

Exam questions: Behavioral Labor Economics

Both questions have to be answered.
If appropriate you don't have to write complete sentences.
The maximum number of points is 50.

Question 1 (20 points)

Please discuss the following study:

Gächter, S., Falk, A., 2002. Reputation and Reciprocity - Consequences for the Labour Relation, in: Scandinavian Journal of Economics 104 (2002), 1-26.

- What is the general issue/research question addressed in this paper? (1 P)
- How is it empirically investigated (design, treatments, etc.) (7 P)
- What are the theoretical standard predictions? (2 P)
- What are the main results? (8 P)
- What are general conclusions? (1 P)
- Potential criticism? (1 P)

Question 2 (30 points)

Please discuss the following study:

Falk, A., Kosfeld, M., 2004. Distrust - The Hidden Cost of Control, IZA DP 1203

- What is the general issue/research question addressed in this paper? (2 P)
- How is it empirically investigated (design, treatments, etc.) (10 P)
- What are the theoretical standard predictions for main treatment? Is the prediction different if agents are inequity averse? (4 P)
- What are the main results? (12 P)
- What are general conclusions? (1 P)
- Potential criticism? (1 P)