

Honesty is the best policy! Or is it not?



- Deviant behavior and norm violations often occur in everyday life
 - Jaywalking
 - Fare evasion
 - Test cheating
 - Etc.
- Honest behavior:
 - Strong heterogeneity among individuals
 - Some lie maximally
 - Most lie only a little
 - Some lie not at all
 - Ethical reminders decrease dishonesty *(Mazar et al., 2008; Shu et al. 2011)*
 - Providing information about misbehavior of others increases dishonesty

(Fosgaard et al. 2013; Gino et al. 2009; Innes & Mitra, 2013; Kroher & Wolbring 2015; Rauhut 2013)

- **Goal-Framing Theory** *(Lindenberg 2012; Lindenberg & Steg 2013)*
 - Salient cues in the situation at hand can substantially influence belief formation processes and behavior
 - Situational framing can strengthen or weaken normative goals as compared to hedonic and gain goals.
 - The use of environmental signals appears especially likely in low-cost situations
 - In cheating experiments: usually low stakes
 - Situational cues signal the validity of a norm and influence behavior
 - Norm previously broken by others (→ cue for unpunished/approved misbehavior)
 - Degree of visibility of own misbehavior (→ probability of detection/sanction)
- **Social Control Theory** *(Hirschi 1969)*
 - Internalization of (social) norms important reason for norm-abiding behavior
 - Attachment to others/monitoring from others could activate the (social) norm
- **Research question: Is cheating affected by (deviant) others or is it caused by the inherent (dis-)honesty norm?**

- Origin: Fischbacher & Föllmi-Heusi (2013)
 - Subjects roll a die in private and report the result (enter on a computer screen)
 - Payoff depend on die roll → incentive & opportunity to cheat

Spots	1	2	3	4	5	6
Payoff	1	2	3	4	5	0

- Identification of lying on group level
- One-shot individual decision-making situation
- Results:
 - One fifth lie completely (payoff maximization)
 - About 39 % remain honest (resist monetary incentives to lie)
 - 20 % do not tell the truth but do not maximize payoff (partial lying)
- Further (extending) experiments
 - Diekmann et al. (2015), Kroher & Wolbring (2015), Rauhut (2013)
 - Meta Analysis: Abeler et al. (2019)



- Basic dice experiment with extensions (according to Asch 1951, 1956)

- Subjects roll a die in private and enter the result on a computer screen

- 1 spot equals 1 Euro, 2 Euro show up fee
- Subjects play 4 rounds (unknown to subjects)

- 2 treatments (8 different treatment conditions)

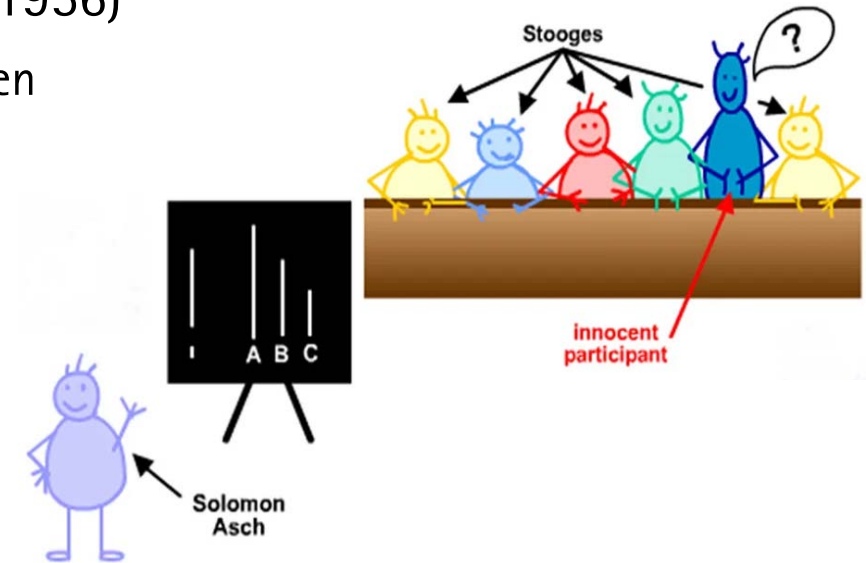
- Information btw round 2 & 3
 - Info graph vs. no info graph

- Partner treatment

- Playing alone vs.
 - Partner is honest
 - Partner cheats a little bit (+1)
 - Partner cheats extremely (5)

- Norm internalization (questionnaire)

