a network control effect. Whereas the data from Seinen and Schram (2006) provides substantial support for a network control effect, data from Corten et al. (2016) yields the opposite. Accordingly, 879 there is more support for the unconstrained hypothesis than for the network control hypothesis 880  $(BF_{i,u} = 0.19; PMP_{i,u} = 0.16)$ , while the evidence for the network control hypothesis and its 881 complement are rather balanced ( $BF_{i,c} = 1.04$ ;  $PMP_{i,c} = 0.51$ ). Note, however, that in the study 882 by Corten et al. (2016), the participants played, on average, 16 iterations of a Prisoner's Dilemma 883 game with each other participant in their network, and obtained information on all interactions they 884 engaged in themselves, resulting in substantial dyadic embeddedness. In Seinen and Schram (2006), 885 the amount of dyadic embeddedness in the condition without network embeddedness was much 886 lower, as the participants played about 100 rounds of the Helping Game in a network of size 16, 887 without being informed at all about past choices of a current partner, which impedes conditioning 888 on a partner's past behavior. 880

Robustness checks Analyses on the robustness of the results by modelling the data with 890 multilevel regression models instead of using cluster-adjusted standard errors have important 891 implications. Because the evidence tends to become more extreme when fitting multilevel models, 892 regardless of whether the evidence supports or contradict the network control hypothesis, the 893 aggregated support against the unconstrained hypothesis decreases substantially (Appendix B). When comparing against the unconstrained hypothesis, the experiment by Barrera and Buskens 895 (2009) provides so much evidence against the network control hypothesis for trustfulness that 896 all other studies combined can hardly compensate, resulting in little support on the aggregate 897 level  $(BF_{i,u} = 2.66; PMP_{i,u} = 0.73)$ . When comparing against the complement, the evidence for and against the hypothesis of interest are weighted equally such that the issue dissolves, and 899 the support for the network control hypothesis by far outweighs support for the complement 900 alternative  $(BF_{i,c} = 9.90e + 17; PMP_{i,u} = 1.00)$ . This issue also occurs when solely aggregating the

support for trustfulness. Evaluating against the unconstrained hypothesis renders most support for the unconstrained hypothesis ( $BF_{i,u} = 0.61$ ;  $PMP_{i,u} = 0.38$ ), whereas evaluating against the complement hypothesis renders substantial support for the network control hypothesis ( $BF_{i,c}$ 904 3.74e + 03;  $PMP_{i,c} = 1.00$ ). When zooming in on trustfulness in the studies with participants 905 interacting in triads, the evidence for the network control effect substantially decreases, also when 906 comparing against the complement hypothesis. Within this subset the unconstrained hypothesis 907 obtains more support than the network control hypothesis ( $BF_{i,u} = 0.12$ ;  $PMP_{i,u} = 0.11$ ), while 908 there is hardly evidence for the network control hypothesis over its complement ( $BF_{i,c} = 1.63$ ; 900  $PMP_{i,c} = 0.62$ ). Applying this robustness check for trustworthiness and cooperation has a negligible 910 effect. 911 Apart from having a rather dramatic effect on the evidence for a network control effect on 912 trustfulness in the studies in triads, the substantive conclusions remain the same throughout the 913 robustness analysis. In fact, except for trustfulness in the studies in triads, the evidence for the 914 network control hypothesis evaluated against the complement becomes stronger in all subgroups 915

## 919 5 Discussion

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Theoretically, network control opportunities provide ways to promote trust and cooperation in social and economic interactions. Earlier research yielded inconsistent empirical findings on network control effects. Using *BES* to aggregate over available studies, we show that the network control hypotheses are overall substantially more likely than the unconstrained hypotheses, while there is no support whatsoever for the complement hypotheses. When considering the specific hypotheses,

considered. Hence, our results provide substantial support for the network control hypothesis for

trustfulness, and even more for trustworthiness. When participants interacted in triads, the results

for trustfulness are somewhat more ambiguous, just as the results for cooperation.

we find strong support for the network control hypothesis on trustfulness. Especially in the studies where network embeddedness was implemented without dyadic embeddedness, all evidence supports 926 this hypothesis. In the studies with network embeddedness implemented in the presence of dyadic 927 embeddedness, the support was weaker and less consistent, but still positive when comparing 928 with the complement hypothesis. The results provide even more evidence for the network control 920 hypothesis for trustworthiness, regardless of the set of studies. Lastly, the results are doubtful for 930 cooperation specifically. As the two studies that assess cooperation show contradictory results, more 931 data would be useful to assess this effect. Yet, as there is substantial evidence for both trustfulness 932 and trustworthiness, which are in essence the components that make up cooperation, it is plausible 933 that network control holds for cooperation as well.

Considering the inconsistent results for trustfulness, one could argue that dyadic embeddedness 935 already fosters trustfulness to a large extent (as shown by, e.g., Dal Bó 2005; Dal Bó and Fréchette 936 2018), which is also reflected by trustfulness rates that are overall higher when network embeddedness 937 is implemented with dyadic embeddedness. Accordingly, there is simply less improvement possible 938 when network control is 'added' to dyadic control. In most studies with network and dyadic 930 embeddedness, the sanction opportunities provided by dyadic embeddedness may already provide 940 sufficient incentives to place trust. Moreover, if trustors do not take into account the benefits of dyadic sanctions, it may be doubtful whether they account for the benefit of sanctions placed by a third party. Additionally, in the study by Barrera and Buskens (2009), trust may be lower 943 because the condition with network and dyadic embeddedness was implemented before the condition 944 with solely dyadic embeddedness. As a consequence, trustors may learn in the first condition that trust is seldom abused, allowing to be more trustful in the second condition. Yet, the fact that 946 trustworthiness is higher under network embeddedness may cast doubt about the plausibility of this 947 explanation.

As we conjectured, there was more support for a network control effect for trustworthiness 949 than for trustfulness. This was the case for the aggregated results over all studies, and for the 950 aggregated results in the two sets considered. In both sets, the Bayes factor for the network control 951 hypothesis versus its complement was larger for trustworthiness than for trustfulness. Accordingly, 952 it might indeed be more difficult for trustors than for trustees to anticipate on network control 953 effects. Trustees have to anticipate exclusively on potential future sanctions by third parties, while 954 trustors have to anticipate also on how the trustee anticipates on those sanctions by third parties 955 (Buskens et al. 2010). Especially if a trustor can personally retaliate an abuse of trust in future 956 interactions, as under dyadic embeddedness, trustors may not reason an additional step ahead. 957

From a methodological viewpoint, we showed how BES can be applied to aggregate the results 958 from a heterogeneous set of studies on the same phenomenon, and how the results of BES should 950 be interpreted. Additionally, we showed the difference between evaluating against an unconstrained 960 hypothesis and the complement hypothesis, with the former being far more conservative. Comparing 961 against the unconstrained hypothesis when aggregating over studies yields that a single study with 962 moderate support against a hypothesis can substantially reduce the aggregated support for that 963 hypothesis, even if there are multiple studies supporting the hypothesized effect (see Volker 2022 for 964 a similar argument based on statistical simulations). Evaluating against the complement hypothesis 965 does not only provide a meaningful alternative, it also weighs evidence for and against the hypothesis 966 of interest equally heavy, at least if the complexities of both hypotheses are equal. Hence, in line 967 with recommendations by Volker (2022), we suggest to evaluate informative hypotheses against 968 their complements, rather than against unconstrained alternatives.

