

# **Professor Dr. Ernst Fehr**

**INSTITUTE FOR EMPIRICAL RESEARCH IN ECONOMICS  
UNIVERSITY OF ZÜRICH**

**LUDWIG BOLTZMANN INSTITUTE FOR RESEARCH IN ECONOMIC GROWTH  
VIENNA**

Blümlisalpstr. 10  
CH-8006 **Zürich**

Tel. (41) (1) 634 37 09  
Fax (41) (1) 634 49 07  
Email: [efehr@iew.unizh.ch](mailto:efehr@iew.unizh.ch)

Curriculum Vitae	Page 2
Awards and distinctions	Page 4
List of Publications	Page 5
Current and Future Research Agenda	Page 12
Teaching Activities	Page 14
Refereeing Activities	Page 16
Book Reviews	Page 16
Presentations at International Conferences	Page 17
Presentations in Research Seminars	Page 18
Membership in Scientific Organizations	Page 19
Research Grants	Page 19

# Curriculum Vitae

## Personal Information

Name: Ernst Fehr  
 Address: Private: Scheuchzerstrasse 71, CH - 8006 Zürich, Tel: +41-1-361 74 16  
 Office: Institut für Empirische Wirtschaftsforschung  
 Universität Zürich, Blümlisalpstrasse 10  
 CH - 8044 Zürich  
 Date of Birth: 21. Juni 1956  
 Place of Birth: Hard in Vorarlberg (Austria)  
 Family Situation: married since 1986, two children (one and five years old)  
 Citizenship: Austria

## Education and Professional Career

1962 - 1966 Primary School in Hörbranz (Austria)  
 1966 - 1970 Secondary School in Hörbranz (Austria)  
 1970 - 1975 Business College in Bregenz (Austria)  
 1975 - 1980 University Education in Economics at the University of Vienna (Master Degree)  
 1980 - 1986 Doctorate in Economics at the University of Vienna  
 1980 - 1982 Research Assistant at the Institute for Public Finance and Economic Policy (Chair: Prof. A. van der Bellen).  
 1980 - 1982 Post Graduate Education in Economics at the Institute for Advanced Studies in Vienna.  
 1982 - 1988 Assistant Professor at the Dept. of Economics and Economic Policy at the University of Technology in Vienna (Chair: Prof. DDr. H. Frisch).  
 1988 - 1989 Research Fellow at the London School of Economics and Political Science.

1989 - 1991	Assistant Professor at the Dept. of Economics and Economic Policy at the University of Technology in Vienna
June 1991	Habilitation in Economics.
1991 - 1994	Associate Professor at the Dept. of Economics and Economic Policy at the University of Technology in Vienna.
Dec. 1992	Offer for a Full Professorship in Economic Theory at the Univ. of Linz (Austria), declined.
Since 1993	Director of the Ludwig Boltzmann Institute for Research in Economic Growth, Vienna.
Since 1994	Chair for Labour Economics and Social Policy at the Faculty of Economics at the University of Zürich.
August 1994	Offer for a Full Professorship in Economic Theory at the Technical Univ. of Darmstadt (Germany), declined.
Since 1995	Core Member of the Research Initiative of the MacArthur Foundation (Chicago) on “Evolution of Preferences and Social Norms”.
Dec. 1997	Offer for a Full Professorship in Economics at the University of Bonn (previously held chair by Reinhard Selten), declined.
April 1998	Offer for a Full Professorship in Economics at the University of Mannheim (Germany), declined.
Jan. 1999	Offer for a Professorship in Economics at the European University Institute in Florence (Italy), declined.
April 2002	Offer for a Full Professorship at Princeton University and the Woodrow Wilson School, declined.
Oct. 2002	Offer for a Full Professorship at the University of California at Berkeley, declined.
Nov. 2002	Offer to become Global Distinguished Professor in Economics at New York University, declined.
Dec. 2002	External Faculty Member of the Santa Fe Institute.
Sept. 2003	Affiliated Faculty Member of the Department of Economics at MIT.

## Awards and Distinctions

- Hicks-Tinbergen Medal for the outstanding paper in the European Economic Review during 1998-2000, EEA-Meeting (Bolzano), August 2000. The prize was awarded for the paper "Gift Exchange and Reciprocity in Competitive Experimental Markets", European Economic Review 42(1998) 1-34. (with G. Kirchsteiger and A. Riedl)
- Gossen prize of the German Economic Association (Verein für Socialpolitik), September 1999. The Gossen Prize is awarded every year to an economist under the age of 45 who has achieved international recognition and reputation.
- Member of the Hicks-Tinbergen Committee to select the best paper in the European Economic Review for the years 2000-2001 (together with Philippe Aghion and Guiseppe Bertola).
- President of the Economic Science Association 2003 – 2005.
- Keynote address at the Congress of the European Association for Labour Economics, September 1999.
- Keynote address at the world meeting of the Economic Science Association (Lake Tahoe, California), May 1999.
- Keynote address at the 16<sup>th</sup> Conference on Applied Micro-Economics (Lyon), June 1999.
- Keynote address at the Congress of the International Association for Research in Economic Psychology and Society for the Advancement of Socio-Economics, May 2000.
- Lecture in the invited paper session on Behavioral Economics at the 8<sup>th</sup> world congress of the Econometric Society (Seattle), August 2000. (with K. Schmidt)
- Frank Hahn Lecture at annual conference of the Royal Economic Society, April 2001.
- Schumpeter Lecture at the European Economic Association Meeting, August 2001.
- Invited Lecture at the Nobel Symposium on Experimental and Behavioral Economics, Stockholm, December 2001.
- Keynote Lecture at the World Congress of the International Economic Association in Lissabon, September 2002.
- Zeuthen Lectures at the University of Copenhagen, December 2002.
- Keynote Lecture at the annual meeting of the Society for the Advancement of Socio-Economics, Aix en Provence, June 2003.
- Keynote Lecture at the annual meeting of the Evolution and Human Behavior Society, Omaha, June 2003.
- Keynote Lecture at the annual meeting of the German Association of Business Administration, Zürich, June 2003.
- Keynote Lecture at the tenth international conference on social dilemmas, Stockholm, August 2003.
- Honorary Doctorate from the University of St. Gallen, June 2004.
- Cogito Prize for the deepening of our insights into the origins and economic consequences of human altruism, June 2004.
- Snyder Lecture at the University of California at Santa Barbara, March 2005.
- Keynote lecture at the annual meeting of the Scottish Economic Association, March 2005.