- I am an honest person

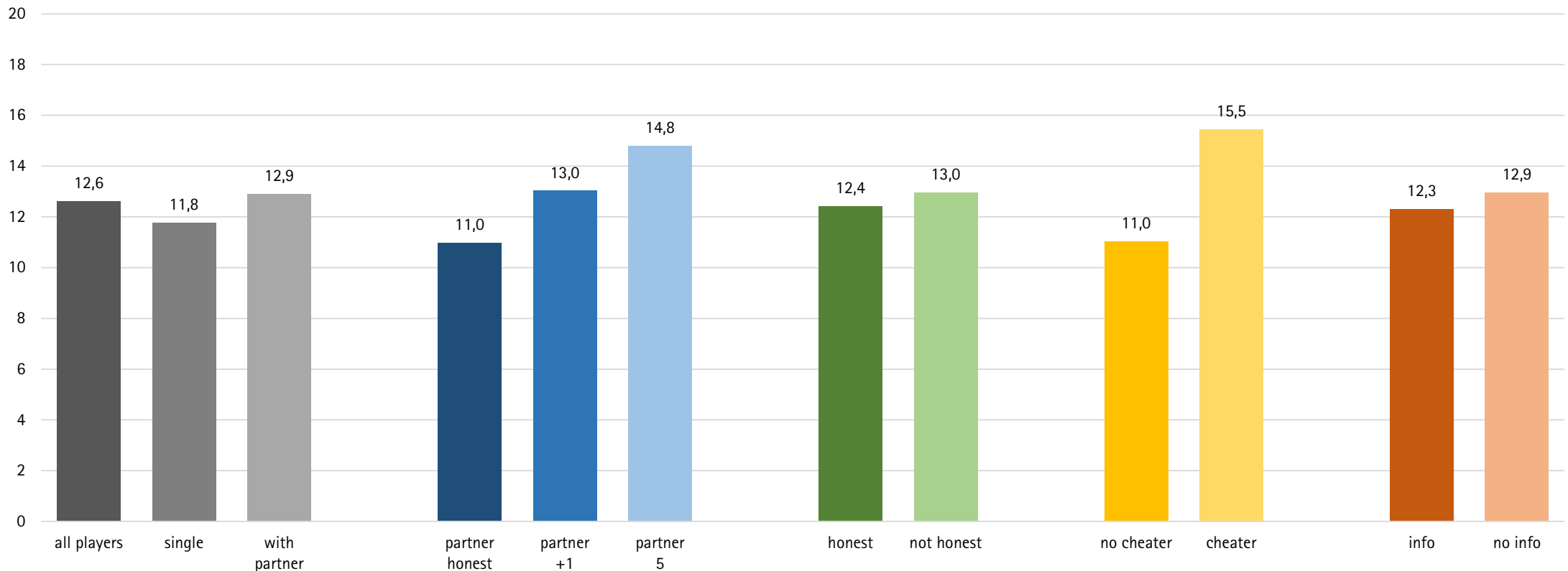


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- Two paired participants share a box and a die
- Subject roll the die sequentially and can see the die roll of the partner and her declaration of payoff
- Verbal and non-verbal communication forbidden

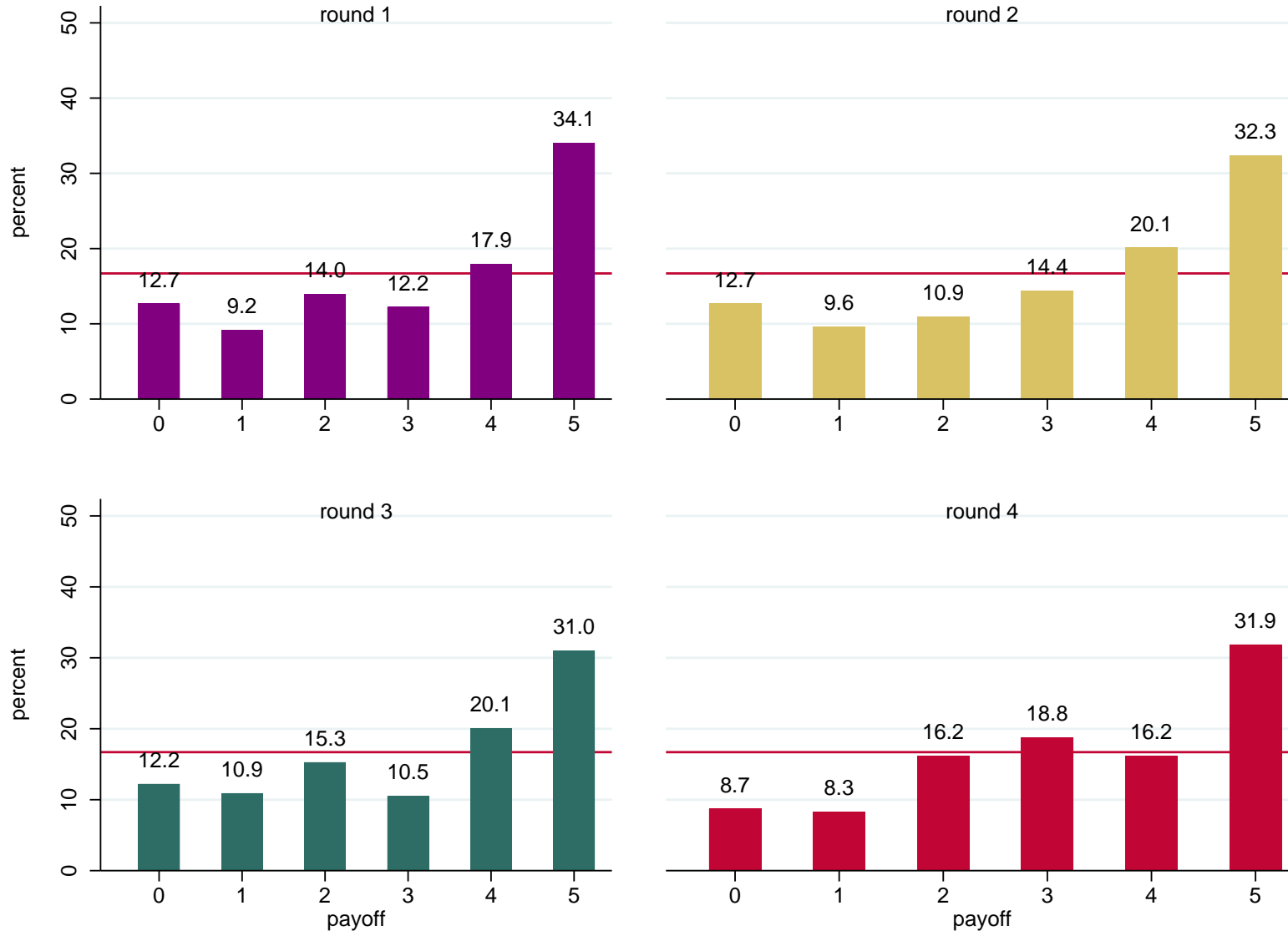


- Subjects (N = 229)
 - Were on average 24 years old (range 17-58)
 - Were mainly male (53.7 %)
 - Earned on average 12.6 EUR (without show up fee) (range: 3-20 EUR)



