Who Joins the Committee?
An Experiment on Shared Governance, Corruption, and Public Scrutiny

Andy Cao[1] Danila Serra[2] Dmitry Ryvkin[3]

[1]Center for Naval Analyses, [2]Texas A&M University, [3]RMIT University

[Work in Progress]

2025 Stata Economics Symposium

Motivation

- The management of public funds usually relies on *Committees*:
  - City Councils
  - Homeowners Associations
  - Parent-Teacher Organizations

- Joining these committees:
  - is costly, but necessary for the provision of public goods...
  - which may lead more pro-social individuals to join...

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- Joining these committees:
  - is costly, but necessary for the provision of public goods...
  - which may lead more pro-social individuals to join...
  - but it can be a way to easily embezzle public funds, if corruption is widespread, and there is little transparency and accountability
    - Association boards are unregulated by specific federal agencies.
    - Cases of fraud and embezzlement are common

Motivation

Former Cleveland Councilman Basheer Jones sentenced on charges of fraud

By Avery Williams and Brian Koozer
Published: Apr. 1, 2025 at 3:42 PM CDT

Editor's Note: This story contains previous video from 19 News.

CLEVELAND, Ohio (WOIO) – Former Cleveland City Councilman Basheer Jones was sentenced to two years, four months, and must pay $143,000 in restitution and also serve three years of probation after his release.

He pleaded guilty last December to federal charges.

Jones, who previously represented Cleveland's Ward 7, was charged on Nov. 25 in a two-count information with conspiring to commit wire fraud and honest services fraud.

MARTIN COUNTY

Stuart woman in jail on charges including grand theft over $100K and scheme to defraud

Olivia Franklin
Treasure Coast Newspapers

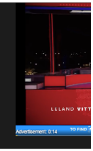
July 23, 2025, 3:07 p.m. ET

Home >> Local >> Local Las Vegas

Four found guilty in massive Las Vegas HOA fraud case

CRIME

Former Cabot Parent-Teacher Organization president guilty of felony theft of funds



by: Alex Kienlen
Posted: Oct 9, 2025 / 12:14 PM CDT
Updated: Oct 9, 2025 / 12:14 PM CDT

SHARE

CABOT, Ark. – Officials with Cabot Schools announced on Wednesday that a former Parent-Teacher Organization president has been found guilty of theft.

Officials said Kimberly Ledee was found guilty in the Lonoke Circuit Court and will be sentenced on Oct. 28. Ledee served as the Northside Elementary PTO president from January 2021 to May 2023.

Research Questions

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  - And does it matter for the way public funds are managed?

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    - Do corrupt committees attract corrupt types?

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  - And does it matter for the way public funds are managed?
  - Do self-selection and committee governance depend on the status quo level of corruption?
    - Do corrupt committees attract corrupt types?

- Does public scrutiny reduce corruption in these committees and attract less corrupt types into committees?
  - Pressure from the public, e.g. town hall meetings?
    - The need to communicate the committee's decisions and outcomes?
    - The need to answer to questions from citizens?

This paper

- We conduct a laboratory experiment to examine the dynamics of group-decision making for the management of public funds:
  - The appropriation of public funds
  - Individuals' decision to join the committee
  - The effectiveness of public scrutiny in reducing the embezzlement of public funds

- The advantages of a lab experiment:
  1. We can exogenously create committees that are *initially prone to corruption* or *initially honest/pro-social*
  2. We can observe communication between committee members
  3. We can measure citizens' beliefs about the occurrence of corruption
  4. We can measure individual *types* and study which types join the committee
  5. We can study the dynamics of decision-making, conditional on new individuals joining the committee over time
  6. We can exogenously increase the level of scrutiny from the public

The Committee Experiment at a Glance

- The experiment simulates a society with citizens and committee members
- Citizens generate money to a public fund (PF) managed by the committee
- Committee members earn less than citizens

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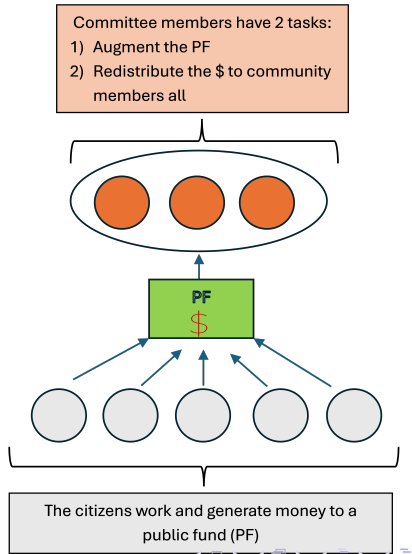
- The experiment simulates a society with citizens and committee members
- Citizens generate money to a public fund (PF) managed by the committee
- Committee members earn less than citizens
- They engage in an easy task to augment the PF: 80% chance of augmenting it if task is successful
- They decide to divide the PF by 8 or by 3
- **Lack of Transparency**: Citizens do not know the outcome of the task
  - *If they get no money back, is it because of hard task, bad luck or embezzlement?*



The Committee Experiment at a Glance

- This is a **repeated game**, with multiple embezzlement opportunities
- After a certain number of decision rounds, a committee member steps down and citizens can volunteer to join the committee

We ask:

- Are committees made of more corruption-prone individuals more likely to embezzle?
- What types of citizens want to join the committee? The pro-social or the corrupt?
- What happens in the long-run? Do initially corrupt/honest committees stay corrupt/honest? Or do new members change the committee's path?
- Does increasing public scrutiny decrease embezzlement, in the absence of extrinsic incentives (penalties/rewards)?

