

Online appendix A to “Fairness in bankruptcy situations: an experimental study”

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In this appendix, we provide additional figures and tables referred to in the main text.

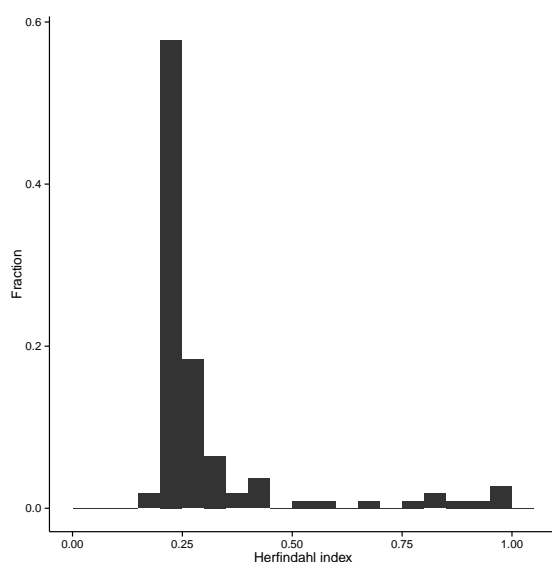


Figure A1: **Distribution of the Herfindahl index**

Note: The figure provides the distribution of the Herfindahl index for the concentration of production for the participants in the experiment. The Herfindahl index for participant i is given by $H_i = \sum_{i,f} x_{i,f}^2 / X_i^2$, where $x_{i,f}$ is the production of individual i in firm f and X_i is the total production of individual i . The index is bounded below at 0.2, by participants reaching the production threshold in all 31 rounds and spreading the production maximally (six rounds in four of the firms and seven rounds in one firm).

*Cappelen, Sørensen, and Tungodden: NHH Norwegian School of Economics; Luttens: Amsterdam University College & VU University Amsterdam.

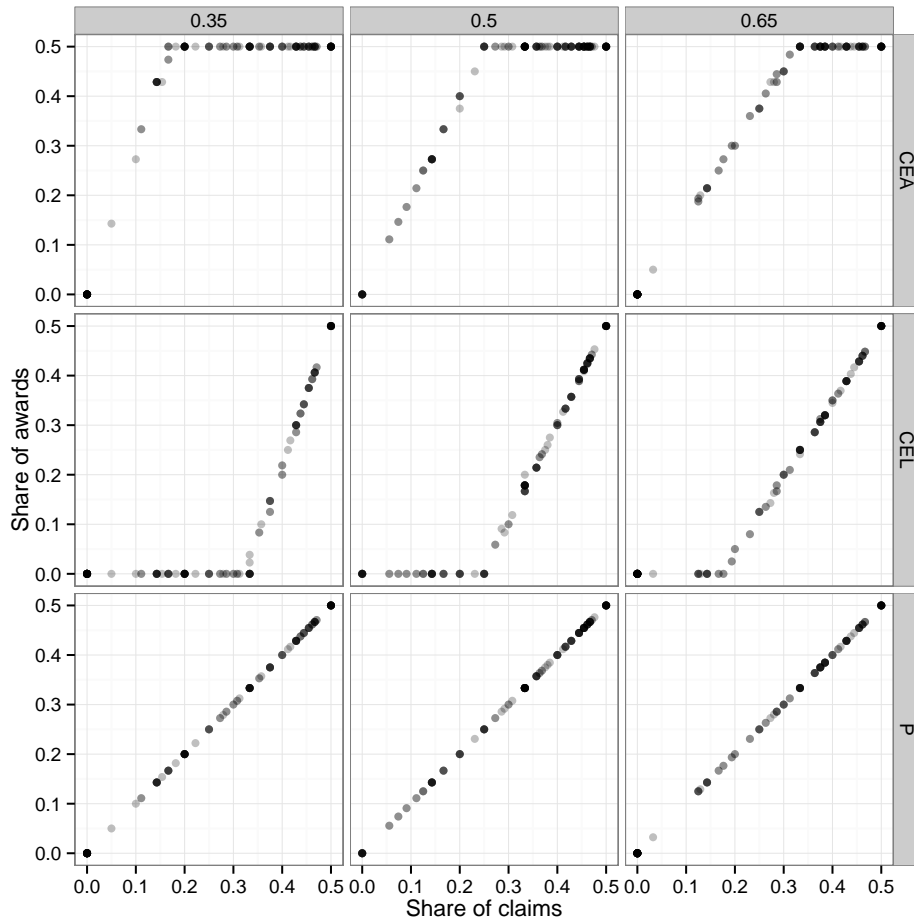


Figure A2: **Share of awards: Implications of the fairness rules by liquidation value**

Note: Each panel shows the relationship between “Share of awards” (the liquidation share awarded to the claimant with the weakly smallest claim) and ‘Share of claims’ (the share of the total claims for the claimant with the smallest claim) for the three fairness rules. The columns indicate different liquidation values and the rows the different fairness rules. The relationship is indicated at the data points of the experiment.

	Share of awards							
	All		35% left		50% left		65% left	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Share of claims	0.69*** (0.07)	0.68*** (0.07)	0.78*** (0.11)	0.75*** (0.11)	0.56*** (0.15)	0.55*** (0.14)	0.71*** (0.11)	0.71*** (0.11)
Female		0.014 (0.03)		0.00 (0.04)		0.03 (0.04)		0.01 (0.03)
Years of study		0.01 (0.01)		0.02 (0.01)		0.02 (0.01)		0.00 (0.01)
Familiar with law		-0.08** (0.03)		-0.10** (0.05)		-0.08** (0.04)		-0.04 (0.04)
Constant	0.13*** (0.03)	0.13*** (0.04)	0.10** (0.04)	0.12* (0.06)	0.17*** (0.06)	0.16** (0.07)	0.12*** (0.04)	0.13** (0.05)
Observations	426	426	137	137	148	148	141	141
R ²	0.23	0.25	0.28	0.31	0.13	0.15	0.30	0.30

***Significant at the 1 percent level.

**Significant at the 5 percent level.

*Significant at the 10 percent level.

Table A1: Linear regressions of share of awards on share of claims

Note: The table reports regressions of the independent variable “Share of awards” (the liquidation share awarded to the claimant with the weakly smallest claim) on a set of explanatory variables. “Share of claims”: the share of the total claims for the claimant with the smallest claim. “Female”: indicator variable taking the value one if the participant is a female. “Years of study”: the number of years that the participant has studied after high school (1-5). “Familiar with law”: indicator variable taking the value one if the participant self-reports that he is somewhat or very familiar with bankruptcy law. Standard errors (in parentheses) corrected for clustering at the individual level.