We only evaluated informative, inequality-constrained hypotheses, while evaluating equalityconstrained hypotheses (as the classical null hypothesis) is still the standard in many areas of
research. When evaluating equality-constrained hypotheses, one should note that the Bayes factor,

which depends on both the prior and the posterior distribution of the parameters, is much more sensitive to the specification of the prior distribution than when evaluating inequality-constrained 974 hypotheses (Klugkist and Hoijtink 2007). Additionally, under insufficient statistical power, the 975 Bayes factor within individual studies tends to provide relatively large support for a null hypothesis 976 (Tendeiro and Kiers 2019). Future methodological research should extent the work by Hoijtink 977 (2021), who assessed the sensitivity of the Bayes factor to the specification of the prior within a study, to the situation where researchers aggregate over multiple studies. Lastly, whereas we had to 979 reanalyze the data, this is no requirement for BES, as it can evaluate a hypothesis on the basis of a 980 parameter estimate and its accompanying standard error (Kuiper et al. 2013). This does, however, 981 require that the hypothesis of interest is evaluated and reported in the original study. 982

We solely relied on experimental studies that allowed to distinguish between network control and 983 network learning effects, while these effects are often intertwined in observational studies. That 984 is, those who expect to interact in the future, may also be more likely to have a shared history, or 985 at least have common acquaintances that can inform both parties on past behavior of the other. 986 Moreover, existing observational research on embeddedness effects generally used indicators for 987 these effects that are unable to discriminate between learning and control effects (see, e.g., Buskens 988 and Raub 2013 for an extensive overview). To evaluate network control effects experimentally, 989 we explicitly focused on first round behavior. Yet, one could consider other ways of evaluating 990 network control effects, for example by focusing on end-game effects (i.e., the behavior when sanction 991 opportunities decrease, because the end of the interaction is near, while statistically controlling 992 for learning effects, as in Bolton et al. 2004; Buskens et al. 2010). Evaluating such additional operationalizations of network control effects could add to the robustness of our findings. 994

An additional advantage of the experimental design is that it ensures that the choices participants
make are related to material incentives, rather than hypothetical scenarios as in vignette or survey

research. Moreover, experimental designs facilitate to investigate the causal effect of network control opportunities. Yet, the downsides of experimental studies have also been well documented (e.g., Falk and Heckman 2009; Jackson and Cox 2013). Experimental studies often rely on an 999 artificial and unrealistic setting, potentially posing problems to the generalizability of the results 1000 to real-world settings, while the participants are often undergraduate students. However, the 1001 availability of experimental designs is no requirement when applying BES. As long as the studies 1002 under consideration assess a conceptually similar hypothesis, BES is applicable, regardless of 1003 the study design, such that it can also be applied if one aims at a synthesis over studies with 1004 longitudinal, cross-sectional and experimental designs. In fact, such variation is encouraged, because 1005 complementary tests allow to build a more robust body of evidence by aggregating evidence for, or 1006 against, hypotheses over different contexts (Jackson and Cox 2013; Lawlor et al. 2017). 1007

To summarize, we provided substantial evidence for a network control effect on trustfulness and trustworthiness, while there was more evidence for the latter compared to the former. We thus established that sanction opportunities through third parties positively influence trust. Our synthesis was only possible by employing BES, which allows for a synthesis over heterogeneous studies. As such, BES enables researchers to aggregate the evidence for phenomena of interest over replications, which gives insight in the robustness of research findings.

## 1014 6 Literature

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# A Appendix - Information about individual studies

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In this Appendix, all studies used in the paper are briefly outlined, with a specific focus on the 1243 experimental conditions. Broadly, the studies can be separated into two overarching categories. In 1244 the first set of studies, the actors are randomly matched before every interaction, and under network 1245 embeddedness, they obtain information on their partner's past actions against other actors. In the 1246 second set of studies, the actors play a sequence of social dilemma games in triads. Under network 1247 embeddedness, actors involved in an interaction also obtain information about the interactions 1248 between the third actor and their own partner. In the "no embeddedness" condition, there is no 1249 such information exchange, and actors only obtain information on their own past interactions with 1250 their partner. 1251

The description of all studies is structured similarly. First, the goal of the original research is 1252 briefly introduced, and this goal is related to the present study. Subsequently, the type of game 1253 that is played is discussed, with the corresponding characteristics of the game, such as the payoffs, 1254 the number of rounds the actors play. Thereafter, the experimental conditions that apply in the 1255 original experiment are discussed, with a short note on which experimental conditions are relevant 1256 for the current study. Information on the experimental conditions at least consists of the type 1257 and amount of information the actors receive and when this information is received, information 1258 on the type of matching within a group of subjects, the size of the group of subjects with whom 1259 an actor can be matched, whether the actors play in the same role throughout the game or with 1260 different roles, whether the actors can be matched repeatedly and whether the actors are informed 1261 about this. The discussion of the experimental set-up is concluded by a short description of global 1262 information about the study, such as the number of sessions, the location of the sessions, the number 1263 of subjects, whether the subjects were completely informed about the experimental procedure; 1264 whether and how much money the subjects could earn and whether subjects played in multiple 1265

conditions (hence, whether a within- or between-subjects design was applied). Additionally, the
results of the individual studies are briefly discussed. The discussion is particularly focused toward
trustfulness/trustworthiness and cooperation per condition, potential findings on statistical tests of
embeddedness effects and potential findings on control effects specifically. Finally, a short note on
the reproducibility of research findings will be included.

