Altruism Squared? The Economics of Statalist Exchanges

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Presentation to the Stata Conference, Washington DC, July 2009

Outline

- Introduction
- 2 Economic Behavior
- Statalist Output
- References

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- **1** Introduction
- Economic Behavior
- Statalist Output
- 4 References

Short Quote

But all that said, Statalist when it works as intended is free, fast, friendly (modulo marginal grumping), clear and correct, so who's grumbling?

(Famous Statalist member, 7/20/2009)

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As of June 2009: 3,281 members
```

```
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▷ 1,667 Statalist proper
```

```
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▶ 1,614 Digest
```

```
May mask huge dynamics
```

```
1,080 posts on average per month over period Jan 2007 -
May 2009
```

```
Posts first months of 2009:
```

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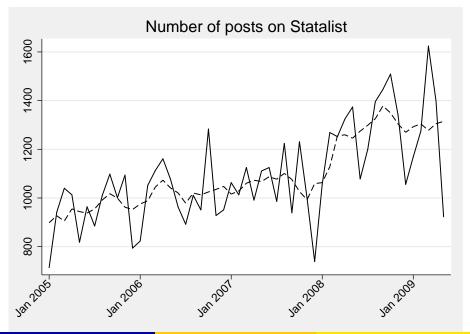
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Posts first months of 2009:
▶ February: 1,275
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▶ May: 923
```

```
Monthly averages over years 2005-2009: 947, 1,017,
1,045, 1,275, 1,277
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The economics profession can explain a fair chunk of real-world phenomena:

Workers turn up for work in the morning
Students attend university instead of working
Savers queue at a bank
Volume discounts ("Buy one - get one free")
Three-class layout on transatlantic flights
Purchase of lottery tickets
Savers buy IPO shares
Free release of programs on ssc
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Discounted income over lifetime higher than for immediate labor supply

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▷ Interest rate high enough to induce deferred consumption

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> Product differentiation allows better adaption to demand curve

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□ Utility function not globally concave

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▷ Small risk aversion / prospect of huge gains

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Crowdsourcing Example

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- Bottom line: Still amenable to economics

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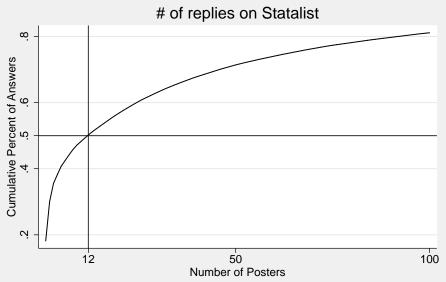
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 - ▶ 12 suppliers give 50% of answers



Observation Period: Jan – May 2009 515 Posters of Replies Overall X–axis cut off at 100

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 - Survey of community of ado-file contributors

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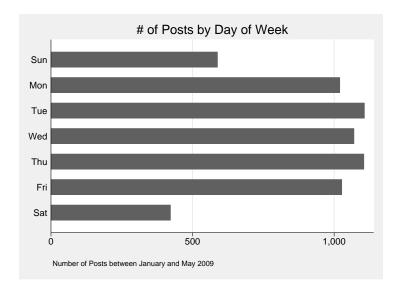
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 - Remaining body of posts is hopefully "new" in some important aspect

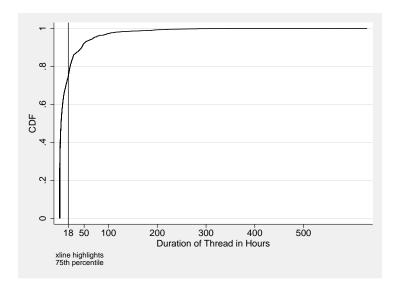
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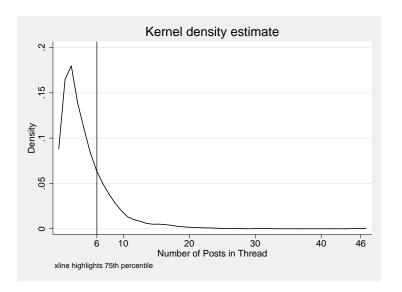
Statalist Output under the Microscope I



Statalist Output under the Microscope II



Statalist Output under the Microscope III



	January	February	March	April	May	Total
no orphan	97.96%	99.06%	98.96%	99.25%	99.03%	98.86%
orphan	2.04%	0.94%	1.04%	0.75%	0.97%	1.14%

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- i.e. posts that were intended to attract a reply but failed to do so

Thank you for your attention!

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- Jokisch, M. (2006), Active Integration of Users Into the Innovation Process of a Manufacturer - The BMW Customer Innovation Lab, PhD Thesis, Munich.
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