



# INDIANA UNIVERSITY BLOOMINGTON **OSTROM WORKSHOP**

## COLLOQUIUM SERIES

### **Esther Blanco**

*Department of Public Finance, University of Innsbruck*

Monday, October 26, 2020: 12:00 – 1:00 pm EST

Virtual via Zoom: [Click here for link to Zoom meeting](#)



## **Experimental Evidence on Sharing Rules and Additionality in Transfer Payments from Outsiders**

This study presents novel evidence showing that group payments distributed proportional to effort are as effective as payments targeted to individuals in increasing public good provision. Results are presented from two studies, varying the sharing rules of transfers among group members (equal share, proportional share, and individual targeting) and the presence of additionality, whereby transfers are received contingent on insiders providing the public good at a level higher than in initial decision periods. The sharing rules studied result in significant differences in cooperation levels. Both the proportional share and targeted-transfers to individuals lead to greater public good provision relative to the equal share rule. Contrary to its alleged relevance in the literature, additionality does not lead to sustained increases in public good provision. Yet, additionality may improve the cost-effectiveness of transfer programs by precluding transfer payments when subsidies do not increase public good provision.

[Esther Blanco](#) is Associate Professor at the Department of Public Finance, University of Innsbruck (Austria). Her research analyzes how economic agents make decisions in social dilemmas, the role of incentives and how these incentives are affected by contextual factors – such as institutional change. Her research uses different methods, including game theory, lab experiments, and lab-in-the-field experiments with non-standard populations. She has an interest in multi-disciplinary research approaches combining multiple methods to tackle complex problems.

Ostrom Workshop  
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*Due to the COVID-19 pandemic, all Ostrom workshop presentations will be virtual until further notice. Join instantly using the link above. For questions, contact Allison Sturgeon ([sturgeon@iu.edu](mailto:sturgeon@iu.edu))*