

CES Lecture, Prof. Dr. Marco Runkel, TU Berlin

## Economic approaches to Kant's categorical imperative

**Lecture 1** (October 15, 10:15-11:45am): *Moral equivalence (Bilodeau/Gravel) and Kantian optimization protocol (Roemer)*

**Lecture 2** (October 16, 2:00-3:30pm): *Homogenous Homo Moralis Preferences (Laffont, Alger/Weibull)*

**Lecture 3** (October 22, 10:15-11:45am): *Heterogenous Homo Moralis Preferences (Eichner/Runkel)*

**Summary:** The categorical imperative of Kant (1785) states that a moral individual should act in accordance to that maxim through which it can at the same time want that it becomes a universal law. The economic literature provides several modelling approach to this maxim. Bilodeau and Gravel (2004) introduce an equivalence relation that allows to identify morally equivalent strategies. Roemer (2010) considers the Kantian optimization protocol, assuming that a strategy profile is an equilibrium if no individual would like all players to alter their strategies by the same factor. Finally, the approach initiated by Laffont (1975) and further developed by Alger and Weibull (2013, 2016, 2017, 2020) as well as Eichner and Runkel (2024) supposes the *homo moralis* to be an individual that evaluates what would happen to her if with a given probability other individuals behave as she does. In this lecture, we take a closer look at these approaches and their applications in economic coordination problems.

### Reading List:

Alger, I. and J.W. Weibull (2013): Homo moralis - preference evolution under incomplete information and assortative matching, *Econometrica* 81, 2269-2302.

Alger, I. and J.W. Weibull (2016): Evolution and Kantian morality, *Games and Economic Behavior* 98, 56-67.

Alger, I. and J.W. Weibull (2017): Strategic behavior of moralists and altruists, *Games* 8, 38.

Alger, I. and J. W. Weibull (2020): Morality: evolutionary foundations and economic implications, in Basu, K., Rosenblatt, D. and C. Sepulveda (eds.), *The State of Economics, the State of the World*, Cambridge, MIT Press.

Eichner T. and M. Runkel (2024), Homo oeconomicus as the homo moralis' party pooper: heterogenous morality in public good games, *mimeo*.

Bilodeau, M. and N. Gravel (2004): Voluntary provision of a public good and individual morality, *Journal of Public Economics* 88, 645-666.

Kant, I. (1785): *Grundlegung zur Metaphysik der Sitten* (1964, Groundwork of the Metaphysics of Morals, Harper Torchbooks, New York).

Laffont, J.-J. (1975): Macroeconomic constraints, economic efficiency and ethics: An introduction to Kantian economics, *Economica* 42, 430-437.

Roemer, J.E. (2010): Kantian equilibrium, *Scandinavian Journal of Economics* 112, 1-24.

Roemer, J.E. (2015): Kantian optimization. A microfoundation for cooperation, *Journal of Public Economics* 127, 45-57.