## 1271 A.1 Network embeddedness with changing interaction partners

## 1272 A.1.1 Bolton et al. (2004)

**Experimental design** Bolton et al. (2004) assess how varying "reputation" or "feed-A.1.1.11273 back" systems promote trust. In an experimental setting, the authors compare three conditions 1274 with varying forms of embeddedness of the actors. In all experimental settings, the players were 1275 involved in a 2-person Trust Game, in which there is a buyer (who plays in the role of trustor) and a 1276 seller (who plays the role of trustee), with payoffs  $\{S_1 = 0\} < \{P_i = 35\} < \{R_i = 50\} < \{T_2 = 70\}$ 1277 (i = 1, 2). In all conditions, the actors played in groups of 16, in which they were involved in 30 1278 interactions, and generally played in alternating roles. In the first experimental condition, a no 1279 embeddedness condition which the authors called the "strangers market," the trustor and trustee 1280 are randomly paired each round, under the condition that the trustors and trustees will not be 1281 matched in the same role with the same partner multiple times. Additionally, the buyers and sellers 1282 were anonymous, in the sense that no information about the behavior prior to an interaction was 1283 provided on either the buyer or the seller. Hence, the actors were effectively playing thirty one-shot 1284 Trust Games, only obtaining information about past actions against one-self. 1285

The second experimental condition was a network embeddedness condition which the authors
termed the "feedback market." In this condition, a similar matching scheme was used as in the
strangers market. Hence, the trustors and the trustees were randomly matched before each round,

and their role were chosen randomly as well, under the restriction that a trustor and a trustor could not meet repeatedly in the same role. However, prior to making a decision, buyers (i.e., trustors) were informed on past behavior of the seller (i.e., trustee). This information includes the total number of times trust was honored in the past and a round-by-round history of past actions of the trustee.

The final experimental condition is not of interest to the current study, because this condition 1294 concerned dyadic embeddedness. In this condition, termed the "partners market," the actors were 1295 matched only once, before the first interaction. Subsequently, the actors played the Trust Game 1296 repeatedly for 30 rounds with alternating roles, such that throughout the game, the participants 1297 gained experience with both roles. Hence, the actors were solely dyadically embedded. Accordingly, 1298 the trustors and trustees knew about all past behavior of their partner as a trustor and a trustee, 1299 which is different from the "feedback market," in which only the buyers had information about the 1300 sellers past behavior. Yet, the experimental interface only provided information to the buyer on the 1301 seller's past behavior. 1302

In total, the experiment took place in nine sessions (three per experimental condition) at Penn State University, with 16 subjects per session (144 participants in total). All subjects were involved in a single condition only, and played the entire supergame only once (for 30 rounds). All subjects were completely informed about the experimental procedure in their condition. The subjects could earn money (\$0.01 per point and a show-up fee of \$5).

A.1.1.2 Results Trustfulness and trustworthiness were lowest in the condition without embeddedness ("strangers market"), highest in the condition with dyadic embeddedness ("partners
market"), with the network embeddedness condition ("feedback market") in-between. Using multilevel analyses, the authors show that network embeddedness fosters trust, compared to the

no-embeddedness condition. Additionally, the results show signs of network control effects, in the 1312 sense that after controlling for past trustee behavior, there is less trust if the end of the game 1313 approaches (i.e., there are end-game effects), while there similarly is less trustworthiness in the final 1314 rounds of the game. Hence, the network control effect was present for both trustors and trustees. 1315 When attempting to reproduce the findings, exact reproduction was not possible, potentially due to 1316 the use of different analysis software and estimation algorithms. Additionally, it may also be due to 1317 model misspecifications on our side, that could have arisen due to misunderstandings of the exact 1318 operationalizations. However, substantively the reproduced results were very close to the reported 1319 results, which provides substantial confidence on correct data handling on our side. Moreover, we 1320 only considered the treatment variable in our analyses, which were correctly operationalized (which 1321 we know for sure, because we could reproduce the reported figures in Bolton et al. 2004). 1322

### 1323 A.1.2 Duffy et al. (2013)

Experimental design Like Bolton et al. (2004), Duffy et al. (2013) assessed how 1324 varying "reputation" systems affect trust in an experimental setting. The participants played a 1325 Trust Game, with payoffs  $\{S_1 = 0 < P_1 = 35 < R_1 = 45\}$  for the trustor and  $\{P_2 = 0 < R_2 = 55 < 15\}$ 1326  $T_2 = 100$  for the trustee. The trust games were played in groups of six (3 trustors and 3 trustees), 1327 and differed in their duration over the experimental conditions. Every subject got assigned a role at 1328 the beginning of every supergame, and remained in this role throughout the entire supergame, while 1329 being randomly matched to a partner before every round. All subjects played multiple supergames. 1330 The authors consider five conditions. In the first, the "no information" condition, trustors and 1331 trustees only have information on their own history of play and their payoffs in these periods. The 1332 game is played indefinitely often, with a continuation probability (i.e., the probability that there 1333 will be a next transaction after any given transaction) that equals  $\delta = 0.80$ . However, matching 1334

was anonymous, such that the actors did not know with whom they were matched, and thus also did not know if they met the same person multiple times. In the second condition, which is of no interest for our study, there was also no information dissemination through the network, but the length of the game was fixed at five rounds (such that the (expected) game length is similar to the expected game length under the first condition.

In the third experimental condition, the actors played the indefinitely often repeated Trust 1340 Game ( $\delta = 0.80$ ) with minimal information dissemination (hence the term "minimal information" 1341 condition) in the sense that trustors are informed on the decision of the trustee in the period prior to 1342 the current period (in the current supergame). The trustor thus knows whether the trustee honored 1343 or abused trust in the previous round (if trust was placed). The fourth experimental condition was 1344 similar to the third, except that the trustors obtained a summary of all past interactions of the 1345 trustee in the current supergame (how often the trustee chose to honor and abuse trust, relative to 1346 how often trust was placed against this trustee), as well as on all actions by the trustee in up to the 1347 10 most recent periods of the current supergame (hence the term "information" condition). The 1348 fifth condition was identical to the fourth condition, except that information was provided only at a 1349 certain cost (the "cost" condition). This condition is not of any interest for our paper, since we only 1350 consider exogenously imposed dissemination of information. 1351

The experiment was held over 18 sessions at the University of Pittsburgh and Carnegie Mellon
University, with 6 subjects per session. Each subject in each condition played the stage game for at
least 30 times. All participants were involved in at least two, and potentially three, experimental
conditions (hence, the authors applied a within-subjects design). Note, however, that eight sessions
focused exclusively on comparing the "no information" condition in indefinitely often repeated games
with the "minimal information" condition (also in indefinitely often repeated games), four sessions
focused on the "no information" condition in finitely repeated games versus the "no information"

condition in indefinitely often repeated games, and a third set of sessions focused on comparing the 1350 "no information" condition in indefinitely often repeated games, versus the "information" condition 1360 in indefinitely often repeated games and versus the "cost" condition in indefinitely often repeated 1361 games. The participants could earn money (\$0.005 per point, and an additional show-up fee of \$5). 1362 Players were completely informed about the structure of the game, but were only informed about 1363 their condition just before the interactions in this condition started. The conditions that are of 1364 interest to our study were assessed in different sessions. Only the session in which "no information" 1365 and "minimal information" are compared and the session in which "no information," "information" 1366 and "cost" are compared will be considered in the current study, although we neglect the "cost 1367 condition." Thus, note again that the three conditions that are of primary interest for our study, 1368 consider the Trust Game that is played in a group of size 6, with three trustors and three trustees 1369 in fixed roles until the end of the sequence. After each round, there is a continuation probability of 1370  $\delta = 0.80$  that there will be another round, and there are three information conditions. 1371