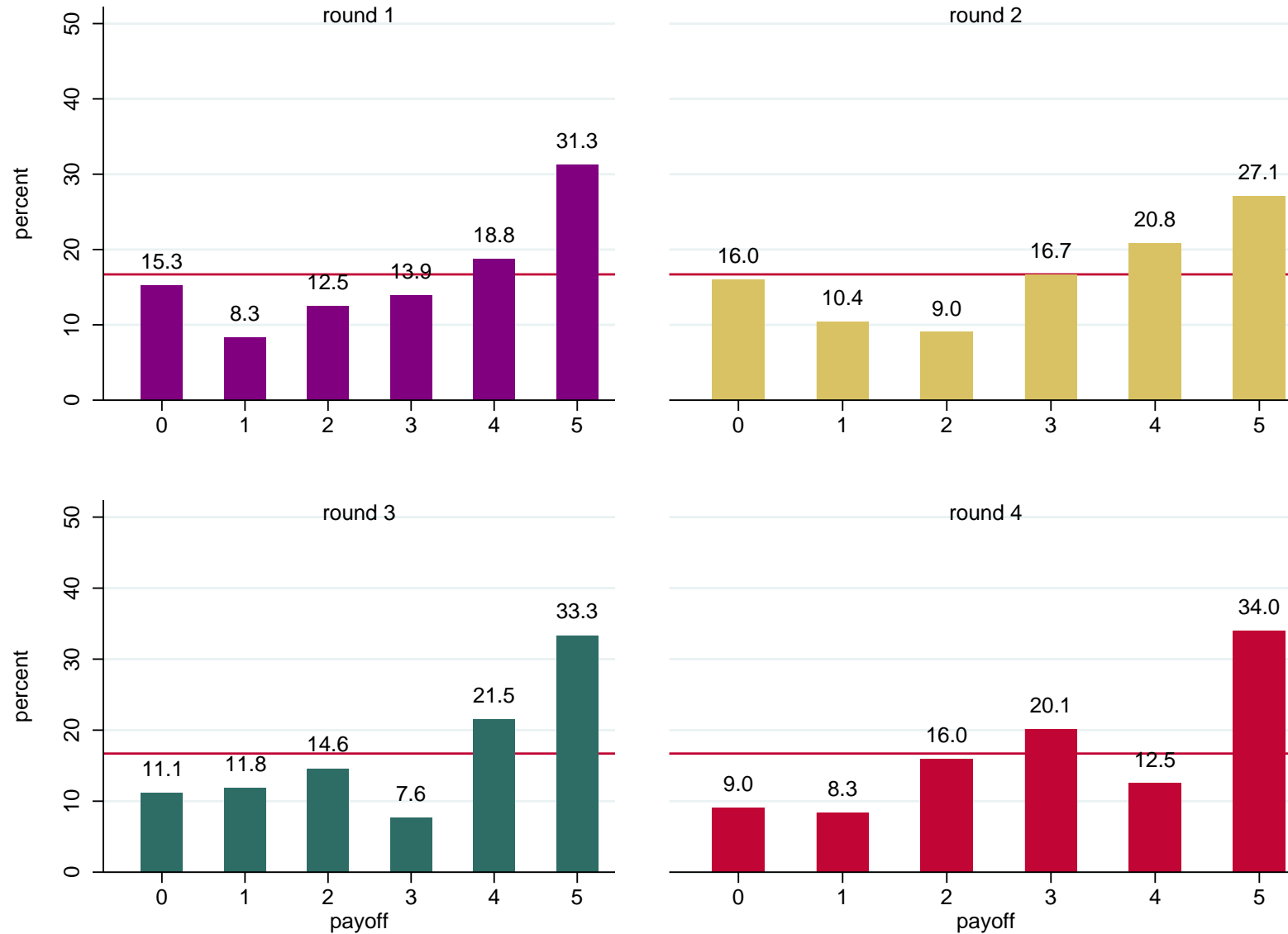


Payoff & Fair Die: Round 1-4: All Subjects



Cheater: 35.8 %

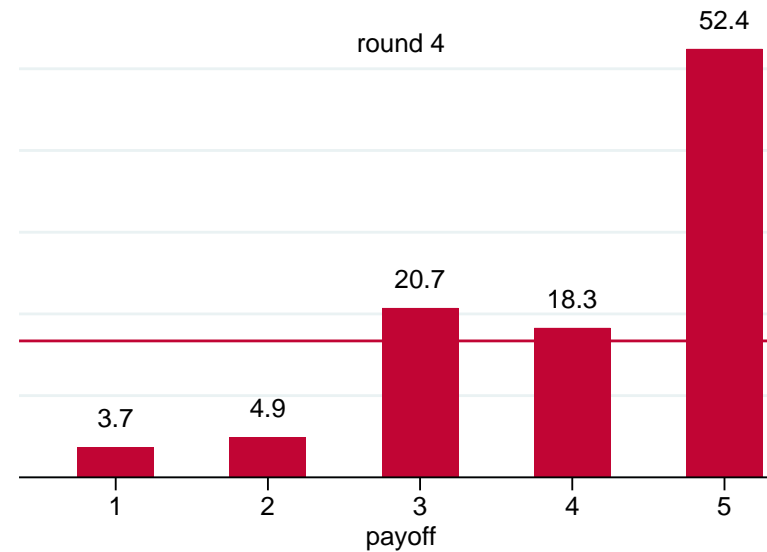
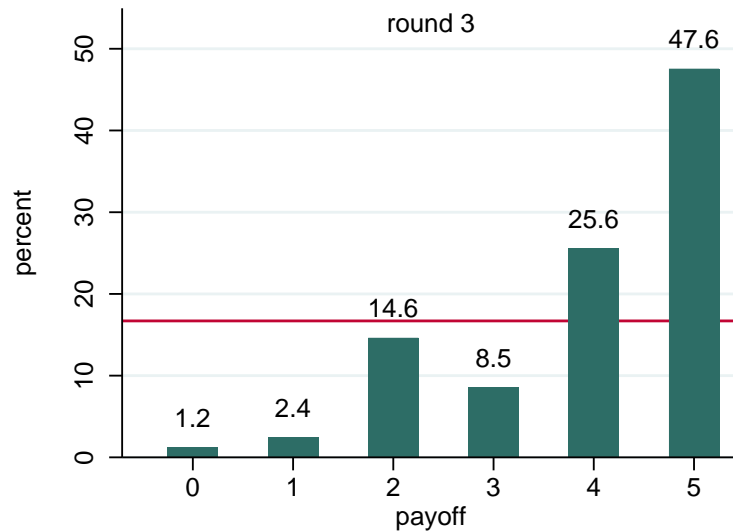
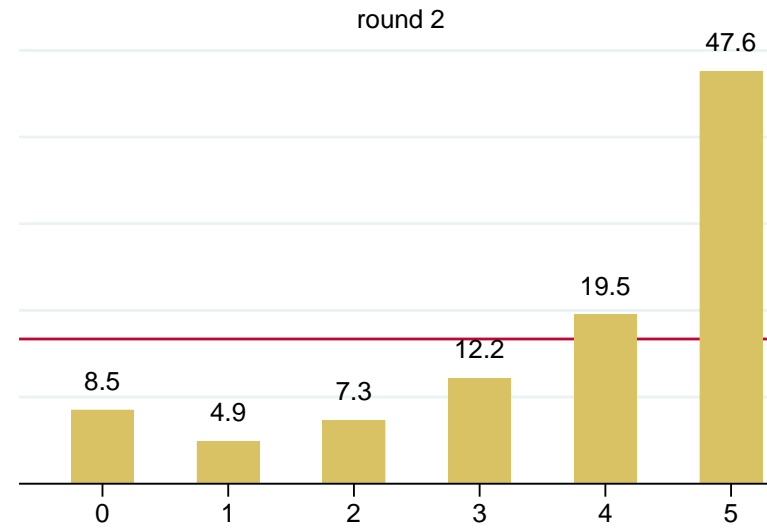
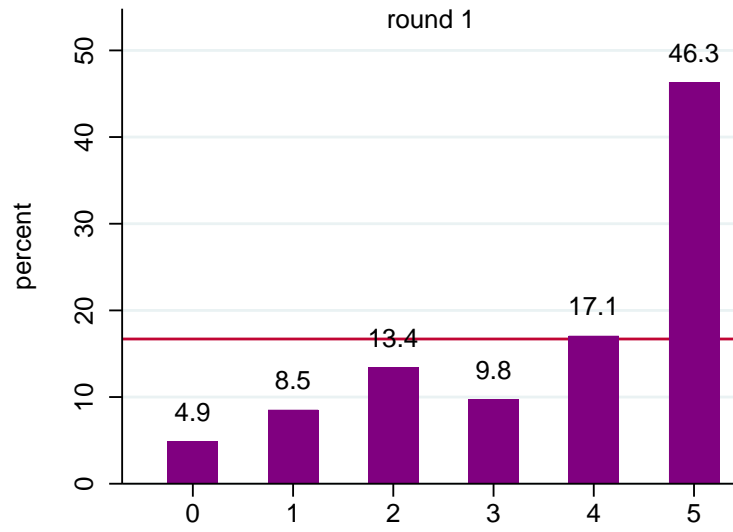
Payoff & Fair Die: Round 1-4: Honest Subjects



