Commitment to the public good

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Commitment

- Work with Nicolas Jacquemet & Stephane Luchini + others
- Commitment as basic element in:
 - Market exchange
 - Non-market exchange
- Behavior:
 - o non-enforceable
 - o intrinsic
 - higherstandard of integrity

Real economic commitment

- Commitment in economics
 - Cash on the barrel head
 - Revealed by how you spend your money.

Environmental economics

• But what about commitment in public goods or non-market goods and services like biodiversity and climate change protection?

Oaths as commitment tool in a non-market world

- Oaths
- Historical use
- Oath as ends of commitment
- Oath as means to commitment

Commitment theory

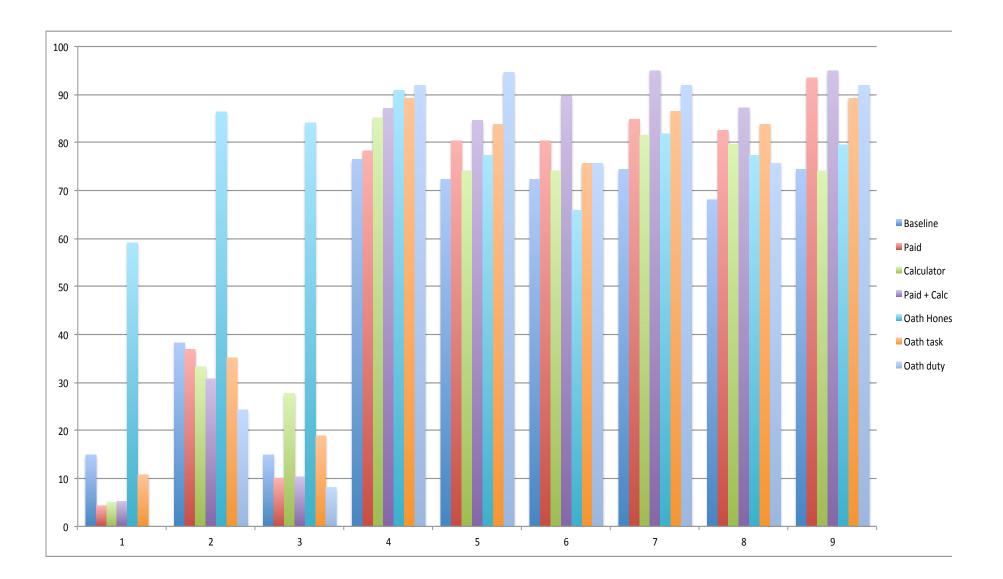
- Economics
- Social psychology

Commitment: Preferences for Nature

- Eliciting preferences to protect nature
- Adopt-a-dolphin
- Experimental Auctions (JEEM, 2013)
- Referendum voting (ERE, 2016)
- Field applications (JEBO, EL)
- DCE

Commitment in DCE: Truth, Duty, or Task

- Oath to truth-telling
- Oath to duty of the job
- Oath to the task



Commitment: Coordination with Communication under Oath

Oath increases truthfulness of senders and increases trust of receivers in messages sent

50% increases in efficient coordination

Oath improves communication - but does not affect overall trust

Oath removes strategic uncertainty - but not bounded rationality

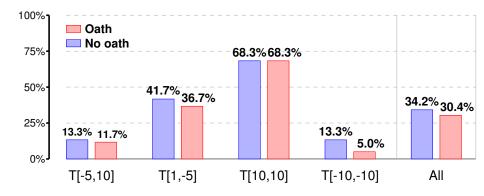
Commitment: Leveraging the honor code for the public good

- Voluntary contributions to the public good
- Social preferences
 - Ultimatum game
 - Dictator game
 - Trust game
- Decision times

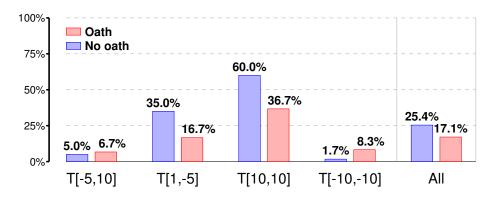
Commitment: White lies for the social good

- White lies to help others v. ourselves
- How commitment to the truth works when lying
- Selfish lies vs Pareto lies
- Oath is strong enough to go against one's self-interest
- But targeted behavior has to match

Oath in a the neutrally worded game



Oath with loaded instructions



Difference significant with p = .022.