This Talk

- Related Literature
- Model and Predictions
- The Committee Experiment
  - The Roles: Citizens and Committee Members
  - The Stages of the Game
  - The Treatments: Baseline, Messages, TownHall
  - Creating Honest vs. Corrupt Initial Committees
  - Data: Sampling and Implementation
- Results:
  - The dynamics of group-level embezzlement in initially honest vs. corrupt committees
  - Who joins the committee
  - Chat data: What is said within honest and corrupt committees?

Contribution

- Large literature on selection into the public sector:
  - **Pro-social** individuals more likely to choose public over private sector: Banuri and Keefer (2018); Barfort et al. (2019), Friebel et al. (2019);
  - **Dishonest** types are more likely to choose public over private sector: Banerjee et al. (2015), Hanna and Wang (2017), Brassiolo et al. (2021)
  - **Our Contribution**: We focus on tasks that involve the management of group funds:
    - require group decision-making, hence agreement between group members
    - rely on the volunteering of private citizens
    - apply also to private organizations as long as there are common funds to be managed
- Other related studies:
  - Impact of monitoring and auditing on corruption (e.g., Ferraz and Finan, 2008; Olken, 2007)
  - Information on corruption of politicians effective in altering voter preferences (Aker et al. 2017; Banerjee et al. 2014; Ferraz and Finan 2008)
  - **Novelty:** Less is known on the impact of *(only)* public scrutiny on the administration of public funds *(local governance)*

Model and Predictions

- A society is made initially of n citizens and k committee members
- Each agent is characterized by type (m, b), where m is a moral cost of embezzlement and b is a benefit from public service
- One-dimensional "benevolence" type $a = m + b$ determines embezzlement: agents with $a < (>) a_e$ prefer to (not) embezzle.
- Citizens pay taxes on their labor income (or contribute a fixed percentage to a group fund)
- Committee receives the total taxes collected and invest into a project that if successful, augments the fund to be redistributed to citizens
- Committee members can embezzle the money instead (majority voting)
- Citizens do not observe whether the project was successful and if the money was embezzled
- After some time, a committee member steps down and a new citizen can volunteer to join into the committee Model

Model and Predictions

- Citizens' willingness to join the committee depends on their type a, and also on beliefs:
- Citizen of type a believes that *if she joins the committee*, the committee will be corrupt with probability $\mu(a)$
- *If someone else joins the committee*, the committee will be corrupt with probability $\tilde{\mu}$

Model

Model and Predictions

- **Predictions for willingness to join the committee based on type**:
  1. More pro-social types (fixed m, higher b) are more likely to join
  2. More corrupt (less moral) types (fixed b, lower m) are more likely to join
- **The role of beliefs**:
  1. When $\tilde{\mu} \uparrow$ (the belief about corruptibility of others), willingness to join $\uparrow$
  2. When $\mu(a) \uparrow$ (own corruptibility or corruptibility of the committee), willingness to join $\uparrow$ for corrupt citizens ($a < a_e$) but $\downarrow$ for honest citizens ($a > a_e$), i.e., citizens should be more willing to join a corrupt committee no matter what, but more corrupt citizens more so.
- **Treatment effects**:
  1. Honest vs. Corrupt status quo $\rightarrow$ lower vs. higher $\mu(a) \rightarrow$ citizens are more likely to join corrupt committees [Only holds if citizens update their beliefs by observing committee outcomes.]
  2. If increasing public scrutiny raises the moral cost of embezzlement (m), we should see less corruption when committee members need to "interact" with citizens, e.g., to explain the outcomes

The Committee Experiment: Design Requirements

- When designing the experiment, we needed to make sure the following applied:
  1. Committee members should be able to embezzle public funds, without the public knowing;
  2. Initial committees should be either honest or corrupt (different *status quos*);
  3. Citizens should update their beliefs about the status quo level of corruption through experience:
     - Corrupt Committee $\Rightarrow$ citizens believe the committee is corrupt;
     - Honest Committee $\Rightarrow$ citizens believe the committee is honest;
  4. Citizens should be able to periodically volunteer to join the committee.