Cheater: 30.6 %

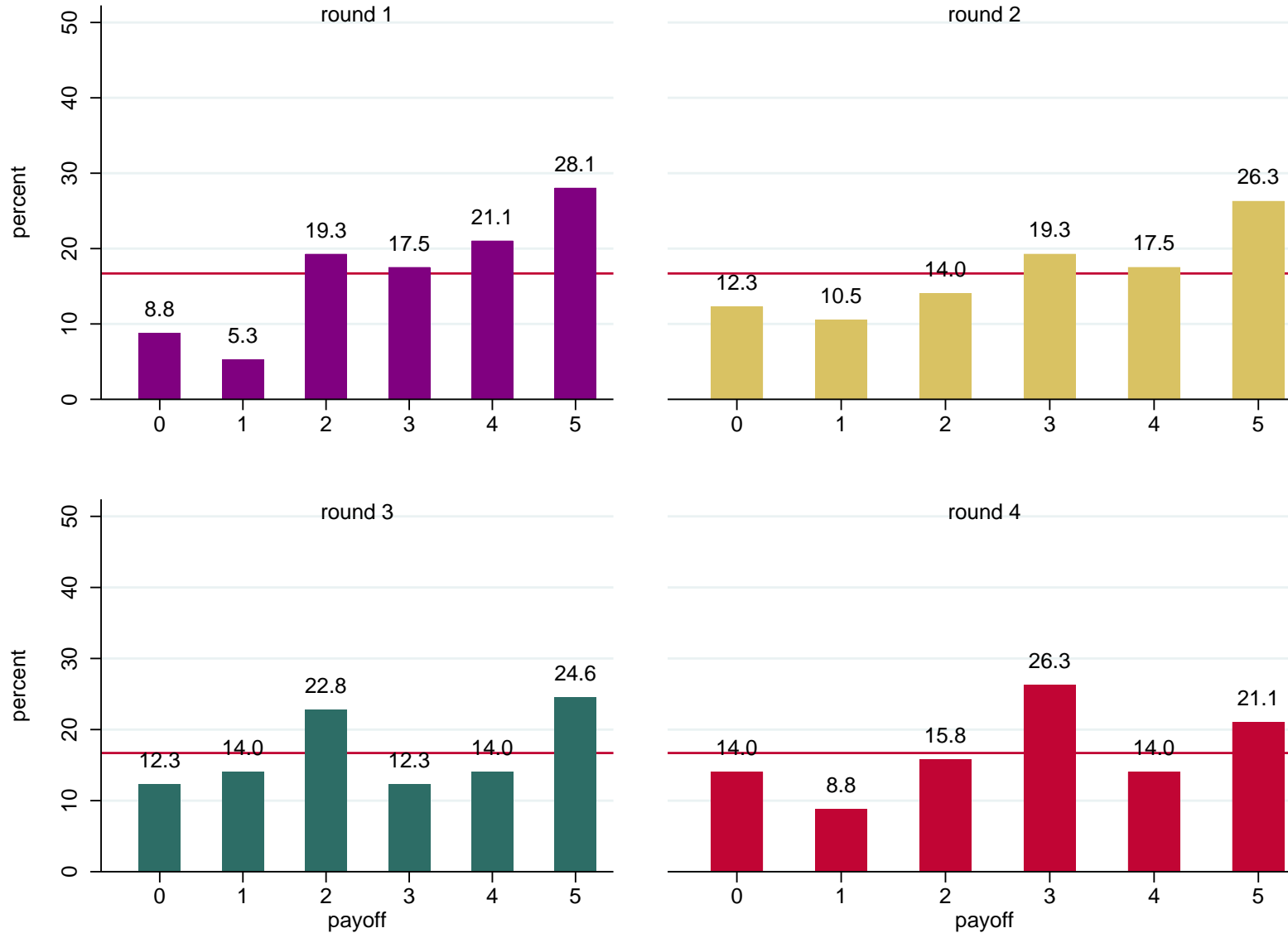


Payoff & Fair Die: Round 1-4: Cheater





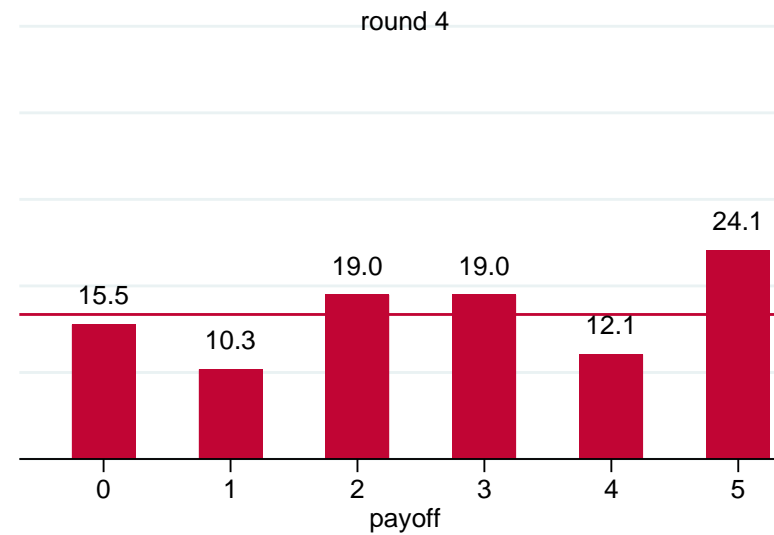
