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Injunctive and Descriptive Social Norms regarding Cheating: Cross Cultural Evidence

Diego Aycinena and Lucas Rentschler, CVS, UFM
Jonathan Schulz and Benjamin Beranek, University of Nottingham

UFM, 2015

Motivation

- Institutions are crucial determinants of economic performance
  - North (1990), Acemoglu et al. (2002, 2005), Weingast (1995), Ostrom (1990, 1992)
- "…humanly devised constraints that structure political, economic and social interaction." (North 1991)
  - formal rules (constitutions, laws, property rights).
  - informal constraints (sanctions, taboos, customs, traditions, and codes of conduct)

Social norms

- A fundamental underpinning of institutions
  1. As part of the mechanism to ensure enforcement of formal rules
     - *Quis custodiet ipsos custodes?*
     - Hurwicz (2008)
  2. As informal constraints in the absence of effectively implemented formal rules
     - Through voluntary sanctioning of members who transgress social norms
     - Through *self-enforcement* → self-control linked to a system of shared beliefs about what is and what is not acceptable to the group.

Culture and social norms

- Herrmann et al. (2008): differences in punishment across societies in PG VCM.
- Fisman and Miguel (2007): evidence of the importance of culture and norms in the observance of non-legally binding rules.
- Barr and Serra (2010): results support the importance of culture for the observance of certain rules with laboratory experiments.

Honesty and Social Norms

- Cheating is important for economic outcomes
  - Corruption
  - Underground economic activity, informality
  - Trustworthiness
- Gaechter and Schulz (2015): Cross societal differences in honesty / cheating
- Large literature on dishonesty, but underlying social norms are less well understood

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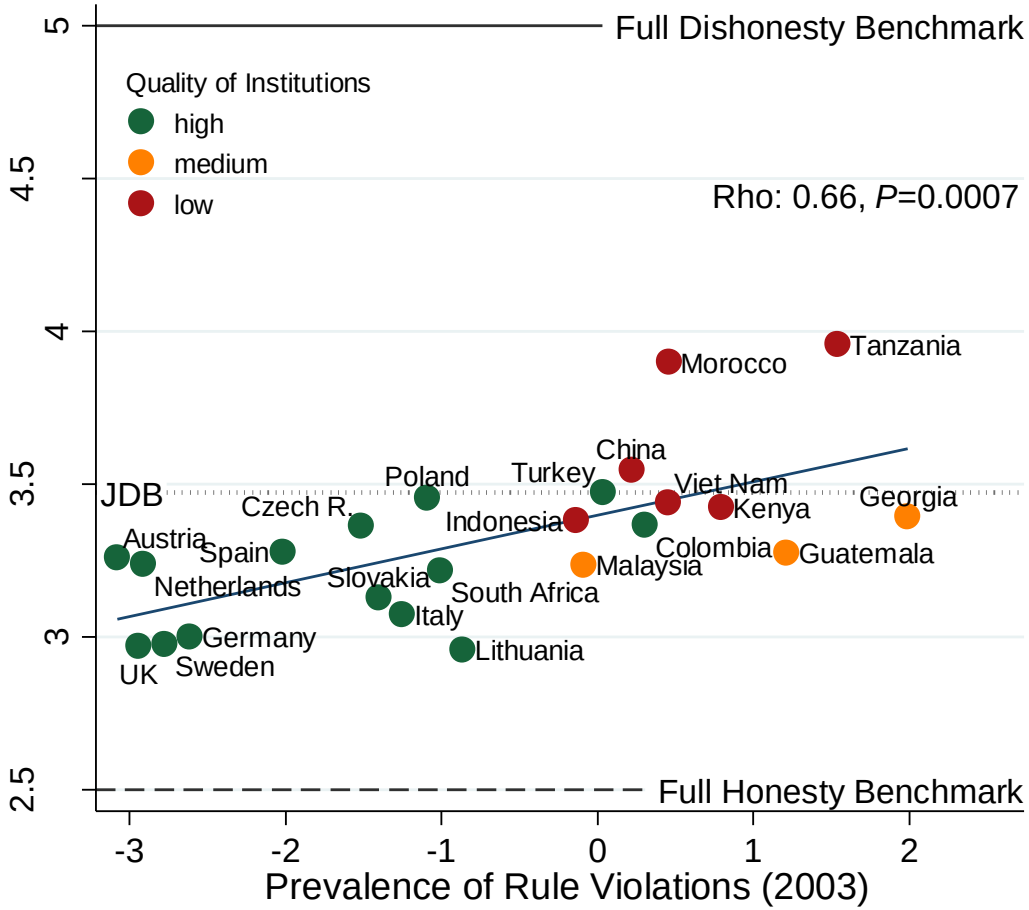
Cross Societal Differences in Honesty



Gaechter and Schulz, In Preparation

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Honesty and Social Norms

- Cheating is important for economic outcomes
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Social Norms: Descriptive & Injunctive

- Social Norms: shared beliefs and perceptions among members of a population
- Cialdini et al. 1990 distinguish "between the *is* (descriptive) and the *ought* (injunctive) meaning of social norms"
  - Descriptive norms specify what is done
  - Injunctive norms specify what ought to be done
- *Descriptive* social norms → shared beliefs about behavior of others
- *Injunctive* social norms → shared perceptions about appropriateness of behavior

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Research Questions

- What are the underlying norms regarding honesty?
- Do norms vary between societies?
- How do injunctive norms, descriptive norms, and dishonesty relate to each other?