The Committee Experiment: The Citizens

- A "society" is made of 3 "Committee Members" and 5 "Citizens"

The Committee Experiment: The Citizens

- A "society" is made of 3 "Committee Members" and 5 "Citizens"
- Subjects play in 4 blocks of 10 rounds, for a total of 40 rounds
- In each round, **Citizens**:
  - start with a fixed wage (100);
  - engage in a simple real-effort task for 30 seconds
  - If producing more than an easy to meet threshold, they earn money (50) but have to deposit 64% (32) of earnings to a PUBLIC FUND (21% tax rate)

The Committee Experiment: The Committee members

- In each round, **Committee members**:
  - earn a fixed wage (80, *less than citizens*)
  - engage in a simple task (one general knowledge quiz question);
  - If at least one CM is successful, the public fund is tripled with $p = 80\%$, lost with $p = 20\%$;
  - Each CM **votes** on whether to:
    - Distribute the fund equally among all society members (3+5)
    - Divide the fund among the 3 committee members only (corruption).

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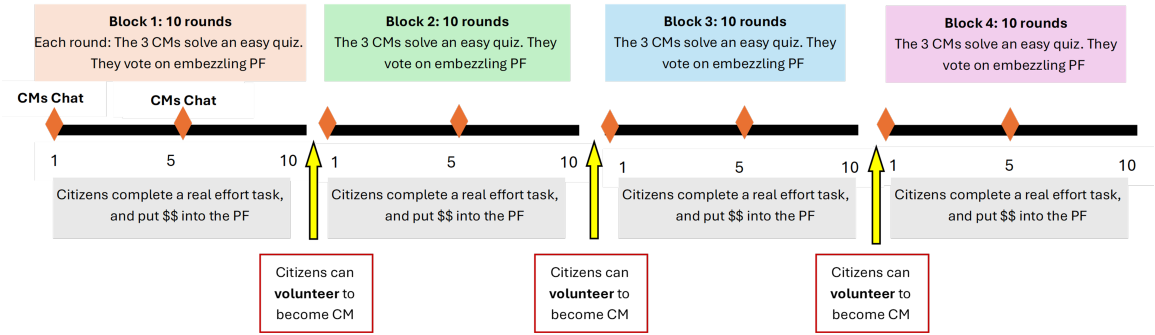
- **Lack of transparency**:
  - Citizens get feedback on the outcome: money they receive back
  - If they get zero back, it could be because:
    - The Committee Members were unsuccessful in their task (unknown to citizens), or
    - They were successful but unlucky, or
    - They were successful and embezzled.

The Committee Experiment: Communication and CM Replacement

- **Communication among Committee Members**:
  - At the beginning of round 1 and round 6, Committee Members can chat (through free-form messages) for 2 minutes.
- **Measurement of Citizens' Beliefs about Corruption**:
  - At the end of round 5 and round 10, we elicit citizens' beliefs about the occurrence of embezzlement in the previous 5 rounds.
- **At the end of a Block: A Citizen joins the Committee**
  - One CM is randomly selected to step down;
  - Citizens can volunteer to become a CM;
  - New CM is randomly selected among the volunteers.
- **Blocks 2 to 4: The process repeats**

The Committee Experiment: Stages of the Game



The Committee Experiment: The Treatments

- **Honest** vs. **Corrupt** *Initial* Committees
  - Can we exogenously create initial committees that are more or less prone to corruption?
  - Can we study embezzlement over time, as new citizens become CM?
  - Do honest/corrupt committees attract different types of citizens?

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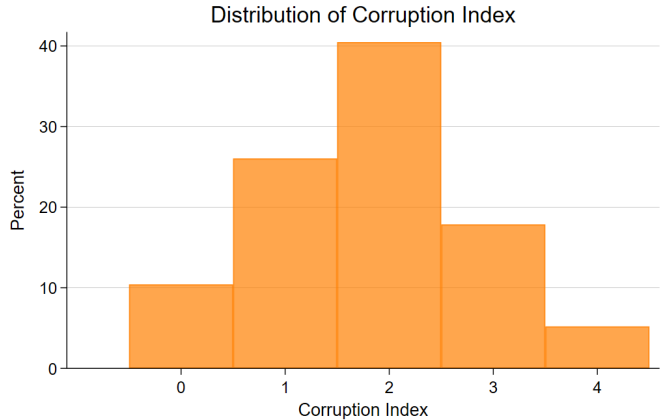
- Increasing Public Scrutiny
  - **Baseline**: No scrutiny, i.e., no communication between CMs and citizens
  - **One-Way Messages**: In round 5, Committee members can agree to send a message to citizens, to explain themselves *(they can lie)* or promise better outcomes in the future
  - **Town Hall**: CMs can send messages to citizens, and citizens can pay a cost to send a message to CMs.