Results Trustfulness and trustworthiness are, in general, not significantly higher in 1372 the "minimal information" condition, as compared to the "no information" condition. Yet, the 1373 free provision of information on all past trustee behavior (up to the past 10 rounds) does lead to 1374 an increase in trustfulness and trustworthiness, as compared to the "no information" condition. 1375 Additionally, trustfulness and trustworthiness are higher in the (full) "information" condition than in 1376 the "minimal information" condition, but only if the information condition is played before the "no 1377 information" condition. If the "no information" condition is played before the "minimal information" 1378 condition, there is no significant difference between the two information conditions. Although not 1379 all information is available to assess whether the results were replicated, no differences between 1380 our replication attempts and the reported statistics were observed. Additionally, the results from 1381

the multilevel analyses were reproducible in Stata, but not in R, showing that software differences
matter when estimating multilevel models. Hence, we are confident that we could reproduce the
originally obtained results. Note, however, that we did not attempt to reproduce *all* results, but
focused on those conditions that were relevant to our study. That is, all results on treatments that
were not considered in our study were not reproduced.

## 1387 A.1.3 Seinen and Schram (2006)

Experimental design Seinen and Schram (2006) likewise compare the effect of network 1388 embeddedness on cooperation. However, rather than the Trust Game or the Prisoner's Dilemma, 1389 the authors assess cooperation rates in the Helping Game, which can be regarded as a unilateral 1390 version of the Prisoner's Dilemma. The Helping Game is played with two players, the donor and 1391 the recipient. After the two are matched, the donor has the option to 'help' the recipient at a cost 1392 c, where c equals 150 or 50, dependent on the condition, that will yield a benefit  $\{b=250\} > c$  for 1393 the recipient. After the donor made a decision, the recipient is informed about the donor's action 1394 and the interaction ends. In all conditions, the subjects played a single supergame in a group of 1395 14, with a duration of at least 90 rounds. After the  $90^{th}$  round, an additional round starts with 1396 probability 0.90. Also, the players were matched randomly in all conditions, and the roles of the 1397 actors were also assigned randomly before each round. 1398

In the first experimental condition, the "no information" condition, no information on previous choices of the recipient was provided to the donor. Hence, the donors had no information at all, besides how often they received a benefit themselves. In this condition, the cost of helping equals c = 150, while the benefit for the recipient equals b = 250. Not helping incurred no cost, and also no benefit. In the second condition, the so-called "high cost, information" condition, the donor was informed on the previous six decisions made by the recipient as a donor. If this recipient had not

made six decisions yet, information about all previous choices was provided. The information was 1405 summarized as the number of times the recipient helped over the past six interactions as a donor, 1406 and the number of times the recipient did not help in the past six interactions as a donor. Hence, 1407 no information on the order of actions was provided. The cost of helping equals c = 150 and the 1408 benefit equals b=250, just as in the first condition. The third condition was similar to the second 1409 condition, but differed only with respect to the cost of helping. Therefore, this condition will be 1410 discarded in our study, because the difference in costs would not allow for a fair comparison with 1411 the "no information" condition. This "low cost, information" condition used a cost of helping of 1412 c = 50, while the benefit remained b = 250. 1413

Because there were two sessions per condition with two groups each, there were 4 (statistically 1414 independent) groups per condition with 14 subjects each (168 subjects in total), all making about 1415 45-50 decisions. All sessions were held at the University of Amsterdam. In all sessions, the actors 1416 were informed about the outcome of their own interactions, and they were given a summary of their 1417 own last six choices, as well as the outcomes of all previous rounds, but no information about past 1418 interactions between donor and recipient was shown. The subjects were completely informed on the 1410 set-up of the experimental condition they were in. The show-up fee equaled 20 or 30 guilders (at 1420 the time of writing the article this was equal to about  $\in 9.08$  or  $\in 13.61$ , respectively). Additionally, 1421 subjects earned their payoffs of 20 randomly chosen rounds, with 0.01 guilders per point. 1422

A.1.3.2 Results The results show a consistent pattern of relatively much cooperative behavior (i.e., helping) under the information conditions, but only little under the "no information" condition.

Additionally, cooperation tends to drop fairly quickly from the  $90^{th}$  round onward, showing a clear end-game effect that is not necessarily expected given the continuation probability of  $\delta = 0.90$  after the  $90^{th}$  round. Lastly, the actors indeed tend to base their decision on whether the recipient

helped in the past, with a fairly linear trend showing that those who did not help in their last six 1428 rounds as donor seldom receive help (about 25\% of the time), while those who helped in all past six 1429 rounds as donor were helped very often (about 80% of the time). Our replication analyses yield 1430 identical results to those obtained in the original paper, at least to the extent that the reported 1431 figures allowed to asses. However, a minor mistake might have slipped in Figure 4 in the original 1432 paper, where the authors presumable forgot to create a lagged variable for one of the conditions. 1433 That is, in the HCN condition, the authors seem to have included information on the current round, 1434 rather than solely on previous rounds. 1435

### 1436 A.1.4 Corten et al. (2016)

**Experimental design** Like the previous two experiments, Corten et al. (2016) compare 1437 two different embeddedness conditions. However, rather than assessing behavior in Trust Games, 1438 the authors use Prisoner's Dilemma's as the focal game. In the two-person Prisoner's Dilemma, 1439 both actors can either cooperate or defect. Mutual cooperation yields the payoff  $R_i = 40$ , (i = 1, 2)1440 for both actors, while mutual defection yields  $P_i = 20$  for both. Cooperating while the other player 1441 defects yields  $S_i = 0$  for the cooperator, and  $T_i = 60$  for the defector, such that  $S_i < P_i < R_i < T_i$ . 1442 In both conditions, the subjects played a single supergame of 40 rounds of the Prisoner's Dilemma 1443 in groups of six. In every round, any given actor was matched to two other subjects in the group. 1444 Subsequently, the matched actors played the Prisoner's Dilemma with these two subjects separately. 1445 Hence, each subject was matched to 2 out of 5 others. For every potential match that did not materialize in a given round, the actors obtained 30 points, such that all actors were ensured a 1447 payoff of 90 for the actors with whom the actor was not matched. For the matched interactions, an 1448 actor's payoff was dependent on the actions of oneself as well as of one's partner as specified above. 1440 In the first embeddedness condition, the so-called "atomized condition," there was no network 1450

embeddedness, such that actors only obtained information on the outcome of their own interactions
against the matched partners directly after each period. Additionally, they obtained information
about who was matched with whom in the rest of the group. In this way, they had access to
information on their own history of play (past actions of their matches, as well as their own past
payoffs), and know with whom they were matched. Hence, an actor could condition there action
against a given partner on the behavior of this partner in past interactions between the two, but
not on actions of this partner against others.

