Meng-Jhang Fong

Max Planck Institute for Research on Collective Goods
Kurt-Schumacher-Str. 10, 53113 Bonn, Germany
fong at coll.mpg.de

Education

Ph.D. in Social Science, Caltech — Oct 2018–Sep 2023
- Thesis: "Essays in Behavioral Economics and Game Theory"
- Advisor: Marina Agranov

M.A. in Economics, National Taiwan University — Sep 2014–June 2016
- Honor: Phi Tau Phi
- Advisor: Joseph Tao-yi Wang

B.B.A. in Finance, National Taiwan University — Sep 2010–June 2014
- Honor: Presidential Awards (5 times)

Employment

Senior Research Fellow (Postdoc), MPI, Germany — Apr 2025–
Data Collect Research, Amazon, U.S.A. — Nov 2024–Mar 2025
Postdoctoral Scientist, Amazon, U.S.A. — Oct 2023–Oct 2024
Research Assistant for Joseph Tao-yi Wang, NTU, Taiwan — Nov 2017–July 2018

Research Interests

Behavioral Economics, Experimental Economics, Game Theory

Working Papers

"Cursed Sequential Equilibrium," 2025 (with Po-Hsuan Lin and Thomas R. Palfrey) *conditionally accepted at American Economic Review*

Abstract: This paper develops a framework to extend the strategic form analysis of cursed equilibrium (CE) developed by Eyster and Rabin (2005) to multi-stage games. The approach uses behavioral strategies rather than normal form mixed strategies and imposes sequential rationality. We define and characterize properties of cursed sequential equilibrium (CSE), and apply it to four canonical economic applications: signaling games, reputation building, durable goods monopoly, and the dirty faces game. These applications illustrate various implications of CSE, show how and why it differs from sequential equilibrium and CE, and provide evidence from laboratory experiments that support the empirical relevance of CSE.

"Measuring Higher-Order Rationality with Belief Control," 2025 (with Wei James Chen and Po-Hsuan Lin) *accepted at Experimental Economics*
- The recipient of John O. Ledyard Prize (best second-year paper) for Graduate Research in Social Science, Caltech, 2020

Abstract: Determining an individual's strategic reasoning capability based solely on choice data is a complex task. This complexity arises because sophisticated players might have non-equilibrium beliefs about others, leading to non-equilibrium actions. In our study, we pair human participants with computer players known to be fully rational. This use of robot players allows us to disentangle limited reasoning capacity from belief formation and social biases. Our results show that, when paired with robots, subjects consistently demonstrate higher levels of rationality, compared to when paired with human players. Furthermore, players' rationality levels are relatively stable across games when paired with robot players, even though those with

intermediate rationality levels exhibit inconsistency across games. Leveraging our experimental design, we identify and document potential causes of this inconsistency.

"A Note on Cursed Sequential Equilibrium and Sequential Cursed Equilibrium," 2023 (with Po-Hsuan Lin and Thomas R. Palfrey)

Abstract: In this short note, we compare the cursed sequential equilibrium (CSE) by Fong et al. (2023) and the sequential cursed equilibrium (SCE) by Cohen and Li (2023). We identify eight main differences between CSE and SCE with respect to the following features: (1) the family of applicable games, (2) the number of free parameters, (3) the belief updating process, (4) the treatment of public histories, (5) effects in games of complete information, (6) violations of subgame perfection and sequential rationality, (7) re-labeling of actions, and (8) effects in one-stage simultaneous-move games.

Published Papers

"Extreme (and Non-Extreme) Punishments in Sender-Receiver Games with Judicial Error: An Experimental Investigation," 2023, *Frontiers in Behavioral Economics, 2: 4*. (with Joseph Tao-yi Wang)

- The recipient of First Prize in Best Master Thesis Competition, Taiwan Economic Association, 2016

Abstract: In many real world situations, decision-makers have the opportunity to punish informed senders for their biased recommendations, while lie-detection is far from perfect. Hence, we conduct an experiment which incorporates ex post punishment and monitoring uncertainty into the discrete sender-receiver game first introduced by Crawford and Sobel, where a knowledgeable sender sends a cheap-talk message to a receiver who determines a policy action. After taking this action, the receiver observes a noisy signal of the true state and can impose a costly punishment on the sender. We vary the strength of punishment from mild (nominal), strong (deterrent) to extreme (potential of losing everything), and vary receiver's signal uncertainty when punishment is extreme. We find that receivers punish less as the strength of punishment increases, which suggests people care more about wrongly punishing innocent senders harsher than not being able to hand liars harsher punishments they deserve. More importantly, the opportunity of punishment encourages receivers to follow senders more and thus improves overall information transmission and utilization, even though senders need not exaggerate less.

Other Publications

"Vendor Cost Transfer On Retail (VECTOR)," 2025 (with Jiaxuan Li and Dirk Bergemann) *Accepted at 2025 Consumer Science Summit (Amazon)*

"Vendor Negotiation Experiment and Training Tool," 2024 (with Jiaxuan Li, Linfeng Li, Dirk Bergemann, and Yan Chen) *Accepted at 2024 Consumer Science Summit (Amazon)*

Work in Progress

"Belief Updating under an Ambiguous and Asymmetric Information Structure—An Experimental Study" (with En-Der Lai and Joseph Tao-yi Wang)

"An Experiment on Public Goods Games with Communication" (with Po-Hsuan Lin and Thomas R. Palfrey)

"Conformity and Confirmation Bias"

Professional Activities

Research Assistant

For Matthew Shum — Dec 2019–Mar 2020
For Joseph Tao-yi Wang (full-time RA) — Oct 2017–July 2018
For Joseph Tao-yi Wang (lab assistant at TASSEL) — Aug 2015–July 2016

Teaching Assistant
Behavioral Economics, Caltech — Jan 2023–Mar 2023
- Instructor: Charles D. Sprenger

Matching Market, Caltech — Apr 2022–June 2022
- Instructor: Luciano Pomatto

Game Theory, Caltech — Apr 2021–June 2021
- Instructor: Omer Tamuz

Introduction to Finance, Caltech — Dec 2020–Mar 2021
- Instructor: Lawrence J. Jin

Microeconomic Theory I (Graduate), NTU — Nov 2015–Jan 2016
- Instructor: Pohan Fong

Honors and Awards

The Linde Institute CTESS Graduate Research Grant, Caltech — 2022
Davis Fellowship — 2022
Ministry of Education Taiwan-Caltech Scholarship — 2018–2022
John O. Ledyard Prize for Graduate Research in Social Science, Caltech — 2020
First Prize in Best Master Thesis Competition, Taiwan Economic Association — 2016
Honorary Member of the Phi Tau Phi Scholastic Honor Society — 2016
Ta-chung Liu Scholarship — 2015
National Taiwan University Presidential Award ×5 — 2011–2014

Conference and Workshop Presentation

Los Angeles Experiments (LAX) Workshop (Poster session) — 2023
Behavioral and Experimental Economics Stanford-Caltech Student Workshop — 2022
Economic Science Association North American Meeting, Tucson — 2021
Economic Science Association Asia Pacific Meeting, Brisbane — 2018
Economic Science Association World Meeting, Jerusalem — 2016

Other

Computer Skills
oTree, zTree, Stata, R, Python, LaTeX

Languages
Chinese-Mandarin (native), English

Citizenship
Taiwan

Thesis Committee

Thomas R. Palfrey (chair), Marina Agranov (advisor), Charles D. Sprenger, Luciano Pomatto