The Committee Experiment: Honest vs. Corrupt Initial Committees

- **Objective:** Exogenously create societies that differ in the corruptibility of the committee
- We conduct 4 pre-games to categorize individuals into different "types"
  - Donation to a charity of their choice (7 shown) : 0-1
  - Dichotomous "Giving" VCM (groups of 4): 0-1
  - Dychotomous "Taking" VCM (groups of 4): 0-1 Instructions
  - Coin toss game: 15 tosses, 1 if reported $N_{\text{tails}} \geq 12$
    - Theoretically, the probability of $N \geq 12$ is less than 2%. These are "likely cheaters"
- We generate an individual-level **Corruption index** ranging from 0 to 4 Pre-game results

The Committee Experiment: Honest vs. Corrupt Initial Committees



- We use this index to create:
  - Honest Initial Committees: the 3 lowest scoring subjects
  - Corrupt Initial Committees: the 3 highest scoring subjects

The Committee Experiment: Honest vs. Corrupt Initial Committees

- Initial committee members are *subtly* informed of the selection rule:
  - **Corrupt Committee**: "We assign 1 point to participants who did not donate, 1 point to those who did not invest in the group account, 1 point to those who reported a large number of tails and 1 point to those who decided to take from the group. You and the other two participants have been chosen as Committee Members because you scored the highest in the four activities of Part 1."
  - **Honest Committee**: "We assign 1 point to participants who did not donate, 1 point to those who did not invest in the group account, 1 point to those who reported a large number of tails and 1 point to those who decided to take from the group. You and the other two participants have been chosen as Committee Members because you scored the lowest in the four activities of Part 1."

Data: Sampling and Implementation

- 672 Texas A&M students, 55% women, 20 years old on average
- Each session lasted 90 minutes on avg
- Each participant earned an avg of 24 USD
- Data for 42 "societies" with assigned initial Honest Committee and 42 societies with assigned initial Corrupt Committee (8 subjects per society);

- Experiment programmed in oTree and conducted in person at TAMU (ERL lab)

	No Scrutiny	**One-Way Messages**	**Town Hall**
Honest Committee	14 societies 42 Committee Members 70 Citizens	14 societies 42 Committee Members 70 Citizens	14 societies 42 Committee Members 70 Citizens
Corrupt Committee	14 societies 42 Committee Members 70 Citizens	14 societies 42 Committee Members 70 Citizens	14 societies 42 Committee Members 70 Citizens

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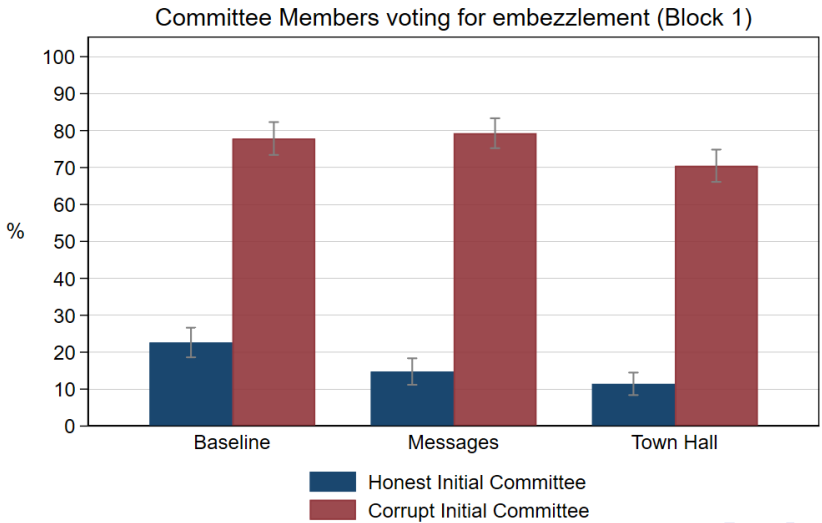
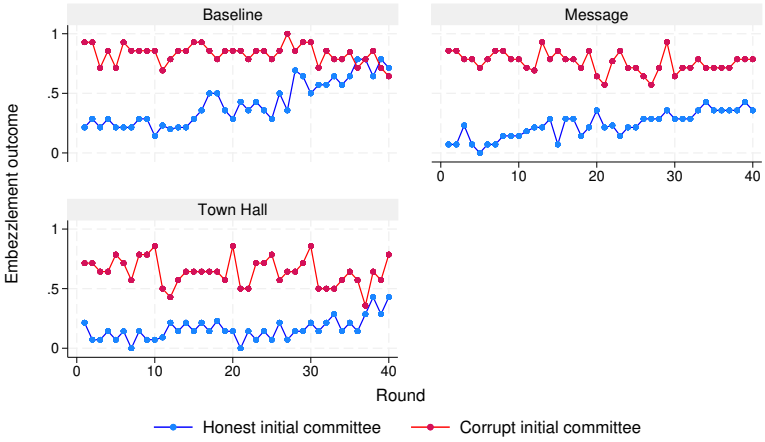
Results: Voting for Embezzlement

- Committees initially made of members with high corruption index are more likely to embezzle



Results: Embezzlement Outcomes

- Absent public scrutiny, initially honest committees become more and more corrupt
- Initially corrupt committees remain corrupt as new members enter, except for Town Hall