- Editorial Board: Quarterly Journal of Economics
- Editorial Board: Games and Economic Behavior
- Editorial Board: Journal of Public Economics
- Editorial Board: Experimental Economics
- Editorial Board: Journal of the European Economic Association
- Editorial Board: Journal of Socio-Economics

# List of Publications

## I. Books

Economic Theory of Self-Management and Profit-Sharing, Campus Verlag, Frankfurt - New York 1988, 250 pages (in German Language).

Foundations of Human Sociality – Economic Experiments and Ethnographic Evidence from Fifteen Small Scale Societies, Oxford University Press, Oxford 2004 (joint with Joe Henrich, Robert Boyd, Samuel Bowles, Colin Camerer and Herbert Gintis).

Moral Sentiments and Material Interests, MIT Press, Cambridge Massachusetts 2005 (joint with Robert Boyd, Samuel Bowles and Herbert Gintis).

## II. Contributions in Refereed Journals and International Books

### Forthcoming Papers

“Economic Man” in Cross-Cultural Perspective – Behavioral Experiments in 15 Small-Scale Societies, *Behavioral and Brain Sciences* (with J. Henrich, R. Boyd, S. Bowles, C. Camerer, H. Gintis, R. McElreath, M. Alvard, A. Barr, J. Ensminger, N. Smith, K. Hill, F. Gil-White, M. Gurven, F. Marlowe, J. Patton and D. Tracer).

Neuroeconomic Foundations of Trust and Social Preferences, *American Economic Review* (with U. Fischbacher and M. Kosfeld).

The Neuroeconomics of Mind-Reading and Empathy, *American Economic Review* (with T. Singer).

Human Altruism: Economic, Neural and Evolutionary Perspectives, *Current Opinions in Neurobiology* (with B. Rockenbach).

The Hidden Costs and Rewards of Incentives – Trust and Trustworthiness among CEOs, *Journal of the European Economic Association*. (with J. List).

Robustness and Real Consequences of Nominal Wage Rigidity, *Journal of Monetary Economics*, (with L. Götte)

Reciprocity in Experimental Markets. forthcoming in: *Handbook of Experimental Economic Results* (with Armin Falk).

Intertemporal Choice under Habit Formation. forthcoming in: *Handbook of Experimental Economic Results* (with Peter Zych).

Wage Differentials in Experimental Efficiency Wage Markets. forthcoming in: *Handbook of Experimental Economic Results* (with Simon Gächter).

Reciprocity and Contract Enforcement. forthcoming in: *Handbook of Experimental Economic Results* (with Simon Gächter).

## **Published Papers 2001 - 2004**

Egalitarian Motive and Altruistic Punishment, *NATURE* 433, E1-E2. (with S. Gächter).

Don't lose your Reputation, *NATURE* 432, 449-450.

The Neural Basis of Altruistic Punishment, *SCIENCE* 305, 1254-1258, 2004. (with D. DeQuervain, U. Fischbacher, V. Treyer, M. Schellhammer, A. Buck).

Relational Contracts and the Nature of Market Interactions, *Econometrica* 72 (2004), 747-780. (with M. Brown and A. Falk).

Fairness and Incentives in a Multi-task Principal-Agent Model, *Scandinavian Journal of Economics* 106 (2004), 453-474. (with K. Schmidt).

Loss Aversion and Labour Supply, *Journal of the European Economic Association* 2-3 (2004), 216-228. (with L. Goette and D. Huffman).

Social Norms and Human Cooperation, *Trends in Cognitive Sciences* 8 (2004), 185-190. (with Urs Fischbacher).

Third Party Punishment and Social Norms, *Evolution and Human Behavior* 25 (2004), 63-87. (with Urs Fischbacher).

The Nature of Human Altruism, *NATURE* 425, 23 October 2003, 785-791. (with Urs Fischbacher).

Explaining altruistic behavior in humans, *Evolution and Human Behavior* 24 (2003) 153-172 (with Herbert Gintis, Samuel Bowles, Robert Boyd).

Is Strong Reciprocity a Maladaptation – On the Evolutionary Foundations of Human Altruism. in: P. Hammerstein (Ed.), *The Genetic and Cultural Evolution of Cooperation*. MIT Press, Cambridge, Mass. 2003. (with J. Henrich).

