

Contents

Acknowledgements	ix
1 Introduction	1
2 On Conflicts, Social Capital, and Fairness	9
2.1 On Conflict	11
2.1.1 Conflict Technology, the Choice Set and Equilibria . . .	14
2.1.2 Property Rights	20
2.1.3 Conflict Reduction	30
2.2 On Social Capital	38
2.2.1 Concepts and History	39
2.2.2 Evidence and Applications	44
2.3 On Fairness	53
2.3.1 Information and Fairness	56
2.3.2 Causal Attributions	60
2.3.3 Fairness and its impact on markets	63
2.3.4 Perceptions of Fairness and Social Comparisons	66
2.3.5 Concluding Comments	70
2.4 The Contribution of this Thesis	73
3 Morality and Conflict	79
3.1 Introduction	79
3.2 The role of morality in situations without property rights . . .	85
3.2.1 The model	86
3.2.2 Universal Education	98
3.2.3 Welfare Considerations	101
3.3 Morality and Property Rights	103
3.3.1 The model	104
3.3.2 The enforcement of property rights under the Tullock CSF	108
3.4 Conclusions	110

4	Human and Social Capital in the Shadow of Conflict	113
4.1	Introduction	113
4.2	A homogenous society	117
4.2.1	The model	117
4.2.2	The effects of education on production and appropriation	119
4.3	A society with heterogenous agents	121
4.3.1	The effect of education revisited	122
4.4	Investment into Social Capital	128
4.4.1	The Model	128
4.4.2	Empirical Evidence	131
4.5	Conclusion	135
5	Influencing Fairness Norms – Anchoring and Fairness	139
5.1	Introduction	139
5.2	Project-Design:	144
5.2.1	The Appropriation Game	144
5.2.2	Experimental Procedures	148
5.2.3	Research Questions and Hypotheses:	149
5.3	Results	153
5.3.1	Take-Authorities:	153
5.3.2	Responders:	161
5.4	Discussion	166
5.5	Concluding Remarks	169
6	Conclusion	173
A	Mathematical Appendix	181
A.1	Proof of Proposition 5-8	181
A.1.1	Proof of Proposition 5	182
A.1.2	Proof of Propositions 6	183
A.1.3	Proof of Proposition 7	183
A.1.4	Proof of Proposition 8	184

B Statistical Appendix	185
B.1 Fair Take-Rates	186
B.1.1 Testing for Anchoring	186
B.1.2 Testing for Self-Serving Bias	187
B.2 Take-Rates:	190
B.3 Expected Take-Rates	190
B.4 Destruction	192
B.4.1 Expected Destruction	192
B.4.2 Destruction	193
C Experimental Instructions	197