Results: Embezzlement Outcomes

	Embezzlement	Embezzlement	Embezzlement
	(1)	(2)	(3)
Corrupt Initial Committee	0.473***	0.473***	0.413***
	(0.059)	(0.055)	(0.112)
Messages		-0.130*	-0.186
		(0.072)	(0.117)
Town Hall		-0.225***	-0.259**
		(0.069)	(0.104)
Corrupt Committee*Messages			0.113
			(0.144)
Corrupt Committee*Town Hall			0.066
			(0.137)
Constant	0.263***	0.382***	0.412***
	(0.056)	(0.074)	(0.095)
Observations	3,341	3,341	3,341
R^2	0.235	0.269	0.271
Round FEs	Yes	Yes	Yes
Clusters	84	84	84

Notes: Linear probability model. Dependent variable: committee-level embezzlement outcome. Robust standard errors clustered at the committee level in parentheses. Significance levels: * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Additional Findings

- The corruption index (individual *type*) is a strong predictor of voting for embezzlement
- But less so under greater public scrutiny
- Old and *new* Committee Members in *Initially Corrupt Committees* are more likely to embezzle – This is true both for honest and corrupt types

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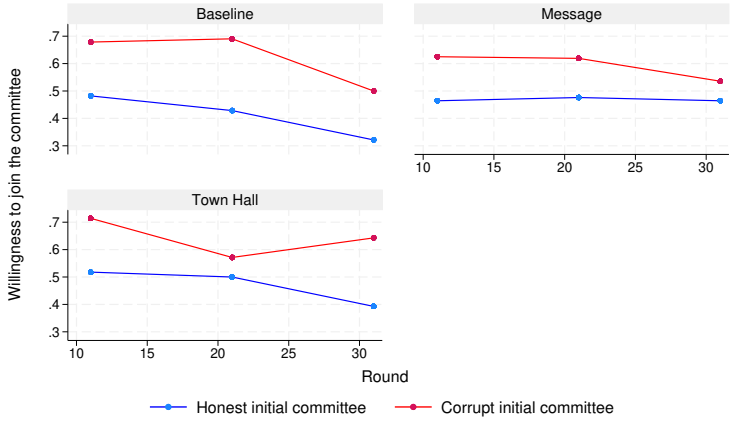
	Baseline	Message	Town Hall
Corrupt initial committee	0.375**	0.425***	0.342**
	(0.153)	(0.105)	(0.139)
Corruption index	0.219***	0.119**	0.093**
	(0.035)	(0.049)	(0.039)
(Corrupt initial committee)	-0.101**	-0.041	-0.005
×(Corruption index)	(0.045)	(0.053)	(0.058)
Constant	0.113	0.127*	0.071
	(0.088)	(0.070)	(0.054)
Observations	3,312	3,297	3,318
Clusters	28	28	28
R-squared	0.262	0.260	0.241

Results: Who Joins the Committee?

- Corrupt committees attract more citizens
- This means that citizens that experience lack of PF's transfers are more willing to join the committee



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- Do individuals join the committee to embezzle or to stop the embezzlement?
- **Both**: Voting is aligned to one's type – Corrupt(honest) individuals join the committee and vote for(against) embezzlement
  - As a result, own type is not a predictor of volunteering for the Committee Member role

	Wants to Join	Wants to Join	Wants to Join
	(1)	(2)	(3)
Corrupt Initial Committee	0.172***	0.174***	0.221**
	(0.059)	(0.059)	(0.097)
Messages	0.000	0.003	0.046
	(0.071)	(0.071)	(0.105)
Town Hall	0.032	0.036	0.063
	(0.072)	(0.072)	(0.099)
Corruption Index		0.014	0.017
		(0.046)	(0.046)
Corrupt Committee*Messages			-0.084
			(0.142)
Corrupt Committee*Townhall			-0.053
			(0.144)
Constant	0.484***	0.454***	0.426***
	(0.056)	(0.105)	(0.110)
Observations	756	756	756
R^2	0.037	0.038	0.039
Clusters	84	84	84

Results: Chat Data

- In all treatments, committee members could chat for 2 minutes twice during a block of 10 rounds: before round 1 and before round 6
- Free-form messages
- Do the chats between CMs in initially Corrupt Committees and initially Honest Committees look different?