In the condition with network embeddedness, referred to as the "embedded condition," the set-up
was identical, except that the subjects were not only informed about the outcomes of their own
interactions, but also on the outcomes of all other interactions of their network members. Hence, an
actor could not only condition behavior on the actions of the partner against this given actor, but
could condition behavior on all past actions of this partner. Hence, the actors had more information
than in the "atomized" condition.

In total, the authors ran 19 sessions with 26 groups consisting of 6 persons, such that in total 1464 156 subjects were involved. The first 13 sessions, with in total 14 six-person groups, were conducted 1465 at Stanford University, while the second set of six experimental session with 12 six-person groups 1466 in total was conducted at the University of California at Berkeley. Each group played either in 1467 the "atomized condition" or in the "embedded condition." Hence, 13 groups played in the former 1468 condition, and 13 groups played in the latter. All subjects were completely informed about the set-up 1469 of their experimental condition. The subjects could earn money (but the actual money-per-point 1470 rate is not discussed). 1471

A.1.4.2 Results The authors find no support for the hypothesis that network embeddedness promotes cooperation and do not find support for a network control effect. That is, initial cooperation

rates were not higher in the "embedded" condition than in the "atomized" condition. Hence, network
embeddedness did not appear to affect cooperation. All results were reproducible, including statistics
and figures, except for Table 1 in the paper, in which the variances of the conditions seem to have
been swapped.

### 1478 A.2 Network embeddedness in triads

### 1479 A.2.1 Buskens et al. (2010)

**Experimental design** Buskens et al. (2010) let participants play Trust Games with 1480 payoffs  $(\{S_1=0\} < \{P_1=P_2=10\} < \{R_1=R_2=20\} < \{T_2=40\})$  in groups of three, consisting 1481 of two trustors and one trustee. The subjects played 15 rounds, and in each round both trustors 1482 sequentially played the Trust Game with the trustee. In any given round, trustor 1 moves first, the 1483 trustee chooses whether to honor or abuse trust if trust is placed, and trustor 1 is informed about 1484 the action of the trustee. Thereafter, trustor 2 moves, the trustee can act if trust is placed, and 1485 trustor 2 is also informed about this move of the trustee. The roles were assigned before the start of 1486 the supergame, and each actor played the supergame once in every possible role (trustor 1, trustor 1487 2 and trustee). In every supergame, actors that have not been matched before could play together. 1488 The authors distinguish two conditions. In the first, "no information exchange" condition, there 1489 is no information exchange between the trustors, and both trustors thus only received information 1490 about their own interactions with the trustee. The trustee, obviously, knows about the outcomes 1491 of the interactions with both trustors. Hence, in this condition, both trustors play a finitely 1492 repeated Trust Game of 15 rounds with the trustee, reflecting dyadically embedded interactions. 1493 The second "full information exchange" condition assesses network embeddedness. The trustors 1494 receive information about the outcome of their own interaction, as well as on the other trustee's 1495 action against the other trustor, directly after this interaction ends. Information is provided directly

after the decision is made by the trustee, and is always reliable. Both trustors can see the outcomes of all past interactions they are informed about on their screen.

In total, 72 subjects participated in the experiment, divided over four sessions, with 18 subjects
per session, all at Utrecht University. Two sessions were played in the "no information exchange"
condition, and two sessions were played in the "full information exchange" condition. in total, 1675
rounds were played. All subjects were completely informed about the experimental procedure, and
the specifications of the game. Subjects were paid €0.01 for each point they earn.

A.2.1.2Results The authors find clear evidence for the effect of network embeddedness, in 1504 the sense that there is more trustful and trustworthy behavior in the "full information exchange" 1505 condition. The authors assessed control and learning effects for dyadic and network embeddedness. 1506 Learning effects were operationalized as a weighted sum of the number of times the trustee honored 1507 trust against the focal trustor and the other trustor (only the former was used for the "no information 1508 exchange" condition), and the same measure was constructed for the number of times trust was 1500 abused. Control effects were defined as the effect of the number of rounds left to play, separately for 1510 both information conditions, after controlling for the learning effects (obviously, the control effects 1511 served as control variables for the learning effects). After statistically controlling for learning effects, 1512 there is a clear dyadic control effect on trustfulness, but the evidence for a network control effect on 1513 trustfulness is less clear-cut. The effect of the remaining number of rounds is not significant, but 1514 the end-game effect (the drop in trustfulness in round 14 and 15) is somewhat stronger with full 1515 information exchange. Additionally, the authors find clear dyadic learning and network learning 1516 effects on trustfulness. With regard to trustworthiness, the authors find clear dyadic and network 1517 control effects, as well as dyadic and network learning effects. Hence, the control effects seem to 1518 be more pronounced for trustees than for trustors. All these results were reproducible, although it 1510

required to perform the analyses in Stata rather than in R.

## 1521 A.2.2 Van Miltenburg et al. (2012)

**Experimental design** Van Miltenburg et al. (2012) use a set-up that is identical 1522 to the design of Buskens et al. (2010) (see the previous section for details about the game). In 1523 total, eight experimental sessions were held, all at Utrecht University, and 138 subjects participated. 1524 However, while subjects participated in three finitely repeated Trust Games in Van Miltenburg et al. 1525 (2012), they participate in six finitely repeated trust games in the current experiment. After each 1526 supergame, the subjects are rematched to different partners, and are assigned a new role (trustor 1, 1527 trustor 2 and trustee, in the same order). Within an experimental session, subjects either played all 1528 games in the condition with no information exchange, all games with full information exchange, three 1529 finitely repeated Trust Games with full and subsequently three with no information exchange, or 1530 three finitely repeated Trust Games with no and subsequently three with full information exchange. The subjects were completely informed about the experimental procedure, and the subjects were 1532 paid  $\in 0.01$  for every two points they earned. 1533

Similarly to Buskens et al. (2010), the authors show that trustors hardly react 1534 to the additional sanction opportunities as provided by network embeddedness, in the sense of 1535 control effects (here operationalized as first round trustfulness). Unlike Buskens et al. (2010), the 1536 current study does not find support for network control effects on trustworthiness (in the first round). 1537 However, it is noteworthy that the authors find considerably high trustfulness and trustworthiness 1538 throughout the experiments already in the "no information exchange" condition, such that that 1539 only very little improvement is possible for the "full information exchange" condition. Additionally, 1540 the authors show that the subjects behave more in line with cooperative sequential equilibrium 1541 predictions as they gain more experience. All results were reproducible. 1542