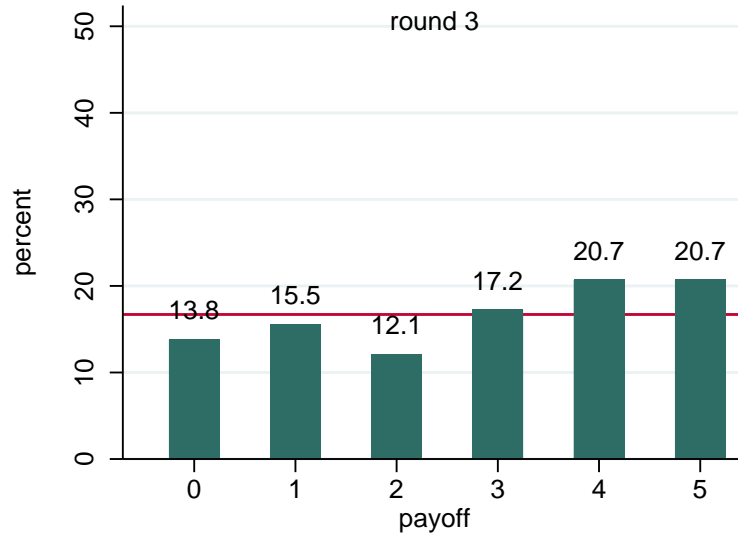
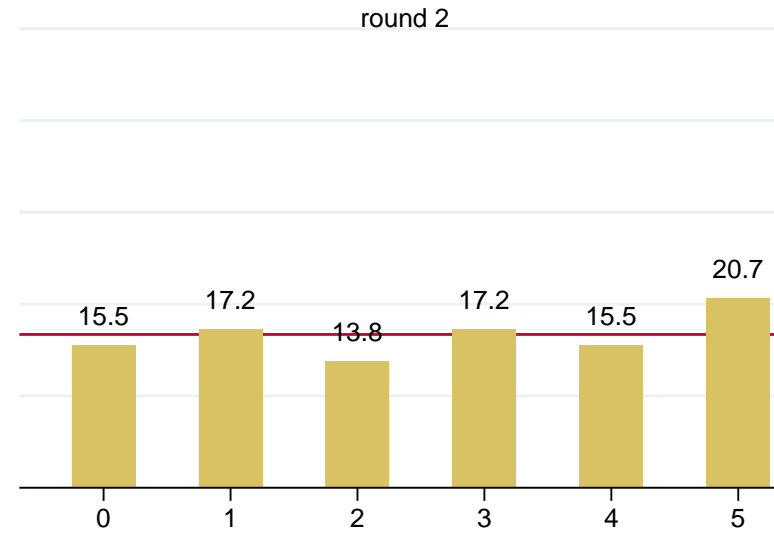
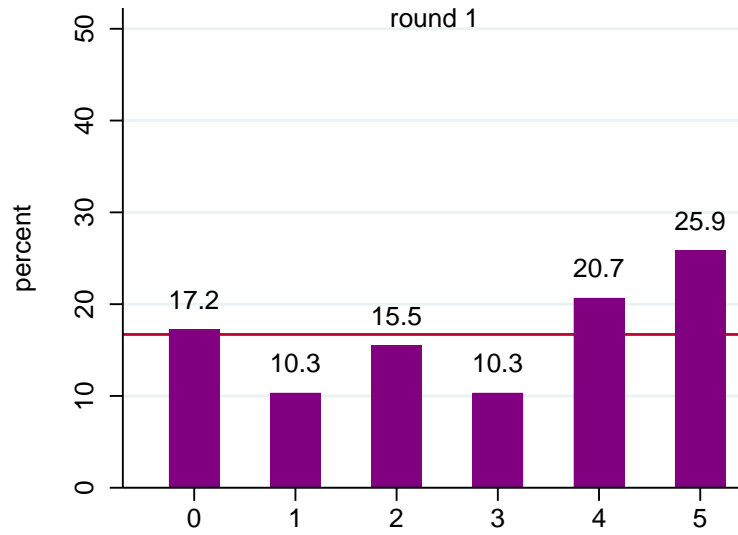
Payoff & Fair Die: Round 1-4: Treatments: Single Players