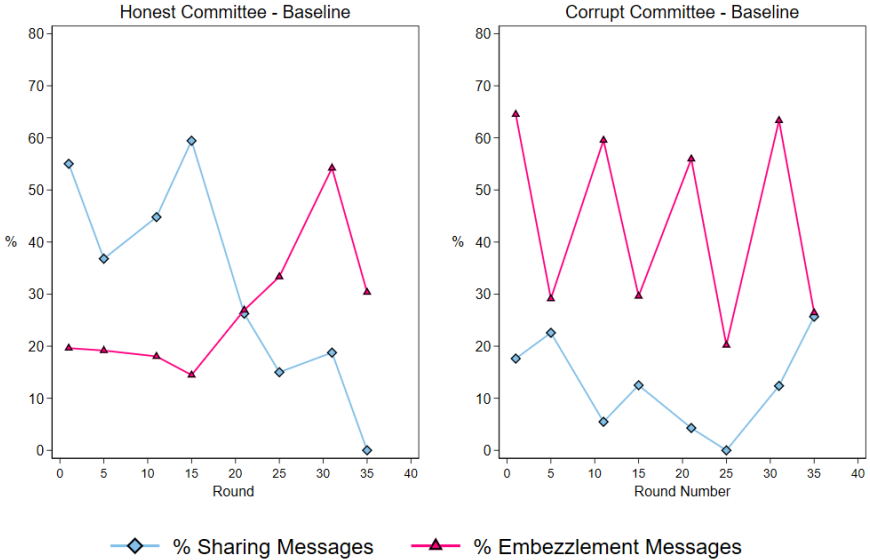
Chat messages example: Honest Committee

Hi
Hey
hello
do you guys want to be fair and
split everything
equally?
yeah
Sure, were all trying to get paid here!
meow
meow
meow
yes!
i'm glad we all agree lol
ok
i'd hate to get robbed
yeah, euqally!
equally
equally!
equally!

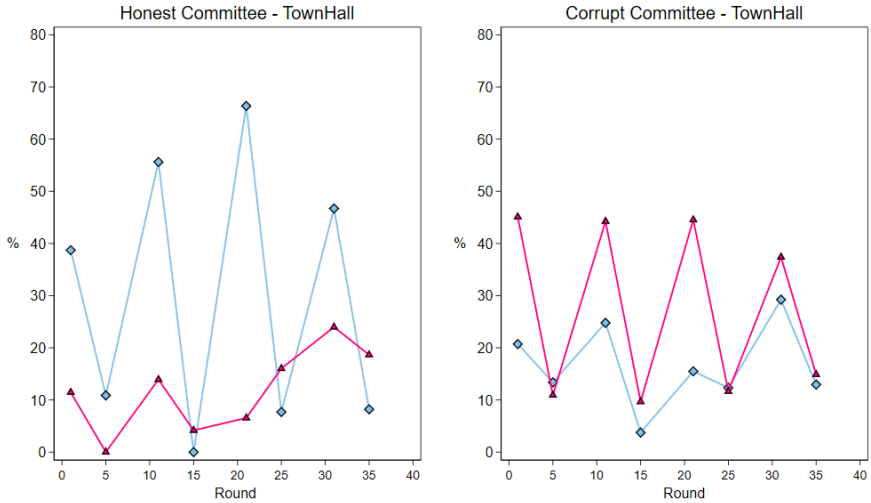
Chat messages example: Corrupt Committee

do yall wanna keep the money between us 3 if we triple the acc
perfect
keep it all
im down
yes
sure
so only one of us needs to get the question right for us to be able to control the money?
capitalism
i think so
word
Yes I too would endeavor to retain the funds
hahah this is who things work
ahahaha
im excited
we keep the money
this is kind of live
nice
making bank w no effort
we only didnt get the money from the first round
hahah
$$$$$$$

Chat Analysis: Baseline



Chat Analysis: Town Hall



Results: Citizens' Participation in Town Halls

- In Town Hall, citizens could send a free-form message to the committee every 5 rounds, for a small fee
- There were 140 opportunities, in total, to send a message in each group/block (5 citizens$\times$2 rounds$\times$14 groups).
- The number of messages is small, and is not different across the two types of committees

Block	**Honest initial committee**	**Corrupt initial committee**
1	6	7
2	7	8
3	9	12
4	9	7
Total	31	34

Table: The number of messages sent by citizens in Town Hall.

Citizens' Messages in Town Hall - Corrupt Committee

the odds are crazy that we have not received public funds ONCE. it doesnt add up

if citizens dont receive public fund 4/5 times in this next sequence i am done with tasks. i will purposefully fail tasks. committee members make less than citizens this way. other citizens should join me if the committee does not fairly distribute.

STOP BEING A COMMUNIST GOVERNMENT

you all deserve to be impeached <3

SHARE THE MONEY

HURRY UP I WANNA GO

0/15 doesn't seem too plausible. Not mad, just interesting.

Our citizen tasks are pretty easy. Not sure how difficult the Committee tasks are that we never got anything.

where is all my money going ?

I want to see 3 cashouts (my money back) or else I am on strike for the entire rest of game. WHO IS WITH ME?

