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How Fair Shares Compare: Experimental Evidence from Two Cultures[¶]

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Abstract

We use a suite of economic experiments to study social preferences governing the distribution of earned and unearned income in rural villages in western Kenya. Our experiments vary the extent to which income depends on individual effort while holding other aspects of the economic environment constant. Results suggest that, in rural villages, the relative weight placed on others does not depend on the extent to which those individual increased the total surplus through their own effort. However, more educated subjects and those drawn from villages closer to the road do reward others for their effort; their allocation decisions are consistent with models of reciprocity.

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