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ORIGINAL PAPER

Escalating penalties: a supergame approach

Alfred Endres · Bianca Rundshagen

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Abstract The paper provides an economic rationale for punishing repeat offenders with increasing sanctions. We analyze the optimal intertemporal punishment scheme within a supergame framework, in which the legal authority is assumed to minimize the social costs of punishment under the constraint of keeping delinquency at an exogenously given maximal tolerable level.