

Read me: Teaching aid for “Commitment and (in)efficiency: A bargaining experiment.”

This folder contains the following files:

1. Slides designed to be used for teaching PhD students the paper. (Teaching Aid Slides.pdf)
2. Editable files used to create the slides. (Teaching Aid Slides.tex and all files in the subfolder “Figures”)
3. A Stata Do file that can be used to replicate some of the basic data analysis presented in the slides. (anlaysis.do)

Some comments on the material:

- The slides do not cover the entire scope of the paper, and instead focus on just experiment I.
- One aim of the teaching aid is to provide material that can be used to help teach students about the trade-offs involved in experimental design choices. In the teaching aid we discuss various design choices we faced and our resolution, while referencing the literature that helped informed these decisions.
- In the extensive form game corresponding to the bargaining protocol we study there are multiple equilibria. There are equilibria that are efficient, but complex, and equilibria that are inefficient but simple. A key focus in experiment I is testing between these theories. In the teaching aid we solve for these equilibria. These theories guided both the experimental design and the interpretation of results.
- At the end we discuss some limitations of experiment I. These particularly pertain to external validity. We attempt to address some of these limitations in the paper through experiments II and III, although this material is omitted from the teaching aid. We also discuss the relationship of our experiment to an experimental literature on power in networks from sociology.
- All papers cited in the slides are referenced in the paper.