Cheater: 17.5 %



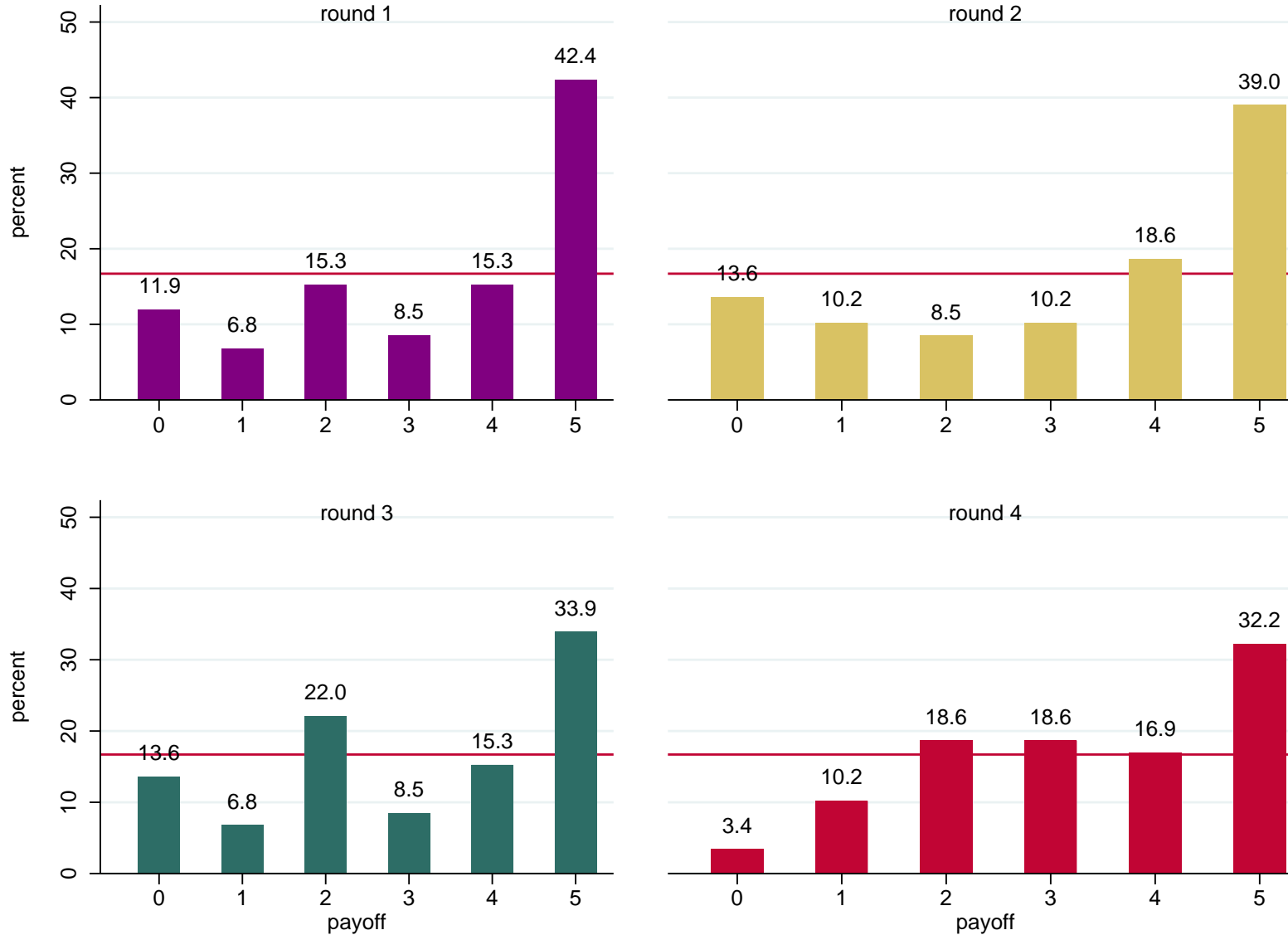
Payoff & Fair Die: Round 1-4: Treatments: Honest Partner



Cheater: 8.6 %



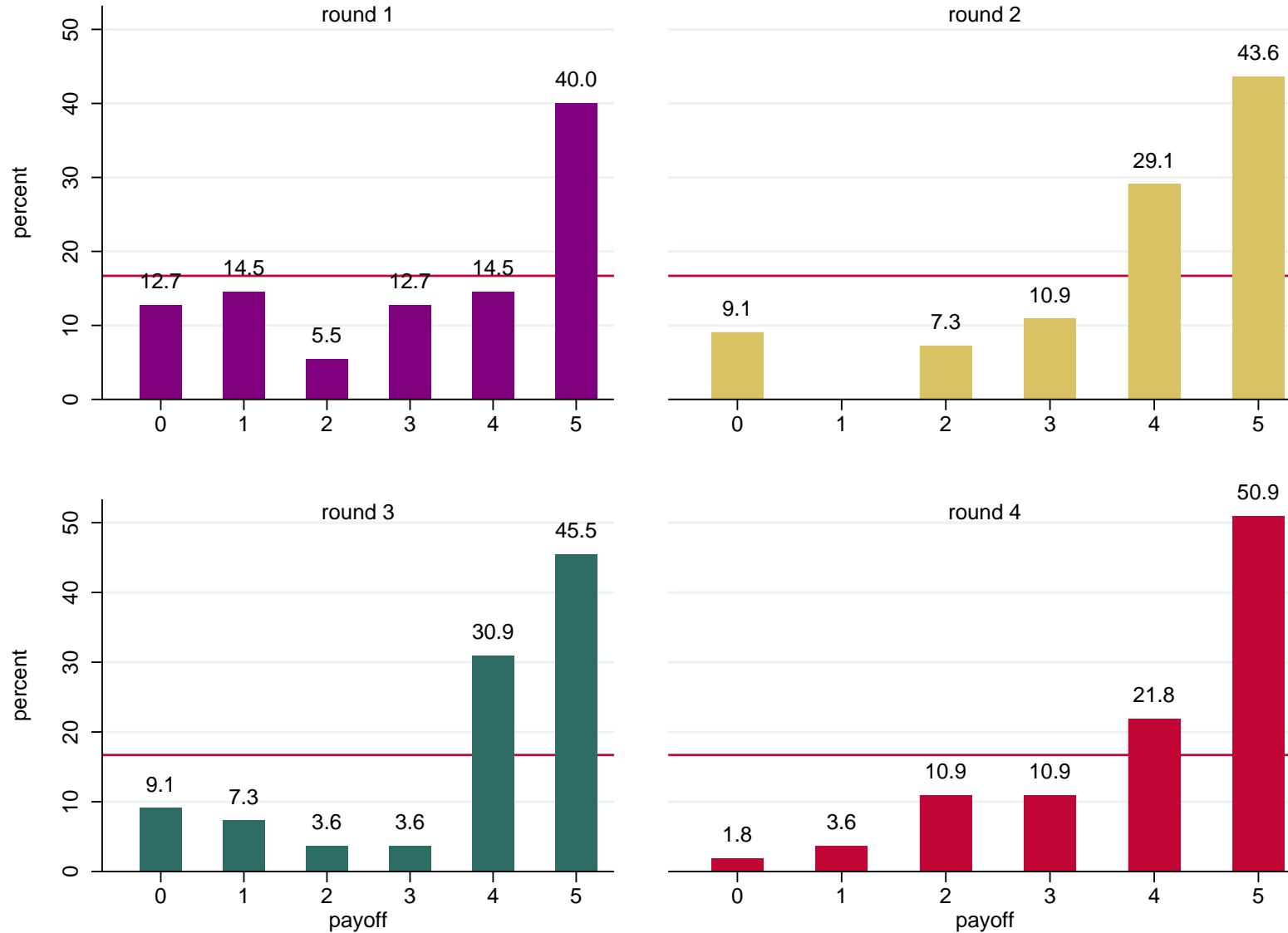
Payoff & Fair Die: Round 1-4: Treatments: Cheating Partner (+1)



Cheater: 54.2 %



Payoff & Fair Die: Round 1-4: Treatments: Cheating Partner (5)



