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| Public Economics |

Public Goods and Free Riding

MobLab Game: Public Goods: Linear

Key Teaching Points:

* Highlights the features of public goods: non-rival and non-excludable.
* Shows the tension between individual and group welfare.
* Experience the free-rider problem.

*Additional games include Public Goods: Discrete (Threshold) and Public Goods: Rewards and Punishment*

Externalities

MobLab Game: Externalities with Policy Intervention

Key Teaching Points:

* Show a divergence between market price and quantity and the socially optimal price and quantity for an externality-generating good.
* Demonstrate that taxes and subsidies help individuals to internalize these externalities.
* Explore tradable permit market for a good with a negative externality.

Tax Incidence

MobLab Game: Competitive Market

Key Teaching Points:

* Show that the competitive-market equilibrium maximizes total surplus (absent external costs or benefits).
* Show that taxes affect equilibrium outcomes and result in deadweight loss.
* Demonstrate the difference between who pays the tax and who bears the burden of the tax.
* Experience how who bears the burden of the tax depends on elasticities.

Public Choice

MobLab Game: Voter Turnout (Two Candidate)

Key Teaching Points:

* Explore the paradox of voting with students.
* Explore comparative statics such as the size effect, competition effect, and underdog effect.

MobLab Game: Two Candidate Election

Key Teaching Points:

* Familiarize students with the spatial model of voting.
* In the standard one-dimensional spatial voting model with two candidates, in equilibrium both candidates choose the policy most preferred by the median voter.

MobLab Game: Multilateral Bargaining

Key Teaching Points:

* Students experience coalition formation and how majority rule may lead to unequal distribution of resources.
* Demonstrate the power of the proposer.

Common-Pool Resources

MobLab Game: Commons: Fishery

Key Teaching Points:

* Set group size equal to one or many to reveal property rights as the fundamental issue of the commons.
* Individual profit maximization leads to overuse of a common-pool resource.
* Communication and indefinite repetition may lead to more cooperative outcomes.

MobLab Game: Tragedy of the Commons

Key Teaching Points:

* An individual's utility maximizing catch has an interior optimum.
* Since fish in a public lake are a common resource, each individual has an incentive to overfish (i.e., not take into account the cost imposed on other group members).
* Regulations, such as taxes or subsidies, can mitigate the over-use of natural resources.

Contingent Valuation

MobLab Game: Blank Survey

Key Teaching Points:

* Create your own survey-based experiment on contingent valuation using our Blank Survey tool. You can create different frames to elicit student WTP and WTA for non-market goods.