## 1543 A.2.3 Frey et al. (2019)

**Experimental design** Frey et al. (2019) also investigated how different embeddedness 1544 conditions affect trust. In all experimental conditions, the actors play the finitely repeated Trust 1545 Game with incomplete information in groups of three, with two trustors and a single trustee. A 1546 finitely repeated Trust Game with incomplete information yields that the repeated game starts 1547 with a random draw by Nature, that decides whether the trustee is opportunistic (i.e., with an 1548 incentive to abuse trust) or friendly (i.e., without an incentive to abuse trust). If the trustee is of the 1549 opportunistic type, the payoffs for both trustor and trustee are given by  $(\{S_1=0\} < \{P_1=P_2=0\})$ 1550  $\{R_1 = R_2 = 50\} < \{T_2 = 100\}$ ). With a trustee of the friendly type, the payoffs are given 1551 by  $(\{S_1=0\}=\{T_2^*=0\}<\{P_1=P_2=30\}<\{R_1=R_2=50\})$ . Note that the trustors do not 1552 know whether the trustee is of the opportunistic or the friendly type, but the trustees do know their 1553 type, and that the trustee is of the same type for both trustors. After Nature's move, the repeated 1554 Trust Game starts. In any given round, trustor 1 moves first; if trust is placed, the trustee moves, 1555 and trustor 1 is informed about the outcome. Thereafter, trustor 2 moves; again, if trust is placed, 1556 the trustee moves, and trustor 2 is informed about the outcome of this interactions. Both trustors 1557 play three rounds with the trustee. The roles were assigned before the start of the supergame, and 1558 each actor played the supergame four times in every role. New triads were formed before every 1550 supergame. Participants could be matched with the same partners in different supergames, but 1560 identifying partners from previous supergames was impossible. 1561

The authors consider four information conditions, of which the first two are considered in our study, and three conditions with respect to the probability of encountering a friendly trustee, resulting in 12 conditions in total. The probability of encountering a friendly trustee was either 0.05, 0.2 or 0.4, but this factor is not of any particular interest for our study. Hence, we do consider the variable as a control variable in a statistical sense, but will not discuss the results substantively. The

first information condition was a condition without network embeddedness, in the sense that there is no information exchange between the trustors. Hence, the trustors are still interacting with the 1568 trustee sequentially, but no information on the outcome on the interaction is provided to the other 1569 trustor. The trustee does know the outcome of both interactions. Hence, this can be considered 1570 as a condition with dyadic embeddedness. In the second information condition, information is 1571 provided exogenously (hence, it is referred to as the "exogenous information" condition). That is, 1572 after an interaction between a trustor and the trustee ends, the other trustor is informed on the 1573 outcome of this interaction. Hence, a trustor can condition behavior on own experiences, as well 1574 as on information about what happened between the other trustor and trustee, such that dyadic 1575 embeddedness is complemented by network embeddedness. 1576

In the third and fourth information condition, embeddedness can be established endogenously. 1577 In the third condition, the trustors both have to choose independently whether to invest in network 1578 embeddedness. If both propose to invest, both incur a cost of 20 points and both are informed 1579 about the outcomes of the interactions of the other trustor with the trustee. If none or only one 1580 of the trustors propose to invest, no embeddedness is established and none incur a cost. In the 1581 fourth condition, the trustee can decide to invest 40 points for establishing embeddedness. If the 1582 trustee does this, the trustors are informed about the outcomes of each others' interaction with 1583 the trustee. Yet, because the willingness to establish embeddedness endogenously may signal an 1584 advanced understanding of the game, or can be associated with characteristics related to trustfulness 1585 and/or trustworthiness of the actors, we discard these conditions. Actors who understand the 1586 benefits of embeddedness may be more likely to establish embeddedness endogenously, and may 1587 subsequently be more likely to reap these benefits by trusting more, while actors who do not see 1588 such benefits may be less willing to do so. Consequently, it is hard to tell whether an increase in 1580 trust due to endogenously established embeddedness is due to the embeddedness, or due to other, 1590

in the context of our study irrelevant, actor characteristics.

In total, 362 subjects participated, divided over 18 experimental sessions at Utrecht University, of 1592 which six contained the experimental conditions relevant to our study (fostering 114 individuals). A 1593 typical session involved 21 participants, divided over 7 triads. In total, 18 experimental sessions were 1594 conducted, of which 6 concerned the experimental conditions relevant for our study. Consequently, 1595 we use the data from 223 and 228 repeated Trust Games in triads played under information 1596 conditions 1 and 2, respectively (data from 5 repeated Trust Games is missing due to technical 1597 malfunctioning; data from 456 repeated Trust Games in triads was collected in each of the discarded 1598 information conditions 3 and 4). All subjects were completely informed about the entire procedure. 1599 The subjects were paid  $\in 1$  for every 150 points they earned in the experiment. 1600

The analyses were restricted to those games in which the acting trustor has not 1601 A.2.3.2Results (yet) seen an abuse of trust by the trustee. Embeddedness indeed tends to foster trustfulness and 1602 trustworthiness, regardless of whether embeddedness was established exogenously or endogenously. 1603 Still, endogenously established embeddedness, both when established by the trustors and when 1604 established by the trustee, tends to promote trustfulness to a greater extent than exogenously 1605 imposed embeddedness, while this was not the case for trustworthiness. Although the authors do 1606 not explicitly test for a network control effect, the provided figures show that first round trustfulness 1607 hardly differs between exogenously embedded interactions and not embedded interactions, while 1608 first round trustworthiness is higher under exogenous embeddedness than under no embeddedness. 1609 Hence, there seems to be some evidence for a network control effect for trustees, but not for trustors. 1610 All results were reproducible, although the multilevel models had to be fitted in Stata, rather than 1611 R to obtain identical results. 1612

## 1613 A.2.4 Barrera and Buskens (2009)

**Experimental design** Barrera and Buskens (2009) used the Investment Game as the 1614 constituent game, rather than the Trust Game, as most previous studies. The Investment Game can 1615 be regarded as a Trust Game with continuous options. In the Investment Game, both actors start 1616 with an initial endowment  $E_i$  (i = 1, 2). Thus trustor has opportunity to send all, some or none 1617 of this endowment  $E_1$  to the trustee. The amount of money sent  $S_1$  ( $0 \le S_1 \le E$ ) is multiplied 1618 by some factor m > 1 by the experimenter, such that the trustee receives  $mS_1$ . This value can be 1619 regarded as the trustee's returns due to the trustor's investment. Thereafter, the trustee decides 1620 whether to send all, some or none of the received money  $mS_1$  back to the trustor, where the amount 1621 returned is denoted  $R_2$  ( $0 \le R_2 \le mS_1$ ). Consequently, the trustor earns  $P_1 = E_1 - S_1 + R_2$  and 1622 the trustee earns  $P_2 = E_2 + mS_1 - R_2$ . Throughout the experiment, both actors obtained an initial 1623 endowment of  $E_i = 10$  points. The game was played in networks consisting of six subjects: four 1624 trustors and two trustees. Two of the trustors interact with one of the trustees, and the other two 1625 trustors interact with the other trustee. These interactions lasted for 15 rounds. 1626

The authors vary three features in the experiment, the information network, the amount of information that is disseminated through the network and the trustor's uncertainty about the returns of an investment. The authors consider three network conditions, four information conditions and two uncertainty conditions, resulting in 24 different conditions. All actors played all three network conditions, all in the same role, but in only one information and one uncertainty condition.

