

OSTROM WORKSHOP COLLOQUIUM SERIES

James Walker

Department of Economics, IU Bloomington

“Provision of Public Goods:
Unconditional and Conditional
Donations from Outsiders”

Monday, September 26, 2016

12:00 – 1:00 p.m.

Ostrom Workshop, 513 N. Park



The provision of public goods often benefits a larger group than those who can actively provide the public good. This paper addresses institutional arrangements between subjects who can provide a public good (insiders) and subjects who also benefit from the public good but cannot provide it (outsiders). Using laboratory experiments, we compare a setting of passive outsiders to situations where outsiders can either make unconditional or conditional transfers to the insiders. The primary behavioral question is to what extent outsiders will use the opportunity to subsidize the contributions of insiders and how insiders respond to those subsidies. On average, whether transfers are unconditional or conditional, insiders tend to substitute transfers for their own contributions. Transfers and contributions to the public good tend to decrease across decision rounds, leaving provision levels of the public good lower than a baseline condition with no opportunities for transfers from outsiders.



James Walker is a professor in the Department of Economics at IU. Professor Walker’s research focuses on the use of experimental methods in the investigation of individual and group behavior related to the provision of public goods and appropriation from common-pool resources. His research has been published in a wide range of academic journals. Along with his colleagues Elinor Ostrom and Roy Gardner, he published *Rules, Games, and Common-Pool Resources* ([website](#)).

Presentations are open to the public and are live streamed (see our website for URL and papers). You are welcome to bring your lunch. For questions, contact Allison Sturgeon (sturgeon@iu.edu; 812/855-3151).