

Comments on „Is a “Firm” a Firm? A Stackelberg Experiment”

Are subjects in Stackelberg experiments influenced by neutral vs. loaded language where the latter means that players in the experiment are called firms? Are results different if firms are represented by teams instead of individuals?

These are interesting questions – but there is also a large literature concerned with these questions. So where is the innovative approach? The fact that the Stackelberg game is employed (while most other studies use Cournot, Ultimatum and other games) is not so much of a difference. Perhaps it is the comparison of three treatments (neutral, loaded, team), but this is neither extremely interesting. In my eyes the innovation is the *passive* players in the two-person teams. So, these are not really team decisions but a single decision maker is given *responsibility* for the income of someone else. So, the interesting comparison would have been between team decisions (with active decision makers) and responsibility decisions (only one decision maker).

The results of the experiments by and large confirm the results of other experiments. Responsibility decisions seem to be similar to team decisions.

A critical point is the design of the experiment with which I am unhappy because of two reasons.

1. The logistics must have been rather difficult, carrying messages between two rooms with randomly assigned pairs or even four subjects in the “team” treatment. The passive players had nothing to do all the time. How could they be kept quite? A normal procedure in a classroom experiment would have used the strategy method and would have resolved the question of “active” or “passive” in the “team” treatment only at the end.

2. The fact that there are only 1 or 2 sessions with 10 random matching’s make statistical tests difficult. In particular the non-parametric tests reported on page 10 need to be carried out on a session basis, i.e. a minimum of 5 or 6 sessions is absolutely necessary.

Evaluation: The innovative potential of the paper is its contribution to the responsibility discussion. New experiments are, however, necessary which, first, focus on this question and which, second, have a sufficient number of sessions or independent observations within a session.