In the first network condition, each trustor obtains information from the other trustor who is
playing with the *same* trustee. Hence, a given trustor can use this information to make inferences
about the same trustee the other trustor is interacting with. In the second network condition, the
focal trustor obtains information from a trustor playing with *another* trustee. Hence, the focal
trustors does not obtain information on their own trustee, other than from own experiences. In

the third network condition, the trustor receives information from *two* other trustors: the trustor playing with the *same* trustee, as well as from one of the trustors playing with the other trustee.

Every participant plays one supergame of fifteen rounds in each condition.

Additionally, the authors vary the amount of information carried by the ties between the actors. 1640 When there is full information, trustors receive information on the amount sent by the trustor and 1641 on the amount returned by the trustee. When information is partial, trustors receive information 1642 only about the amount sent by the trustor, but not about the amount returned by the corresponding 1643 trustee. The amount of information carried by ties varies both between and within subjects. The 1644 authors say that "[a]lthough a given tie between two actors does not change from full to partial 1645 information between supergames, actors may have one tie carrying full information and one partial 1646 information." Hence, trustors can have full information about the interactions of both other 1647 trustors (the trustor interacting with the same trustee in the first supergame, a trustor interacting 1648 with another trustee in the second supergame, and both the trustor interacting with the same, 1649 as the trustor interacting with another trustee in the third supergame). Additionally, a trustor 1650 can have partial information about the interactions of both other trustors, or full information on 1651 the trustor interacting with the same trustee and partial information on a trustor interacting with 1652 another trustee, or vice versa. Uncertainty was implemented through the multiplication factor m. 1653 In the condition without uncertainty, m=3 for all trustees, while in the condition with uncertainty, 1654 m=2 or m=4, with a probability of 0.50 each. 1655

In our study, we only consider a subset of the conditions that are employed by Barrera and
Buskens (2009). Particularly, we consider the conditions in which the trustors obtain *full* information.
This implies that we can use the data from the two sessions in which the trustors obtained full
information from the other trustor interacting with the same trustee in the first supergame and
from the other trustor interacting with the other trustee in the second supergame. Additionally,

we consider the data from two sessions in which the trustors obtained full information from the 1661 other trustor interacting with the same trustee in the first supergame, but discard the data from the 1662 second supergame in which trustors obtained partial information from the other trustor interacting 1663 with another trustor. Likewise, we discard the data from two sessions in which the trustors obtained 1664 partial information from the other trustor interacting with the same trustee in the first supergame, 1665 but consider the data from the second supergame, in which trustors obtain full information from 1666 the other trustor interacting with another trustee. We only consider the conditions in which the 1667 multiplication factor m is constant, as uncertainty about m might have unforeseen consequences for 1668 the outcome of the games that interfere with the embeddedness effects we are interested in. 1669

In total, 282 subjects participated, and all unique combinations of the information and uncertainty 1670 conditions were implemented twice, resulting in sixteen sessions in total, of which 6 are considered 1671 in our study, resulting in 104 subjects who made 186 decisions. The original paper acknowledges 1672 that in a few instances a Ph.D. student served as a stand-in for an absent participant. Similar to 1673 the original paper, these cases are excluded from our analyses as well (reducing the number of cases 1674 considered from 108 to 104). All experimental sessions were held at Utrecht University, and all 1675 subjects were completely informed about the experimental procedure in their session. The points 1676 the subjects earned were translated into money, with €0.01 per point. 1677

A.2.4.2 Results All analyses focused on the behavior of the trustors. The authors show that
most trust was placed in the conditions in the conditions in which there is full information between
the trustors who are playing with the same trustee. Information from the trustor playing with the
same trustee has a positive effect on trustfulness. Additionally, trust declines over time, resulting in
a strong end-game effect. The authors consistently found dyadic control effects and dyadic learning
effects. An effect of network learning on trustfulness was found under some conditions (which was

only possible under the full information condition), but not in all, and no sign of a network control
effect was found whatsoever. The authors provide additional tests for multiple other effects, but
these will not be discussed here as they are of no interest for the current paper. The reported tables
are reproducible, although occasionally the reproduced output differed in the second decimal, which
likely represents a rounding error. Yet, the models had to be fitted in Stata instead of R to obtain
identical results.

## 1690 B Appendix - Coefficients and robustness checks

In this appendix, we provide the estimated coefficients and accompanying standard errors obtained in the original analyses.

Additionally, we briefly discuss the robustness checks, which entails running the same analyses, but 1693 rather than using cluster-adjusted standard errors with one-level estimated coefficients, multilevel 1694 regression models are used. All multilevel logistic regression models were run with glmer() from 1695 the R-package lme4 (Bates et al. 2015). Because a higher number of points for the Adaptive 1696 Gauss-Hermite quadrature, we set the nAGQ parameter in the glmer() call to nAGQ = 50 for all 1697 analyses with two-level logistic regression. When there are more then two levels, we used nAGQ = 1, 1698 because this is the maximum value allowed. The multilevel linear regression models were run with 1699 lmer(), using restricted maximum likelihood estimation (i.e., REML = TRUE). In what follows, we 1700 report the original analyses with the resulting Bayes factors that were reported in the main text 1701 as well, to show how the estimated coefficients lead to the corresponding Bayes factors. For the 1702 sake of brevity, we do not discuss nor report the estimated intercepts, as these are generally of little 1703 substantive interest. We additionally discuss the performed robustness checks, including the Bayes 1704 factors that result from these analyses. 1705

For the studies by Bolton et al. (2004), Seinen and Schram (2006) and Buskens et al. (2010), no cluster-adjusted regression models were required. Accordingly, no robustness analysis with multilevel models were used. In none of these studies were any control variables included, and hence, only the treatment condition was included in the model. Solely the estimated regression coefficients of the treatment effect, standard errors and corresponding Bayes factors are reported (see Table 4).

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In the study by Duffy et al. (2013), three-level logistic regression models were used in the robustness analysis for trustfulness in the minimum versus no network embeddedness and full versus no network embeddedness sessions, as well as for trustworthiness in the full versus no

Table 4: Estimated coefficients and standard errors of the effect of network embeddedness on trustfulness, trustworthiness and cooperation, including corresponding Bayes factors against the unconstrained and complement alternative hypothesis, for both the original analyses and the robustness checks.