Lemme cut y'all a deal, committee members. If i get 2 payouts in the first 3 rounds, I will let yall keep every penny from the last 2 rounds, ok? Everyone in?

if its getting tripled you better start sharing it, we're the reason yall are getting money in the first place

we have never received any money, even if its difficult . i think we should go on strike, if they wont give us our money, why should we give them theirs

if you do not share the fund I will fail the tasks it will hurt you more then me

Summary

1. **Are committees made of more corruption-prone individuals more likely to embezzle?**
   - Yes

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   - Both
   - Especially when the initial committee is corrupt

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3. **What happens in the long-run?** Do initially corrupt/honest committees stay corrupt/honest? Do new members change the committee's path?
   - Initially corrupt committees remain corrupt
   - Initially honest committees become corrupt (absent scrutiny)

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3. **What happens in the long-run?** Do initially corrupt/honest committees stay corrupt/honest? Do new members change the committee's path?
   - Initially corrupt committees remain corrupt
   - Initially honest committees become corrupt (absent scrutiny)
4. **Does increasing public scrutiny decrease embezzlement**, in the absence of extrinsic incentives (penalties/rewards)?
   - Increased public scrutiny maintains honesty of initially honest committees
   - Town Hall is especially effective as it also reduces corruption of *initially corrupt committees*

- Both public scrutiny and honest "types" are needed to avoid corruption in the long run

THANK YOU

dserra@tamu.edu

dmitry.ryvkin@rmit.edu.au

Model

- Committee members receive flat wage w_c; citizens earn $w + s$, where $w > w_c$, $s \geq 0$ is labor income [lower earnings for committee members reflect opportunity costs]
- Citizens pay tax $\tau \in [0, 1]$ on their labor income; total collected tax $T = \tau ns$ is transferred to the committee
- Committee invests T into a project that yields lottery $(rT, 0; p, 1 - p)$; $r > 1$, $p \in [0, 1]$ is the probability of success; $pr > \frac{n+k}{n}$ (ex ante efficiency)
- If the project fails, final earnings are $\pi_c = w_c$ and $\pi = w + (1 - \tau)s$ for committee members and citizens
- If the project is successful, the committee can

  (i) **Share** the money equally: $\pi_c = w_c + \frac{rT}{n+k}$, $\pi = w + (1 - \tau)s + \frac{rT}{n+k}$; or

  (ii) **Embezzle** the money (share only among themselves): $\pi_c = w_c + \frac{rT}{k}$, $\pi = w + (1 - \tau)s$
- **Only committee members observe if the project was successful**
- The decision whether or not to embezzle is made by majority voting

back

Model

- Each agent is characterized by type (m, b), where m is a moral cost of embezzlement and b is a benefit from public service
- Utility of committee member with type (m, b) is

$$u(m, b, Z) = w_c + Z\left(\frac{rT}{k} - m\right) + (1 - Z)\left(b + \frac{rT}{n + k}\right)$$

  where $Z = 1$ if money is embezzled, 0 otherwise
- Type (m, b) prefers embezzlement if $a = m + b < a_e = \frac{nrT}{k(n+k)}$
- "Honest" type: $a > a_e$; "corrupt" type: $a < a_e$
- Voting on the committee: Embezzle if $\text{median}\{a_1, \ldots, a_k\} < a_e$ (the median type is corrupt) [assume sincere voting]

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Model: Self-selection

- Repeated game and committee rotation:
  1. After R rounds, one committee member randomly steps down
  2. Citizens state whether they are willing to be on the committee
  3. One willing citizen randomly fills the spot
- Citizens' beliefs:
  - $\mu(a)$ is the belief of a citizen with $a = m + b$ that *after she joins the committee*, the committee will be corrupt
  - $\tilde{\mu}$ is the belief of a citizen that *after someone else joins the committee*, the committee will be corrupt
- Decision to join the committee for a citizen with type (m, b):

$$p\big[b + \mu(a)(a_e - a)\big] > (1 - \tau)s - \frac{p\tilde{\mu}rT}{n + k} + w - w_c$$

- Two reasons to join:
  - (i) utility from public service: Increases with b
  - (ii) earn money from embezzlement: Decreases with a; the total effect depends on whether a changes because of m or because of b

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VCM - Positive Frame

- Game played in groups of 4
- If you invest the money in the private account, you will earn: 10 + 4 x (N. who invest in the Group account)
- If you invest the money in the group account, you will earn: 4 x (N. who invest in the Group account, including you)

If you invest in the Group (G) account:				
	If 0 others invest in G account	If 1 other invests in G account	If 2 others invests in G account	If 3 others invests in G account
You earn	4	8	12	16
Your group as a whole earns	46	52	58	64
If you invest in the Private (P) account:				
	If 0 others invest in G account	If 1 other invests in G account	If 2 others invests in G account	If 3 others invests in G account
You earn	10	14	18	22
Your group as a whole earns	40	46	52	58

back

VCM - Negative Frame (Taking)

- A group account contains 320 ECU to be equally divided among the 4 group members, each receiving 80 ECU.
- You and the other 3 group members will have to independently decide whether you want to take 20 ECU from the group account before it gets redistributed equally.
  - If you take 20 ECU from the group account, you will earn: 100 - 10 x (N. who took from the group account, including you)
  - If you do not take 20 ECU from the group account, you will earn: 80 - 10 x (N. who took from the group account)

