

Dissertation abstract: The influence of culture on economic behavior with applications to food and the environment

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Economists are challenged to account for the influence of cultural norms and expectations on economic behavior. Recent experimental economic evidence suggests culture significantly affects certain economic behavior. It is not clear, however, how pervasive culture's influence is on multiple dimensions of economic behavior. In this dissertation, economic experiments are used to explore multiple dimensions of economic behavior across cultures. Data are collected in China, France, Indiana, and Niger and a control location, Kansas. The research results are reported in three essays.

In the first essay, the argument that culture's influence on economic behavior is multi-dimensional is presented. Experiments measure prominent dimensions of economic behavior including subjects' strategic behavior expectations, cooperation, and risk and time preferences. Data analysis reveals there are significant differences among country groups in all dimensions of economic behavior considered. Results are used to increase understanding of linkages among economic behaviors across cultures.

The second essay is focused on interaction between culture and hypothetical bias. This study compares votes to fund a public good in a hypothetical referendum to subsequent votes in an actual referendum using real money. Hypothetical bias exists when a subject changes his or her vote from the hypothetical to the real vote. Results reveal significant differences in the frequency and direction of hypothetical bias across locations. This finding calls into question the assumption that non-market valuation estimates can be transferred from one culture to another.

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Individuals' preferences for food attributes are investigated in the third essay. The analysis focuses on preferences for product origin relative to preferences for organic production and genetic modification. Results show that, on average, individuals prefer own country of origin products. However, the value of own country of origin is not as great as consumers' value for the other credence attributes.

The results detailed in these essays indicate culture is imbedded in subjects' behavior across multiple types of economic decisions. Economists need to account for the effect of culture on economic behavior in order to effectively implement economic theory and models across cultural contexts.

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