

Abstract:

We develop a unifying explanation for prosocial behavior. We argue that people care not about others' payoffs per se, but whether their own behavior accords with social norms. Individuals who are sensitive to norms will adhere to them so long as they observe others doing the same. A model formalizing this generates both prosociality (without relying on explicit distributional preferences) and well-known context effects (for which distributional preferences cannot account). A simple experiment allows us to measure individual-level norm sensitivity and to show that norm-sensitivity explains heterogeneity in prosociality in public goods, dictator, ultimatum, and trust games.