Oath & Truth Spectrum

Question

How does the seriousness & publicness of a commitment affect the spectrum/range of people with whom one would be willing to cooperate or tell the truth to?

Goal

• Obtain a spectrum of truth telling.

Setting (I)

- Players are matched along a circle.
- The circle stands for the range of conflict of interests or socioeconomic differences.

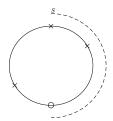


Figure: Player 1 (\bigcirc) is matched with another player (\times) along a circle at a maximum distance S.

Setting (I.2) - Bayesian Game

- The matched player can have two types.
- Both players face a choice between telling the truth or lying.

Main Assumption

• The farther one player is from a matched player, the greater the probability that the match is of a different type.

Baseline

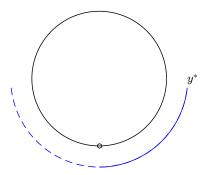


Figure: A truth-telling equilibrium arises if the matched player lies at a distance below y^* .

Setting (II) - Context-dependent Preferences

- Player 1 can take a pre-play action: promise, vow or oath.
- Player 1 derives an extra non-pecuniary benefit from telling the truth.

Main Assumption

• Non-pecuniary benefits decay with distance.

Pre-play Oath (I) Private Oath

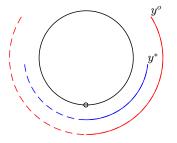


Figure: The spectrum of truth telling of an agent who takes an undisclosed oath, y^o , is greater than without having taken it, y^* . However, between y^* and y^o only the oath-taker would tell the truth. Without knowing that the oath-taker took an oath, the matched player would lie within that range.

Pre-play Oath (I) Public Oath

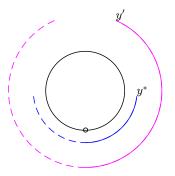


Figure: The spectrum of truth telling of an agent who takes a public oath, y', is greater than without having taken it, y^* . Both players would tell the truth within the pink range.

Pre-play Oath (I) Private vs Public Oath

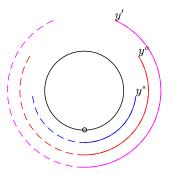


Figure: The spectrum of truth telling of an agent who takes a public oath (y') is greater than when the agent takes an undisclosed oath (y^o) .

Pre-play Oath (II) - Oath-receiver is suspicious about oath-taker's true intentions (Case 1)

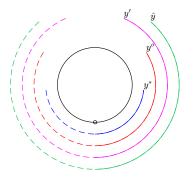


Figure: If the oath-receiver is suspicious about the oath-taker's true intentions, the spectrum of truth telling (\hat{y}) is smaller than when the receiver believes the oath-taker (y'). Both players tell the truth within the green range.

Pre-play Oath (II) - Oath-receiver is suspicious about oath-taker's true intentions (Case 2)

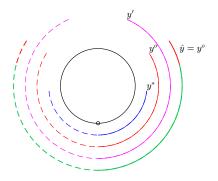


Figure: If the oath-receiver is suspicious about the oath-taker's true intentions, the oath-taker will always tell the truth when his match lies at a distance below y° , or the private-oath truth-telling range. However, past the green range, the oath-receiver would always lie.

Pre-play Oath (III) - Oath-receiver overestimates oath-taker's true intentions

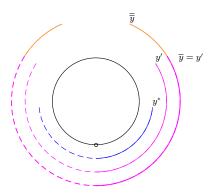


Figure: If the oath-receiver overestimates the oath-taker's true intentions, the oath-taker would only tell the truth within a distance \overline{y} , which coincides with the public-oath truth-telling spectrum, y'. Past \overline{y} , and within the orange range $[\overline{y}, \overline{y}]$, the oath-receiver would misleadingly tell the truth, whereas the oath-taker would lie.