Measuring Social Norms and Preferences Using Experimental Games: A Guide for Social Scientists. forthcoming in: J. Henrich, R. Boyd, S. Bowles, C. Camerer, E. Fehr, H. Gintis, R. McElreath (Eds.): *Foundations of Human Sociality*, Oxford University Press, Oxford 2004. (with C. Camerer)

Detrimental Effects of Sanctions on Human Altruism, *NATURE* 422, 13 March 2003, 137-140. (with B. Rockenbach).

- The Puzzle of Human Cooperation, *NATURE* 421, 27 February 2003, 912. (with S. Gächter).
- On the Nature of Fair Behavior. *Economic Enquiry* 41 (2003), 20 – 26. (with A. Falk and U. Fischbacher)
- What Causes Nominal Inertia – Insights from Experimental Economics. In: Juan Carillo and Isabelle Brocas (Eds.), *Collected Essays in Psychology and Economics*, Oxford University Press 2003. (with J.R. Tyran)
- Theories of Fairness and Reciprocity – Evidence and Economic Applications. Invited Lecture at the 8<sup>th</sup> World Congress of the Econometric Society. In: M. Dewatripont, L. Hansen and St. Turnovsky (Eds.), *Advances in Economics and Econometrics – 8<sup>th</sup> World Congress*, Econometric Society Monographs, Cambridge, Cambridge University Press 2003. (with K. Schmidt)
- A Nation-Wide Laboratory - Examining Trust and Trustworthiness by Integrating Experiments in Representative Surveys, *Schmollers Jahrbuch* 122 (2002), 519 – 542. (with U. Fischbacher, B.v. Rosenblatt, J. Schupp and G. Wagner).
- Reasons for Conflicts – Lessons from Bargaining Experiments. *Journal of Institutional and Theoretical Economics* 159 (2003), 171 – 187 (with A. Falk and U. Fischbacher).
- Why Labour Market Experiments. *Labour Economics* 10 (2003), 399 – 406 (with A. Falk).
- Psychological Foundations of Incentives. Schumpeter Lecture at the European Economic Association Meeting 2001. *European Economic Review* 46 (2002), 687 – 724. (with A. Falk)
- Why Social Preferences Matter – The Impact of Non-selfish Motives on Competition, Cooperation and Incentives. Frank Hahn Lecture at the annual meeting of the Royal Economic Society 2001. *Economic Journal* 112 (2002), C1 – C33. (with U. Fischbacher)
- Strong Reciprocity, Human Cooperation and the Enforcement of Social Norms. *HUMAN NATURE* 13 (2002), 1 – 25. (with U. Fischbacher and S. Gächter)
- The Economics of Impatience, *NATURE* 415, 17 January 2002, 269-270.
- Altruistic Punishment in Humans. *NATURE* 415, 10 January 2002, 137-140. (with S. Gächter)
- Appropriating the Commons – A Theoretical Explanation. in: E. Ostrom, Th. Dietz, N. Dolšák, P. Stern, S. Stonich, E. Weber (Eds.), *The Drama of the Commons*. National Academy Press, February 2002. (with A. Falk and U. Fischbacher)
- Does Money Illusion Matter? *American Economic Review* 91 (2001), 1239-1262. (with J. R. Tyran)
- In Search of Homo Economicus - Behavioral Experiments in 15 Small Scale Societies. *American Economic Review (Papers and Proceedings)* 91 (2001), 73-78. (with J. Henrich, R. Boyd, S. Bowles, H. Gintis, C. Camerer and R. McElreath).
- Are people conditionally cooperative? Evidence from a public goods experiment, *Economics Letters*, Volume 71, Issue 3, June 2001, Pages 397-404. (with U. Fischbacher and S. Gächter)



## Published Papers 1996 – 2000

- Cooperation and Punishment in Public Goods Experiments, *American Economic Review* 90 (2000), 980-994. (with S. Gächter)
- A Simple Mechanism for the Efficient Provision of Public Goods - Experimental Evidence, *American Economic Review* 90 (2000), 247-264. (with J. Falkinger, S. Gächter und R. Winter-Ebmer).
- Fairness and Retaliation – The Economics of Reciprocity, *Journal of Economic Perspectives* 14 (2000), 159-181. (with S. Gächter)
- Fairness, Incentives and Contractual Choices, *European Economic Review* 44 (2000), 1057-1068. (with Klaus Schmidt).
- A Theory of Fairness, Competition and Cooperation, *Quarterly Journal of Economics* 114 (1999), 817-868. (with K. Schmidt).
- Wage Rigidity in a Competitive Incomplete Contract Market, *Journal of Political Economy* 107 (1999), 106-134. (with A. Falk).
- Collective Action as a Social Exchange, *Journal of Economic Behavior and Organization* 39 (1999), 341-369. (with S. Gächter)
- Gift Exchange and Reciprocity in Competitive Experimental Markets, *European Economic Review* 42 (1998), 1-34 (with G. Kirchsteiger und A. Riedl)
- When Social Norms Overpower Competition - Gift Exchange in Labor Markets, *Journal of Labor Economics* 16 (1998), 324-351 (with E. Kirchler, A. Weichbold, S. Gächter)
- How Effective are Trust- and Reciprocity-Based Incentives?, in: A. Ben-Ner and L. Putterman (eds.): *Economics, Values and Organizations*, Cambridge University Press, Cambridge, England 1998. (with S. Gächter)
- Do Addicts Behave Rationally, *Scandinavian Journal of Economics*, Vol. 100, 1998, 643-662. (with P. K. Zych).
- Reciprocity and Economics - The Economic Implications of Homo Reciprocans, *European Economic Review* 42 (1998), 845-859. (with S. Gächter).
- Social Norms as a Social Exchange, *Swiss Journal of Economics and Statistics* 133 (1997), 275-292. (with S. Gächter)
- Reciprocity as a Contract Enforcement Device, *Econometrica* 65 (1997), 833-860. (with S. Gächter and G. Kirchsteiger)
- Institutions and Reciprocal Fairness, *Nordic Journal of Political Economy*, Vol. 23, No.2, 1996, 133-144. (with J. R. Tyran)

