

# Cooperation, Punishment and Networks

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## Abstract

In this paper we design an experiment to study how the network structure of a group affects the individual behavior in a team-work environment. Groups of agents repeatedly play a standard linear public good game in the lab and a network determines which members of the group each agent is able to observe. We consider four stylized networks: the complete network, the star, the line and the circle. For each network, we analyze two scenarios: without and with punishment opportunities (à la Fehr and Gächter, 2000), being the punishment opportunities also determined by the network. We compare the contribution and efficiency levels across networks, and study, for each case, the effects of allowing for punishment opportunities.