Study	Outcome	Coef	SE	$BF_{i,u}$	$BF_{i,c}$
Bolton et al. (2004)	Trustfulness	0.405	0.640	1.474	2.799
	Trustworthiness	-0.336	0.724	0.642	0.473
Duffy et al. (2013):	Trustfulness	0.101	0.269	1.292	1.825
No-MinEmb	Robustness check	0.343	0.292	1.760	7.340
	Trustworthiness	0.101	0.315	1.823	10.319
	Robustness check	0.900	0.422	1.967	59.378
Duffy et al. (2013):	Trustfulness	0.712	0.557	1.799	8.958
No-FullEmb	Robustness check	0.927	0.391	1.982	111.845
	Trustworthiness	2.343	0.593	2.000	2.60e + 04
	Robustness check	3.011	0.588	2.000	6.66e + 06
Buskens et al. (2010)	Trustfulness	1.224	0.854	1.848	12.168
	Trustworthiness	0.901	0.905	1.680	5.255
Van Miltenburg et al. (2012)	Trustfulness	-0.203	0.484	0.675	0.509
	Robustness check	-0.425	0.557	0.445	0.286
	Trustworthiness	0.072	0.499	1.115	1.260
	Robustness check	0.728	0.807	1.633	4.449
Frey et al. (2019)	Trustfulness	0.237	0.422	1.426	2.486
	Robustness check	0.073	0.302	1.190	1.470
	Trustworthiness	1.359	0.439	1.998	1.01e + 03
	Robustness check	1.581	0.393	2.000	3.40e + 04
Barrera and Buskens (2009)	Trustfulness	-0.035	0.049	0.482	0.318
	Robustness check	-0.061	0.040	0.121	0.064
	Trustworthiness	0.038	0.063	1.450	2.634
	Robustness check	0.005	0.021	1.205	1.515
Seinen and Schram (2006)	Cooperation (helping)	0.946	0.572	1.902	19.351
Corten et al. (2016)	Cooperation	-0.501	0.307	0.102	0.054
	Robustness check	-2.016	1.277	0.114	0.061

network embeddedness sessions. However, the three-level regression model for trustworthiness in the 1714 experiment in which minimum network embeddedness was contrasted with no network embeddedness, 1715 failed to converge. In this specific analysis, the session level was dropped, and a two-level logistic 1716 regression model used to account for nesting of actions within individuals. Similarly to the previous 1717 analyses, no additional control variables were included, and hence trustfulness and trustworthiness 1718 were regression on the treatment condition. The results show that all estimated coefficients tend to 1719 increase in magnitude when explicitly modeling the multilevel structure. Hence, the Bayes factors 1720 tend to increase as well. 1721

In Corten et al. (2016), two-level logistic regression models were used in the robustness analysis 1722 for cooperation. Similarly to previous analyses, no additional control variables were included, such 1723 that cooperation was regressed on the treatment condition. The estimated coefficient increases in 1724 size, just as its standard error. Accordingly, the support against the network control hypothesis (note 1725 that the estimated coefficient is negative) slightly decreases in size, but the difference is negligible. 1726 In the study by Van Miltenburg et al. (2012), two-level logistic regression models were used 1727 in the robustness analysis, because the variance on the session level was estimated to be zero. 1728 Accordingly, the session level was dropped from the model. No control variables were considered, so 1720 we performed two-level logistic regression in which trustfulness and trustworthiness were regressed 1730 on the outcome. Whereas, for trustfulness, the estimated coefficient became more negative, the 1731 standard error increased as well, such that the amount of evidence against the network control 1732 hypothesis slightly decreased. For trustworthiness the estimated coefficient increased substantially, 1733 while the estimated standard error also increased, rendering more support for the network control 1734 hypothesis. 1735

For Frey et al. (2019) the same issue occurred, in the sense that modelling the session-level resulted in a variance component that was equal to zero. Accordingly, we employed two-level

logistic regression models in the robustness analysis. In these experiments, we controlled for the probability of encountering an opportunistic trustee (i.e., a trustee with incentives to abuse 1739 trust). These probabilities were either 0.05, 0.20 or 0.40. The lowest and highest category were 1740 included as control variable dummies. In the main analyses, the estimated coefficients for these 1741 dummies were b = 0.44, SE = 0.25 for probability 0.05 and b = 2.24, SE = 0.43 for probability 1742 0.40 for trustfulness, and b = 0.44, SE = 0.35 for probability 0.05 and b = 0.63, SE = 0.42 for 1743 probability 0.40 for trustworthiness. In these analyses, the coefficient and accompanying standard 1744 error for a network control effect on trustfulness decreased in size, rendering slightly less support 1745 for the network control hypothesis than the main analysis. The estimated coefficients of the 1746 control dummies in the robustness analyses were b = 0.58, SE = 0.53 for probability 0.05 and 1747 b = 2.84, SE = 0.70 for probability 0.40 for trustfulness, and b = 0.49, SE = 0.45 for probability 1748 0.05 and b = 0.69, SE = 0.52 for probability 0.40 for trustworthiness. For trustworthiness, the 1740 coefficient of network embeddedness increased (and the standard error decreases), rendering more 1750 support than in the main analysis. 1751

Lastly, in the experiments by Barrera and Buskens (2009) it was not possible to take the session 1752 level into account for the trustfulness analysis, while it was possible for the trustworthiness analysis. 1753 Hence, for trustfulness, two-level linear regression was employed, because the outcome was continuous 1754 (proportion of the endowment sent to the trustee), without any additional control variables. It can 1755 be seen that the coefficient became more negative, while the standard error decreased, rendering 1756 more support for the unconstrained and complement hypotheses. Note, however, that the original 1757 analysis was performed without clustered standard errors, because the clustering tended to decrease, 1758 rather than increase the standard errors. For trustworthiness, a three-level linear regression model 1759 was used, also without control variables, taking both the session level and individual level into 1760 account. This coefficient became smaller in absolute size, just as the standard error, rendering less, 1761

Table 5: Aggregated Bayes factors and posterior model probabilities for the network control hypothesis for the different outcomes and different sets of studies after performing the robustness checks in the individual studies.

	$BF_{i,u}$	$PMP_{i,u}$	$BF_{i,c}$	$PMP_{i,c}$
All studies and outcomes combined	2.66	0.73	9.90e + 17	1.00
Trustfulness $(H_1)$	0.61	0.38	3.74e + 03	1.00
Random partner matching	5.14	0.84	2.30e + 03	1.00
Triads	0.12	0.11	1.63	0.62
Trustworthiness $(H_2)$	20.10	0.95	$2.26e{+14}$	1.00
Random partner matching	2.53	0.72	1.87e + 08	1.00
Triads	7.95	0.89	1.21e + 06	1.00
Cooperation $(H_3)$	0.22	0.18	1.17	0.54

but still positive, support for the network control hypothesis, as compared to the main analyses.

The changes to the overall support were discussed in the main text. Hence, we only display the table containing the aggregated results after replacing the original analyses with their respective robustness checks (see Table 5).