- Involuntary Unemployment and Noncompensating Wage Differentials in an Experimental Efficiency Wage Market, *Economic Journal*, Vol. 106, No. 434, 1996, 106-121. (with G. Kirchsteiger und A. Riedl)
- Social Exchange in the Labor Market, *Journal of Economic Psychology*, Vol. 17, 1996, 313-341. (with E. Kirchler and R. Evans)
- Does Social Exchange Increase Voluntary Cooperation?, *Kyklos*, Vol. 49, No. 4, 1996, 541-554. (with S. Gächter)
- How Do Institutions and Fairness Interact?, *Central European Journal of Operations Research*, Vol. 4, 1996, No. 1, 69-84. (with J. R. Tyran)
- Reciprocal Fairness and Noncompensating Wage Differentials, *Journal of Institutional and Theoretical Economics*, Vol. 152, 1996, 608-640. (with S. Gächter und G. Kirchsteiger)
- Labour-Management, in: E. Dülfer (ed.): *International Handbook of Co-operative Organizations*. Vandenhoeck & Ruprecht, Göttingen 1996.

### **Published Papers 1991 – 1995**

- Die Macht der Versuchung: Irrationaler Ueberkonsum in einem Sucht Experiment, *Zeitschrift für Wirtschafts- und Sozialwissenschaften*, Vo. 115, No. 4, 1995, 569-604. (with P. K. Zych)
- Insider Power, Wage Discrimination, and Fairness, *Economic Journal*, Vol. 104, No. 424, 1994, 571-583. (with G. Kirchsteiger)
- Wage Bargaining and Shock Sensitivity of a Small Open Economy, *Journal of Economics*, Vol. 59, No. 3, 1994, 259-286. (with F. X. Hof)
- The Simple Analytics of a Membership Market in a Labour-Managed Economy. In: S. Bowles, H. Gintis and B. Gustafson (eds.): *Democracy and Markets - Participation, Accountability and Efficiency*, Cambridge University Press, Cambridge 1993.
- The Labour-Capital Partnership: Reconciling Workers' Rights with Efficiency. In: T. Atkinson (ed.): *The Economics of Partnership - A Third Way? Essays in Honour of James Meade*, Macmillan, London 1993.
- Two Forms of Workers' Enterprises Facing Imperfect Labour Markets. *Economic Letters*, Vol. 41, 1993, 121-127. (with M. Sertel).
- Does Fairness prevent Market Clearing? - An Experimental Investigation; *Quarterly Journal of Economics*, Vol. 108, No. 2, 1993, 437-460. (with G. Kirchsteiger und A. Riedl).
- Fiscal Incentives in a Model of Equilibrium Unemployment: Reply. *Journal of Institutional and Theoretical Economics*, Vol. 148, No. 2, 1992, 353-354.

Wages and Labour Demand: A Note. *Journal of Institutional and Theoretical Economics*, Vol. 147, No. 3, 1991, 539-546.

### **Published Papers 1984 – 1990**

Cooperation, Harassment and Involuntary Unemployment? *American Economic Review*, Vol. 80, No. 3, 1990, 624-630 and Vol. 81, No. 1, 1991, 384.

Fiscal and Monetary Policies in a Bargaining Economy. *Economic Notes*, No. 2, 1990, 178-202.

Fiscal Incentives in a Model of Equilibrium Unemployment. *Journal of Institutional and Theoretical Economics*, Vol. 146, No. 4, 1990, 617-639.

Union Power and (Un)employment. *Labour - Review of Labour Economics and Industrial Relations*, Vol. 4, No. 2, 1990, 77-104.

Full-Employment through Profit-Sharing? - Critical Remarks on Weitzman's Proposal. *Jahrbücher für Nationalökonomie und Statistik*, Band 206, Heft 3, 1989, 225-242.

A Theory of Short- and Long-Run Equilibrium Unemployment. *Journal of Economics*. Vol. 50, No. 3, 1989, 201-222.

Are Efficiency Wages too high for Full-Employment? - A comment. *Jahrbücher für Nationalökonomie und Statistik*, Vol. 205, No. 1, 1988, 65-72.

Power, Efficiency, and Profitability. *Economic Analysis and Workers' Management*, Vol. 21, No.1, 1987, 1-26. (mit H. Duda).

A Theory of Involuntary Equilibrium Unemployment. *Journal of Institutional and Theoretical Economics*, Vol. 142, No. 2, 1986, 405-430.

Workers' Management and Capitalism in a Nutshell. *Economic Analysis and Workers' Management*, Vol. 18, No. 4, 1984, 319-331.

### **III. Submitted Papers and Working Papers**

Do Workers work more if Wages are high? – Evidence from a Randomized Field Experiment, revise and resubmit *American Economic Review*. (with L. Goette)

The Role of Equality, Efficiency and Rawlsian Motives in Social Preferences, revise and resubmit *American Economic Review*. (with M. Naef and K. Schmidt).

