

## **Potential ideas for master's thesis**

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*Research interest: Prosocial signaling; incentives and institutions; community-based governance and monitoring; climate change adaptation and mitigation*

### **Prosocial signaling in consumer goods**

Previous studies find that individuals are willing to pay a price premium for green goods. Potential explanations for such behavior include prosocial preferences (e.g., based on altruism or biospheric values) and image concerns (e.g. based on self and social signaling). A closely related finding is that extrinsic incentives may interact with prosocial preferences and hence affect the demand for green goods. However, very little is known about the role of prosocial signaling in the demand for green goods and hence sustainable consumption.

Potential research ideas in this regard include:

1. Investigate self and/or social signaling in green goods as well as how they interact with extrinsic incentives
2. Test and disentangle different sources of pro-environmental behavior (self-signaling, social-signaling and pure altruistic/biospheric concerns) using a lab/field/eye-tracking experiments
3. Investigate whether the way green goods are promoted (referring to private gains and/or environmental benefits) has an effect on prosocial signaling (self or social) and hence demand for green goods

### **Community-based governance and monitoring**

Community-based governance and monitoring has recently been given attention because of increasing problems related to natural resource and environmental management, development aid, technology adoption, public services, and corruption. The idea behind grassroots level community involvement is that community members are the ultimate beneficiaries and hence they have greater incentives to monitor interventions and service providers. Yet, the success of community-driven development projects has been mixed. These mixed outcomes have been attributed to structural and contextual factors, elite capture, free-riding and leadership quality. Thus, whether community-based approaches are an effective way to promote efficient resource utilization and good governance remains an empirical question.

Potential research ideas in this regard include:

1. Investigate why community-based approaches succeed in some cases while they fail in others
2. Understand the role community leaders' preference (trust/cooperation/risk/time) in explaining the outcomes of community-based approaches

### **Understanding adaptation strategy of African farmers**

The African economy is highly dependent on agriculture, which is dominated by traditional rain-fed small scale production. Previous studies find a significant effect of climate change on agriculture in Africa. Of

particular interest is the role of within growing season rainfall variability on agricultural production. The effect of this variability could potentially be mitigated through conventional technologies such as flexible planting and rainwater harvesting. Yet, smallholder farmers' adoption of these technologies is very limited.

Potential research ideas in this regard include:

1. Investigate the constraints that African farmers face in adopting conventional adaptation strategies
2. Investigate incentives and institutions that promote adoption of these strategies by smallholder farmers