Tutorial 4 Notes Eliciting Injunctive Social Norms*

1. General information

Welcome to Tutorial 4. Tutorial 4 follows on from Tutorial 3, in which we simulated an experiment in the lab. In this tutorial, we are going to read, discuss and evaluate the third assigned paper together. This paper, Krupka & Weber (2013), was the one from which the experiment in Tutorial 3 was taken. Please prepare in advance.

You may notice that today you need to prepare eight questions, half of them is about conducting experiments, and half of them is about the paper Krupka & Weber (2013) itself. For the questions about the experimental techniques, please try to reconstruct your experiences of Tutorial 3 to organize your answers. Therefore, no *hints* for these questions.

For the questions about the paper, you may also notice there are some very specific questions, rather than general questions like Tutorial 1 and Tutorial 2. This is because I am confident that you have had a good command of the general structure of evaluating an experimental paper – based on what we have already went through in Tutorial 1 and Tutorial 2. With this foundation, it is time to go one step further, to think like an Experimental Economist – If I were the author of Krupka & Weber (2013), how would I design the experiment to solve the research question of this paper? These specific questions are for this purpose and guidelines towards these questions are provided. General *hints* and analyse framework are not repeated again and please follow past tutorial information sheets to assist your reading.

2. Today's paper and task

The paper is:

"IDENTIFYING SOCIAL NORMS USING COORDINATION GAMES: WHY DOES DICTATOR GAME SHARING VARY?", by Erin L. Krupka and Roberto A. Weber, *Journal of the European Economic Association*, 2013, 11(3), 495-524. Henceforth, KW13. The paper has been uploaded on Moodle or your can download here.

On Moodle you can also find the experimental instructions from the session you participated in, which you may find useful in reminding yourself about the experiment. Note that in Krupka and Weber's paper, they report that they ran experiments in both Pittsburgh and Michigan. What we did in Tutorial 3 was "Experiment 1" of their Pittsburgh experiments, with the treatment including the standard version of the dictator game rather than the bully version.

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Your tasks are:

Please carefully read the paper, write down replies to the following questions, and come to the tutorial to discuss your replies with classmates.

- 1. How did participating in the experiment make you feel, *i.e.*, what emotions did you experience during the experiment?
- 2. Why are there partitions between the desks in the laboratory?



Figure 1: We have orange partitions in our CeDEx Lab (TB 106).

- 3. Why is it important to ensure subjects **understand** the rules of the experiment? What steps were taken in our experiment to ensure understanding?
- 4. While participating, what did you think the purpose of the experiment might be? Having read the paper, what was the actual purpose of the experiment?
- 5. How was a coordination game used to measure social norms in the experiment? Might there be any methodological problems with the use of this task?
- 6. Why did they choose dictator games as the setting to explore the relationship between norms and behaviour? Why do the authors argue that existing theories of other-regarding preferences (called "social preferences" in the paper) cannot explain variation in behaviour across the different dictator games chosen?
- 7. What were the main findings of the paper?
- 8. Do you believe that *you* might have behaved differently if real money had been at stake? Is it important that economic experiments are **properly** incentivized?

How to prepare, discuss, and ask for feedback for our tutorial?

[**Before you come**] Preparation before class is essential because it helps you more easily and confidently involved in discussion with your classmates and Ying during the tutorial. To help you prepare, you may want to draft some short-written answers to these questions with the help of *Appendix 1*:

Guidelines to write discussion draft.

[During the tutorial] The tutorial will take the form of a broad discussion. A high-quality discussion needs everyone to participate and engage in it. Note that, in class, Ying will not directly provide you with answers to these questions.

[Ask for feedback] Unfortunately we cannot cover all questions in discussion. If you would like to obtain more feedback about one (or more) question, please email your drafted paragraphs of that question to Ying. Ying is willing to give you oral feedback in office hours.

3. Pre-class questionnaire (This is optional!)

When you finish preparation, you are cordially invited to comment the difficulties of this paper in the pre-class questionnaire (by 23:59, March 13, 2022). Your feedback will help Ying to organize the discussion more efficiently.

The questionnaire is anonymous while you may ask by the system to login with university email and password. You can open the link by clicking here or scanning QR code attached below:



Appendix I. Guidelines to write discussion draft

Note: This guideline is written to organize short-written answers. The words in *blue italic font* are general solutions to these questions then some key points for today's paper are listed. You are welcome to expand your writings according to this. However, you are more than welcome to go beyond this.

- 4. While participating, what did you think the purpose of the experiment might be? Having read the paper, what was the actual purpose of the experiment?
- I have already asked you to answer the first half of Question 4 in the questionnaire of Tutorial 3. Therefore, is this research question the same as you thought?
- 5. How was a coordination game used to measure social norms in the experiment? Might there be any methodological problems with the use of this task?
- Using coordination game to elicit injunctive norm, which is firstly proposed by KW13, has already been admitted as a standard lab experiment technique. Any experiment techniques, before being widely accepted as a reliable one, should be questioned and tested again and again so does the one proposed in this paper. You may want to search for other papers that test the reliability of KW13 to formalize your answers.
- 6. Why did they choose dictator games as the setting to explore the relationship between norms and behaviour? Why do the authors argue that existing theories of other-regarding preferences (called 'social preferences' in the paper) cannot explain variation in behaviour across the different dictator games chosen?
- The first half of Question 6 is about the task in the experimental design. The other way to phrase it is:
 - 6.1 Comparing with other social dilemma game (e.g., prisoner's dilemma game, trust game, gift-exchange game, etc.), what are the advantages or properties in the dictator game to make it the best choice of the TASK in KW13's experimental design?
- The second half of the question is about the theoretical predictions (hypotheses) in experimental design. Let us recall the steps in Tutorial 2 (We explained why fairness theories cannot explain cooperators punish defectors in prisoner's dilemma game, right?) to answer this question
 - 6.2 We start from the utility function again...
 - 6.2.1 What is the utility function of an individual with other-regarding preferences?
 - 6.2.2 Under this utility function, suppose this individual is asked to play the various dictator games described in KW13, what actions do we expect this individual to take? (*Note: this individual's aim is to maximize his/her utility function in which contains an item of other-regarding preferences.*)
 - 6.2.3 Do these expected actions to be the same as the data obtained in KW13?
- 7. What were the main findings of the paper?

WARNING: This paper uses a type of regression called a conditional logit, which I doubt you will have studied in your econometrics classes. While you may find interpreting the regression table difficult, you should be able to understand the general results from reading the text. You should also be able to understand the main points of the paper without relying on the sections based on the conditional logit.