- Driving Forces of Informal Sanctions, revise and resubmit *Econometrica*, Institute for Empirical Research in Economics, University of Zürich, Working Paper No. 59, (with A. Falk and U. Fischbacher)
- Testing Theories of Fairness – Intentions Matter, revise and resubmit *Games and Economic Behavior*, Institute for Empirical Research in Economics, University of Zürich, Working Paper No. 63. (with A. Falk and U. Fischbacher)
- Do Incentive Contracts Crowd Out Voluntary Cooperation?, revise and resubmit *Review of Economic Studies*, Institute for Empirical Research in Economics, University of Zürich, Working Paper No. 34. (with S. Gächter)
- Do High Stakes and Competition Undermine Fairness? Evidence from Russia, revise and resubmit *Journal of Economic Behavior and Organization*, Institute for Empirical Research in Economics, University of Zürich, Working Paper No. 120. (with E. Tougareva and U. Fischbacher)
- Limited Rationality and Strategic Interaction – The Impact of the Strategic Environment on Nominal Inertia, revise and resubmit *Econometrica*, Institute for Empirical Research in Economics, University of Zürich, Working Paper No. 130. (with J. R. Tyran)
- Contracts, Fairness and Incentives, revise and resubmit *Econometrica*, Institute for Empirical Research in Economics, University of Zürich, Working Paper No. 38. (with A. Falk and M. Brown)
- Fairness, Errors and the Power of Competition, submitted to *Journal of Political Economy*, Institute for Empirical Research in Economics, University of Zürich, Working Paper No. 133. (with U. Fischbacher and C. Fong)
- Money Illusion and Coordination Failure, submitted to *Games and Economic Behavior*, Institute for Empirical Research in Economics, University of Zürich, Working Paper No. 177. (with J. R. Tyran)
- Reciprocity Forces versus Competitive Forces: The Impact of Entrance Fees in an Experimental Efficiency Wage Market, University of Technology, Vienna, 1995. (with S. Gächter and G. Kirchsteiger)
- Firm-Specific Human Capital, Unemployment, and Credit Rationing, University of Technology, Vienna, 1991.
- On the Foundations of a Theory of Involuntary Equilibrium Unemployment, University of Technology, Vienna, 1990.
- Labour-Managed and Capitalist Economies in the Absence of Entrance Fees, University of Technology, Vienna, 1990.
- Working Time Reductions and Unemployment as a Worker Discipline Device, University of Technology, Vienna, 1988.

The Radical Theory of the Firm – A Survey, University of Technology, Vienna, 1984. (with H. Fehr-Duda)

#### IV. Papers in German Speaking Journals

Aufsichtsräte in öffentlichen Unternehmen, Skizzen zur politischen Ökonomie Österreichs.

*Zeitschrift für öffentliche und gemeinwirtschaftliche Unternehmen*, Band 5, Heft 2, 1982, 123-150. (mit A. van der Bellen)

Die Wirtschaftskrise Jugoslawiens: Falsche Wirtschaftspolitik oder Systemfehler? *Quartalshefte der Girozentrale*, 18. Jahrgang, No. 4, 1983, 71-90. (mit I. Zloch)

Unfreiwillige Arbeitslosigkeit, Macht und asymmetrische Mobilitätskosten. *Quartalshefte der Girozentrale*, 19. Jahrgang, No. 1, 1984, 67-82.

Die selbstverwaltete Unternehmung - eine effiziente Alternative zum Kapitalismus? *Ökonomie und Gesellschaft*, Jahrbuch 3, 1985, 276-332.

Entwicklung und Ursachen der Staatsverschuldung. *Wirtschaft und Gesellschaft*, 12 Jahrgang, No. 2, 1986, 87-105.

Die kurzfristige Nachfrage- und Beschäftigungswirksamkeit der Fiskalpolitik in einer geschlossenen Volkswirtschaft. *Quartalshefte der Girozentrale*, 21. Jahrgang, No. 3, 1986, 19-39.

Macht, Effizienz und Profitabilität - Eine Radikale Theorie der Unternehmung. *LEVIATHAN - Zeitschrift für Sozial wissenschaft*, 14. Jahrgang, No. 4, 1986, 546-568. (mit H. Duda)

Selbstverwaltung - Argumente für staatliche Interventionen, *Wirtschaft und Gesellschaft*, 13. Jahrgang, No. 4, 1987, 507-528.

Sind Konkurrenzmärkte machtfrei? - Anmerkungen zum Verhältnis von Macht und Ökonomie. *Wirtschaft und Gesellschaft*, 14. Jahrgang, No. 3, 1988, 359-380. (mit H. Fehr-Duda)

Gewinnbeteiligung versus Lohnsubventionen als Mittel der Beschäftigungspolitik. *Wirtschaftspolitische Blätter*, 36. Jahrgang, No. 5/6, 1989, 557-575.

Die Auswirkungen der Gewerkschaften auf die Allokationseffizienz im Lichte einiger Besonderheiten des Arbeitsmarktes. *WSI-Mitteilungen*, 43. Jahrgang, No. 6, 1990, 385-392.

Die Auswirkungen von Nachfrage- und Angebotsschocks auf den österreichischen Arbeitsmarkt. *Wirtschaft und Gesellschaft*, 17. Jahrgang, No. 3, 1991, 285-308. (mit W. Alzinger, K. Althaler, M. Marterbauer, Th. Grandner).

Unfreiwillige Arbeitslosigkeit als Gleichgewichtsphänomen. *Kurswechsel*, Heft 2, 1994, 44-54.