Cheater: 63.6 %

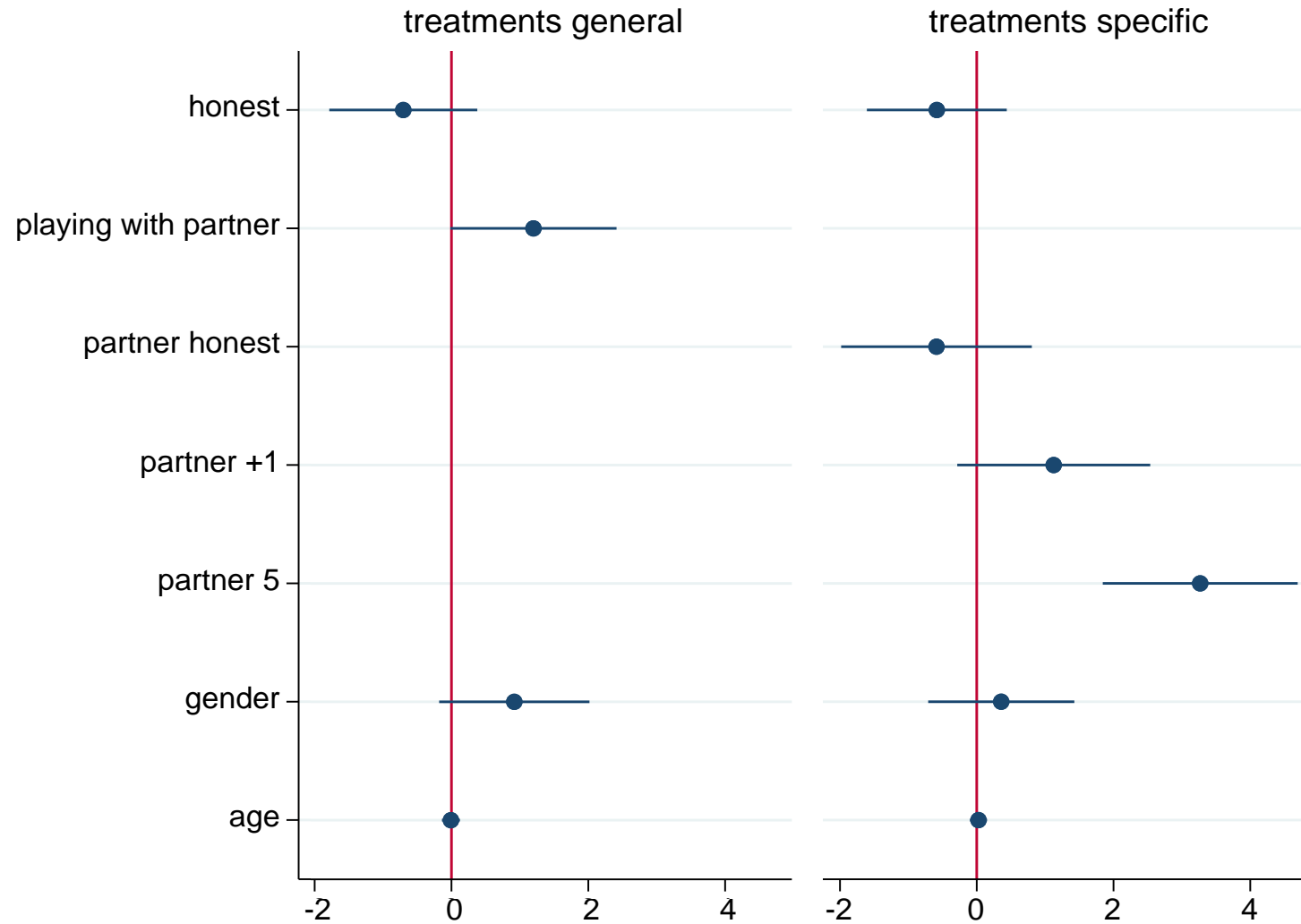


Descriptive Results: Extent of Cheating

- 35.8 % of subjects cheat at least once
 - Amount of cheating
 - Never: 64.2 %
 - Once: 15.3 %
 - Twice: 9.6 %
 - Three times: 7.9 %
 - Four times: 3.1 %
- 53.7 % of honest subjects cheat
- 11.0 % of cheater maximize payoff
- Cheater estimate the probability of getting caught significantly lower
- Cheater feel less often observed



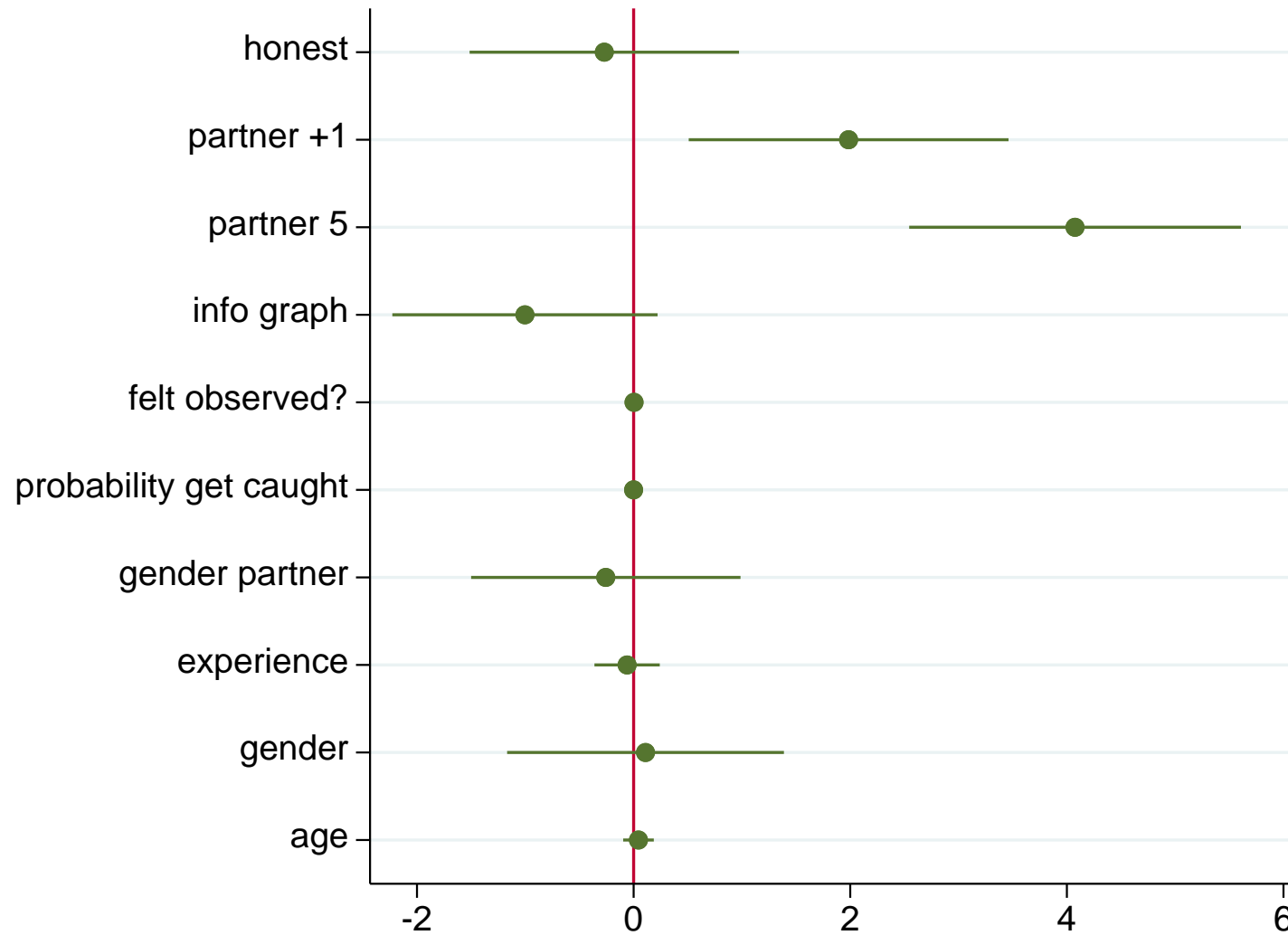
OLS Regression: Payoff (Full Sample)