If you take from the Group account (G):

	If 0 others take from G	If 1 other takes from G	If 2 others take from G	If 3 others take from G
You earn	90	80	70	60
Your group as a whole earns	300	280	260	240

If you do not take from the Group account (G):

	If 0 others take from G	If 1 other takes from G	If 2 others take from G	If 3 others take from G
You earn	80	70	60	50
Your group as a whole earns	320	300	280	260

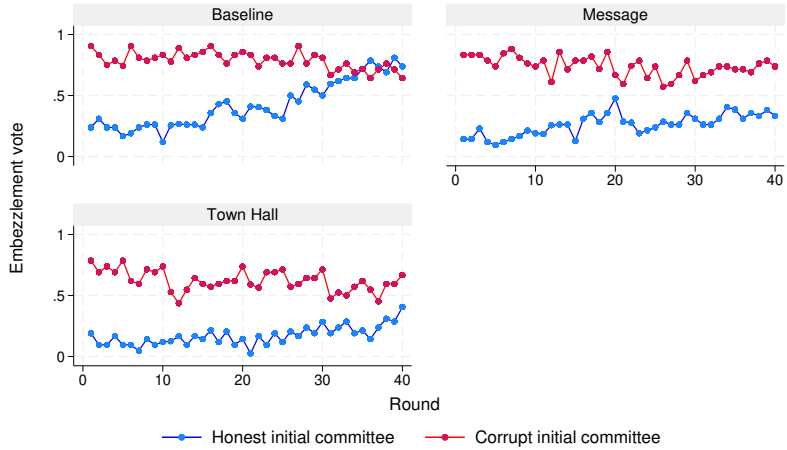
The Pre-Games

- Donation game: About 50% donated
- VCM: About 30% contributed to the public good fund
- VCM-take: 48% took from the public good fund
- Cheating game: 13% reported a number $>=12$

back

Results: The Decision to Vote for Embezzlement

- The figures show the share of Committee Members who vote to embezzle



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Results: The Decision to Vote for Embezzlement

	Honest Initial Committee	Corrupt Initial Committee
	(1)	(2)
Messages	0.0959	-0.0596
	(0.1237)	(0.1258)
Town Hall	0.0249	-0.1607
	(0.1427)	(0.1476)
Block	0.1535***	-0.0378
	(0.0259)	(0.0230)
Block×Message	-0.1024**	0.0045
	(0.0397)	(0.0345)
Block×Town Hall	-0.1109***	-0.0022
	(0.0383)	(0.0401)
Constant	0.0384	0.8842***
	(0.1088)	(0.0981)
Observations	4,953	4,953
Clusters	42	42
R-squared	0.1113	0.0326

Linear probability model regression results for individual embezzlement votes by committee members, pooled OLS. Robust standard errors clustered by group in parentheses. Significance levels: * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

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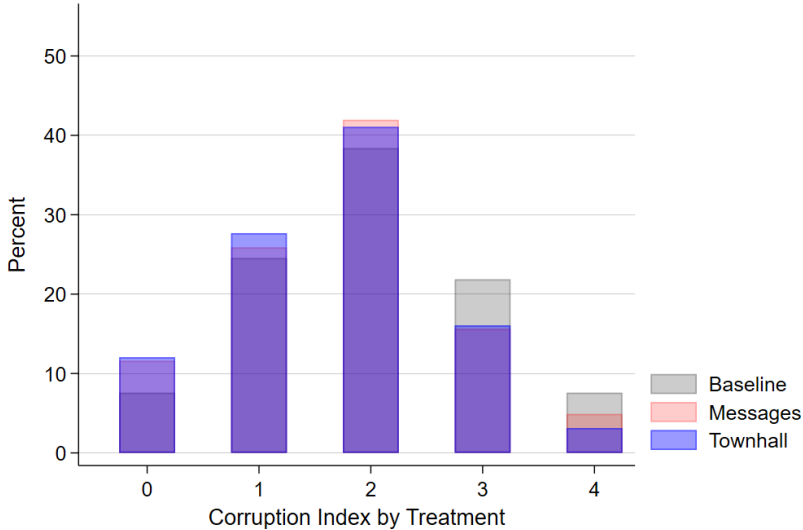
Corruption Index by Treatment



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Committee game parameters

- Citizen
  - Fixed wage: 100 ECU
  - Task: Encoding letters, counting zeros, finding letters, slider task (switch every 10 round)
  - Bonus if completes all tasks in one round: 50 ECU
    - 32 ECU (64%) is deposited into the public fund
    - 18 ECU (36%) is kept by the citizen
    - The public fund can have a maximum of 160 ECU
- Committee member
  - Fixed wage: 80 ECU
  - Task: trivia question (e.g., Which country held the 2016 Summer Olympics?)
  - If at least 1 member is successful in the task, the public fund will be tripled with probability 80%, or lost with probability 20%

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