Wie wirken Anreizverträge. Zeitschrift für Betriebswirtschaft, Ergänzungsheft 4, 2001, 145-173.  
(mit S. Gächter).

## V. Contributions to German speaking Books

Individueller Arbeitseinsatz in Selbstverwaltungs-, Gewinnbeteiligungs- und kapitalistischen Unternehmen. in: F. R. Fitzroy und K. Kraft (Hrsg.): *Mitarbeiterbeteiligung und Mitbestimmung im Unternehmen*, De Gruyter, Berlin-New York 1987, 271-294.

Macht und Ökonomie: Das Beispiel atomistischer Arbeitsmärkte. in: W. Küpper und G. Ortman (Hrsg.): *Mikropolitik - Rationalität, Macht und Spiele in Organisationen*, Westdeutscher Verlag, Opladen 1988, 131-154. (mit H. Fehr-Duda)

Selbstverwaltung - wünschenswert und effizient? in: A. Heise (Hrsg.): *Arbeiterselbstverwaltung*, AG-SPAK, Berlin-Wien 1989, 51-70.

Unfreiwillige Arbeitslosigkeit durch Effizienzlöhne? - Eine Gegenkritik. in: K. Gerlach und O. Hübler (Hrsg.): *Effizienzlohntheorie, Individualeinkommen und Arbeitsplatzwechsel*. Campus Verlag, Frankfurt - New York 1989, 27-48.

Arbeitslosigkeit in Europa – Theorie und Empirische Befunde. In: Thomas Geiser, Hans Schmid und Emil Walter-Busch (Hrsg.): *Arbeit in der Schweiz des 20. Jahrhunderts – Wirtschaftliche, rechtliche und soziale Perspektiven*. Verlag Paul Haupt, Bern – Stuttgart – Wien 1998, 217-250. (mit S. Gächter)

Unfreiwillige Arbeitslosigkeit und die institutionellen Bedingungen des Arbeitsmarktes, in: Max Haller und Peter Schachner-Blazizek (Hrsg.): *Beschäftigung in Europa*. Graz: Leykam 1999 (mit S. Gächter).

Ursachen Nominaler Rigiditäten. In: G. Chaloupek, A. Guger, E. Nowotny and G. Schwödiauer (Hrsg.), *Oekonomie in Theorie und Praxis – Festschrift für Helmut Frisch*, Springer Verlag, New York – Hamburg, 2001.

# Current and Future Research Agenda

## 1) **Social Norms and Informal Sanctions (with S. Gächter and U. Fischbacher)**

The purpose of this project is to isolate the forces that maintain and enforce social norms. This involves examining the structure of normative values that human beings develop and the forces governing sanctioning processes.

## 2) **Neurbiological Foundations of Social Emotions and Economic Decision-Making (together with U. Fischbacher)**

This project combines the imaging techniques from the neurosciences with behavioral experiments to study the brain mechanisms underlying economic decisions. In a first experiment we examined the neural basis of altruistic punishment. This project provides neurobiological evidence for social preferences related to the punishment of cheaters in economic exchanges. In a follow up project we investigate the neural basis of moral behaviors like honesty and one-shot reciprocity.

## 3) **The Evolution of Human Sociality (together with U. Fischbacher)**

This project uses techniques from evolutionary game theory to develop dynamic models of the evolution of cooperation and associated proximate mechanisms like altruistic rewarding and altruistic punishment.

## 4) **The Psychology and Economics of Incentives (with L. Goette and A. Falk)**

During the last two decades experimental economists and psychologists have discovered many behavioral regularities that are difficult to reconcile with the prevailing economic view of individual behavior. A sizeable fraction of the people exhibit systematic departures from the assumptions of unbounded selfishness, unbounded rationality and unbounded will-power. This project examines the effects of these departures on economic and non-economic incentives.

## 5) **Behavioral Economics of Contracts (together with K. Schmidt)**

The purpose of this project is to isolate – empirically – the decisive causes for the existence of incomplete contracts. This is insofar of great importance as – in the presence of incomplete contracts – the role of markets and property rights differs substantially compared to a situations with complete contracts.

**6) Bounded Rationality in Intertemporal Choice (together with P. Zych)**

This project examines to what extent people behave according to the principles of dynamic programming and, if not, what are the systematic deviations from intertemporally rational behavior. The aim is to provide empirical foundations for a theory of intertemporal choice that takes into account systematic deviations from rationality. Previous research has almost exclusively focused on hyperbolic discounting. Preliminary evidence shows that loss aversion also gives rise to a systematic violation of Bellman' principle.

**7) Nominal Inertia and Money Illusion (together with L. Goette and J. R. Tyran)**

One of the big unresolved problems in modern macroeconomics is related to the question whether and why there is nominal inertia. Although there is an excess supply of theories that aim at explaining nominal inertia there is only little convincing evidence, i.e. evidence that is capable of persuading the “nonbeliever” of the other “school” of thought. This project attempts to make progress by providing rigorous and replicable experimental evidence on this subject. The paper “Strategic Uncertainty and Money Illusion as Causes of Nominal Inertia” is part of this project.

**8) Reciprocity and Property Rights (together with Klaus Schmidt)**

The Grossmann-Hart-Moore approach to the explanation of property rights rules out any kind of social motivation like, e.g., reciprocity. We show – theoretically and empirically – that, if a (not necessarily large) fraction of the people exhibits reciprocity motives, rather different property rights emerge compared to a situation in which everybody is completely selfish. Joint ownership, in particular, is much more likely to occur than predicted in the GHM-approach.