Controlled for field of study

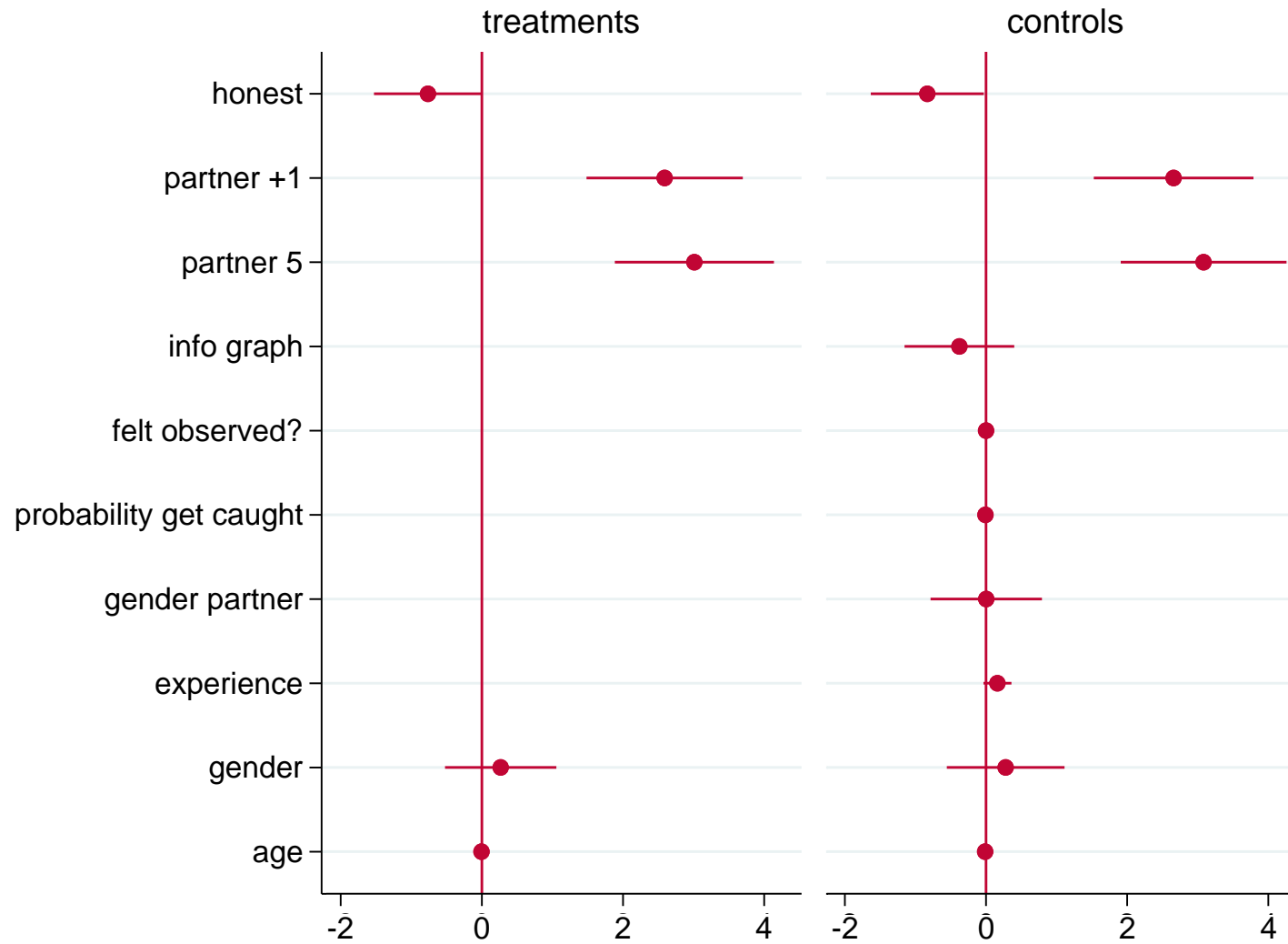


OLS Regression: Payoff (Partner Treatment)



Controlled for field of study

Logistic Regression: Probability of Cheating (AME)



Controlled for field of study



- Cheating exists in every round
 - Cheating is mainly determined by (mis-)behavior of others
 - Honest partner reduce cheating
 - Dishonest partner increase cheating
 - (Internalized) honesty norm has a small effect
 - Info graph has no effect
 - Behavior of others in same situation more important
 - Cheater earn 4.4 EUR more
 - But not every cheater maximizes payoff
- Cheating is more affected by (deviant) others than by the inherent honesty norm.

11
102
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Thank you for
your attention!



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