

Institutional preferences in the laboratory

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Abstract

Designing effective social and policy systems is a vital and forbidding challenge made more difficult because, in real-world settings, individuals don't just passively accept the static environments imposed upon them: they act both within and upon the social systems that structure their interactions. Should we expect player-driven changes to the "rules of the game" to benefit cooperation, as agents tweak their environment toward non-zero-sum games — or hinder it because of the challenges of constant change? We introduce a laboratory setting to test whether groups can guide themselves to cooperative outcomes by manipulating the strategic environment that structures their interactions. By offering players "first-order" choices within an economic game (agency over behavior) along with "second-order" choices between games (agency over the rules of the game), we understand emergent cooperation in naturalistic settings in which the rules of the game are themselves dynamic and subject to choice.