# Teaching Activities

Graduate level courses were appropriate for advanced Master Students and Ph.D. Students.  
(WT = Winter Term, ST = Summer Term)

## Lectures

*Introduction to Economics and Public Finance*, 3-hour course, undergraduate level, University of Technology, Vienna: ST 1990, ST 1991.

*Bargaining Theory*, 2-hour course, graduate level, Institute for Advanced Studies in Vienna and University of Technology in Vienna: WT 1990/91, WT 1991/92.

*Microeconomic Theory*, 3-hour course, undergraduate level, Univ. of Technology, Vienna: WT 1991/92 and a 4-hour course in the WT 1998/99 at the Univ. of Zürich.

*Distribution Theory*, 2-hour course, graduate level, Univ. of Linz: ST 1992

*Advanced Microeconomic Theory*, 2-hour course, graduate level, Univ. of Linz and Univ. of Zürich: WT 1994/95, WT 1995/96, WT 2000/01.

*Labor Economics*, 2-hour course, graduate level, Univ. of Linz and Univ. of Zürich: ST 1993, WT 1994/95, WT 1995/96, WT 97/98, ST 2000.

*Applied Game Theory*, Graduate level, Institute for Advanced Studies Vienna and Univ. of Zürich: WT 1991/92 ST 1995, ST 1999, WT 2000/01.

*Personnel and Organizational Economics*, graduate Level, 2-hour course at the Univ. of Zürich in each year since 1995.

*Experimental Economics*, graduate level, 2-hour course every second year at the Univ. of Zürich since 1995.

## Seminars

***Public Finance***, graduate level, at the Univ. of Vienna: WT 1980/81, ST 1981, WT 1981/82 (together with Prof. A. van der Bellen) .

***Microeconomic Theory***, undergraduate level, at the University of Technology in Vienna: ST 1984, ST 1985, ST 1986.

***Profit-Sharing and Labor Management***, undergraduate level, at the Univ. of Technology, Vienna: ST 1987, ST 1988, ST 1990, ST 1991.

***Labor Economics***, graduate level, Univ. of Linz and Zürich: ST 1992, ST 1995, WT 1995/96.

***Distribution Theory***, graduate level, Univ. of Linz: ST 1992.

***Advanced Microeconomic Theory***, graduate level, at the Univ. of Linz and Zurich: WT 1994/95, WT 1995/96.

***Personnel and Organisational Economics***, graduate level, at the Univ. of Zürich in each year since 1995.

***Behavioral Economics***, undergraduate and graduate level, several seminars at the Univ. of Zürich since 1995.

## Refereeing Activities for the following Journals:

Nature, Science, American Economic Review, Econometrica, Journal of Political Economy, Quarterly Journal of Economics, Review of Economic Studies, Games and Economic Behavior, Journal of Public Economics, Journal of Labor Economics, Economic Journal, European Economic Review, Journal of Economic Behavior and Organization, Scandinavian Journal of Economics, Kyklos, Journal of Comparative Economics, Rationality and Society, Labour Economics, Journal of Institutional and Theoretical Economics (Zeitschrift für die gesamte Staatswissenschaft), Journal of Economics (Zeitschrift für Nationalökonomie), European Journal of Political Economy, Economic Systems (vormals: Jahrbuch der Wirtschaft Osteuropas), Empirica - Austrian Journal of Economics.

## Book Reviews

Lüftl W. und Martin P. C.: *Die Formeln für den Staatsbankrott - Am Beispiel des finanziellen Endes der Republik Österreich*. Wirtschaftsverlag Langen-Müller/Herbig 1984, München, in: Wirtschaft und Gesellschaft, No. 2, 1985, 278 ff.

Kück M.: *Neue Finanzierungsstrategien für selbstverwaltete Betriebe*. Campus Verlag 1985, Frankfurt - New York, in: Wirtschaft und Gesellschaft, No. 2, 1986, 285 ff.

Laske St. und Schneider U.: *Selbstverwaltung kann man lernen*. Herausgeber und Verleger: Bundesministerium für Soziale Verwaltung, Wien 1985, in: Wirtschaft und Gesellschaft, No. 4, 1986, 583 ff.

Hermann A. und Ulram P. A.: *Vermögensbildung in Arbeitnehmerhand*. Forschungsprojekt des Jubiläumsfonds der Österr. Nationalbank, Jänner 1987, in: Sozialwissenschaftliche Studiengesellschaft (SWS) - Rundschau, No. 1, 1987, 49 ff.

Schneider J.: *Marktet Failure and Unemployment* Transfer Verlag 1987, Regensburg, in: Kyklos, No. 1, 1988, 150 ff.

Buchanan J. A. and Rowley Ch. K. and Tollison R. D. (Eds.): *Deficits*. Basil Blackwell 1987, Oxford, in: Kyklos, No. 4, 1988, 667 ff.

Lindbeck A. and Snower D. J.: *The Insider-Outsider Theory of Employment and Unemployment*. MIT Press 1988, Cambridge, in: Journal of Economics, Vol. 51, No. 3, 312 ff.

Nutzinger H. G. and Backhaus J. (eds.): *Codetermination - A Discussion of Different Approaches*. Springer Verlag 1989, Berlin - Heidelberg, in: Journal of Economics, Vol. 54, No. 2, 190 ff.

## Presentations at International Conferences

- Conference on "Industrial Democracy" at Bogazici University in Istanbul, Juli 1983.
- Conference on "Profit-Sharing and Codetermination" at the Wissenschaftszentrum Berlin, Jänner 1985.
- Meeting of the Social Science Labour Market Research Group at the University of Hannover, April 1987.
- European Economic Association Meeting in Augsburg, August 1989.
- European Meeting of the Econometric Society in München, September 1989.
- Conference on "Microeconomics of Political Economy - Problems of Participation, Democracy and Efficiency" in Uppsala (Schweden), Juni 1990.
- European Economic Association Meeting in Lissabon, September 1990.
- Meeting of the International Economic Association on "The Economics of Partnership" in Honour of Nobel Laureate James Meade, 20.-22. Sept. 1991 in Windsor.
- Meeting of the International Association for Research in Economic Psychology und der Association for Experimental Economics, August 1992.
- Economic Science Association/Public Choice Society Meeting in New Orleans, März 1993.
- Summerschool on Economic Psychology, Universität Linz, Juli 1993
- International Workshop in Experimental Economics, Amsterdam, Sept. 1994.
- Economic Science Association/Public Choice Society Meeting in Long Beach, März 1995.
- International Workshop in Experimental Economics, Amsterdam, Sept. 1995.
- Conference on Ethics and Economics, Universität Oslo, Dez. 1995.
- Economic Science Association/Public Choice Society Meeting in Houston, März 1996
- American Economic Association Meeting in San Francisco, Jänner 1996.
- International Workshop in Experimental Economics, Amsterdam, Sept. 1996.
- International Workshop on Preference Formation and Economics, Stanford, Juli 1996.
- Workshop on Theories of Bounded Rationality, Bonn, May 1997.
- European Economic Association, Invited Paper Session, Toulouse, Sept. 1997.
- Economic Science Association, Mannheim, June 1998.
- Conference on Economics and Psychology, Toulouse, June 1999
- European Economic Association, Invited Paper Session, Santiago de Compostella, Sept. 1999.
- Invited Lecture at the 8<sup>th</sup> World Congress of the Econometric Society, Seattle, August 2000.
- Frank Hahn Lecture at the annual conference of the Royal Economic Society, Durham, April 2001.
- Conference on the Social and Psychological Foundations of Economic Life, European Science Days in Steyr, Austria, July 2001.
- Schumpeter Lecture at the annual conference of the European Economic Association, Lausanne, August 2001.
- Keynote speaker at the European Network on Industrial Policy, Vienna, November 2001.
- Invited Lecture at the Nobel Symposium on Experimental and Behavioral Economics, Stockholm, December 2001

## Presentations in Research Seminars

- University of California at Berkeley, 1993
- California Institute of Technology, Pasadena, 1993
- University of Arizona at Tucson, 1993
- New York University, 1993
- University of Massachusetts at Amherst, 1993
- Virginia Polytechnic Institute, 1993
  
- Harvard University, 1995
- University of Arizona at Tucson, 1995
- University of Pittsburgh, 1995
- Princeton University, 1995
  
- Stanford University, January 1996
- California Institute of Technology, Pasadena, January 1996
- Carnegie Mellon, Pittsburgh, April 1996
- University of Chicago, April 1996
- University of Wisconsin at Madison, April 1996
- University of Bonn, May 1996
  
- Univ. of Dortmund, January 1997
- Univ. of Mannheim, Feb. 1997
- Institute for Advanced Studies, Vienna, March 1997
- Univ. of Bonn, Oct. 1997
- Princeton University, Nov. 1997
- Yale, Cowles Foundation, Nov. 1997,
- Harvard University, Nov. 1997
- National Bureau of Economic Research, Nov. 1997
  
- Univ. of Mass. at Amherst, Oct. 1998
- Univ. of Indiana at Bloomington, Oct. 1998
- Univ. of Michigan at Ann Arbor, Oct. 1998
- Univ. of Chicago, GSB, Oct. 1998
- Cambridge Univ., England, Nov. 1998
- Univ. of Southampton, Nov. 1998
- Tilburg Univ., CentER, Nov. 1998
  
- Univ. of Chicago, May 1999
- Brookings Institution, May 1999
- European University Institute, May 1999

- University of California at Berkeley, March 2001
- MIT, March 2001
- Santa Fe Institute, March 2001
- Carnegie Mellon, March 2001
- New York University, November 2001
- Princeton University, November 2001

and many more presentations in 2002 – 2004.

## Membership in Scientific Organizations

American Economic Association  
 European Economic Association  
 Austrian Economic Association  
 Swiss Society for Economics and Statistics  
 Royal Economic Society  
 Verein für Socialpolitik

CEPR Fellow (since 1999)

Fellow of the Center for Economic Studies (CESifo) in Munich, Germany

Fellow of the Institute for the Study of Labour in Bonn, Germany (IZA)

## Research Grants

- *Involuntary Unemployment as an Equilibrium Phenomenon*, 1993 - 1996, financed by the Austrian Science Foundation.
- *Social Norms and Wage Formation*, 1995-1998, financed by the Swiss National Science Foundation.
- *Network on Economic Environments and the Evolution of Individual Preferences and Social Norms*, 1995 – 2001, MacArthur Foundation, Chicago.
- *Causes and Consequences of Nominal Inertia*, 1998 - 2001, financed by the Swiss National Science Foundation.
- *European Network for the Development of Experimental Economics*, 1998-2001, financed by the European Union.