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Cheating and Social Norms regarding Cheating

EXPERIMENTAL DESIGN

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Experimental Design

- Within subject design

Experimental Tasks:

1. Dice task → honesty/cheating
2. Descriptive norm elicitation on cheating
3. Injunctive norm elicitation on cheating
4. Elicitation for norms and sanctions on transgression of norms

Experimental Tasks

1. Dice Task
   - Fischbacher and Föllmi -Heusi (2013): Subject roll a die in private and report their results

2. Descriptive Norm Elicitation
   - Fischbacher and Föllmi -Heusi (2013): Subjects are incentivized to report (beliefs) state the fraction of people in the session who reported certain die roll
3. Injunctive Norm Elicitation
   - Krupka & Weber (2013): Subjects are incentivized to match the mode of responses of other participants

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Dice Task

Ahora ingrese el número obtenido en el primer lanzamiento

Número obtenido

Pago resultante (en Quetzales)

Número obtenido	1	2	3	4	5	6
Pago resultante (en Quetzales):	5	10	15	20	25	0

OK

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Experimental Tasks

1. Dice Task
   - Fischbacher and Föllmi -Heusi (2013): Subject roll a die in private and report their results

2. Descriptive Norm Elicitation
   - Fischbacher and Föllmi -Heusi (2013): Subjects are incentivized to report (beliefs) the fraction of people in the session who reported each die roll
3. Injunctive Norm Elicitation
   - Krupka & Weber (2013): Subjects are incentivized to match the mode of responses of other participants

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Descriptive Norm Elicitation

PARTE 1

Antes de completar el cuestionario les pedimos a todos los participantes reportar el número que apareció en los dados. Dependiendo de los números reportados los participantes recibirán un pago.

Por favor escribe tu estimación de cuantos participantes en este experimento recibirán un pago en particular (en porcentaje). Si la estimación es correcta, ganarás Q25. Por cada punto de porcentaje que te desvíes del porcentaje correcto tu pago se reducirá por Q0.20. Recibirás un mínimo de Q2.50. (Por favor toma nota que los porcentajes deben totalizar 100 por ciento).

¿Qué porcentaje de los participantes recibieron un pago de 0 Quetzales? %

¿Qué porcentaje de los participantes recibieron un pago de 5 Quetzales? %

¿Qué porcentaje de los participantes recibieron un pago de 10 Quetzales? %

¿Qué porcentaje de los participantes recibieron un pago de 15 Quetzales? %

¿Qué porcentaje de los participantes recibieron un pago de 20 Quetzales? %

¿Qué porcentaje de los participantes recibieron un pago de 25 Quetzales? %

OK

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Experimental Tasks

1. Dice Task
   - Fischbacher and Föllmi -Heusi (2013): Subject roll a die in private and report their results

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3. Injunctive Norm Elicitation
   - Krupka & Weber (2013): Subjects are incentivized to match the mode of responses of other participants

Injunctive Norm-Elicitation

- Participants evaluate in 5 different situations, 20 possible choices that vary the extent of dishonesty for a given situation

Very socially inappropriate	Somewhat socially inappropriate	Somewhat socially appropriate	Very socially appropriate
-3	-1	1	3

  - "'socially appropriate' and 'consistent with moral or proper social behaviour' *or* 'socially inappropriate' and 'inconsistent with moral or proper social behaviour'"
  - "By socially appropriate, we mean behaviour that most people agree is the 'correct' or 'ethical' thing to do"

Injunctive Norm Elicitation

Situation 1: Suppose that individual A tossed the number **'6'.**

	Very socially inappropriate	Somewhat socially inappropriate	Somewhat socially appropriate	Very socially appropriate
...and reported the number 6 (£0.0)	☐	☐	☐	☐
...and reported the number 1 (£0.5)	☐	☐	☐	☐
...and reported the number 2 (£1.0)	☐	☐	☐	☐
...and reported the number 3 (£1.5)	☐	☐	☐	☐
...and reported the number 4 (£2.0)	☐	☐	☐	☐
...and reported the number 5 (£2.5)	☐	☐	☐	☐

Situation 2: Suppose that individual A tossed the number **'1'.**

Situation 3: Suppose that individual A tossed the number **'2'.**

Situation 4: Suppose that individual A tossed the number **'3'.**

Situation 5: Suppose that individual A tossed the number **'4'.**

OK

Experimental Sessions

- 11 sessions
  - 3 Subject Pools: Guatemala City, Guatemala; Nottingham, UK; Izmir, Turkey; (and Sweeden)
  - 11-30 Subjects per session
- 232 (272) subjects
  - 85 (99) in GT, 59 in UK, 88 in TR, (26) in SW
  - Maximum dice game payoffs
    - 30 GTQ, 3 GBP, 7 TRY

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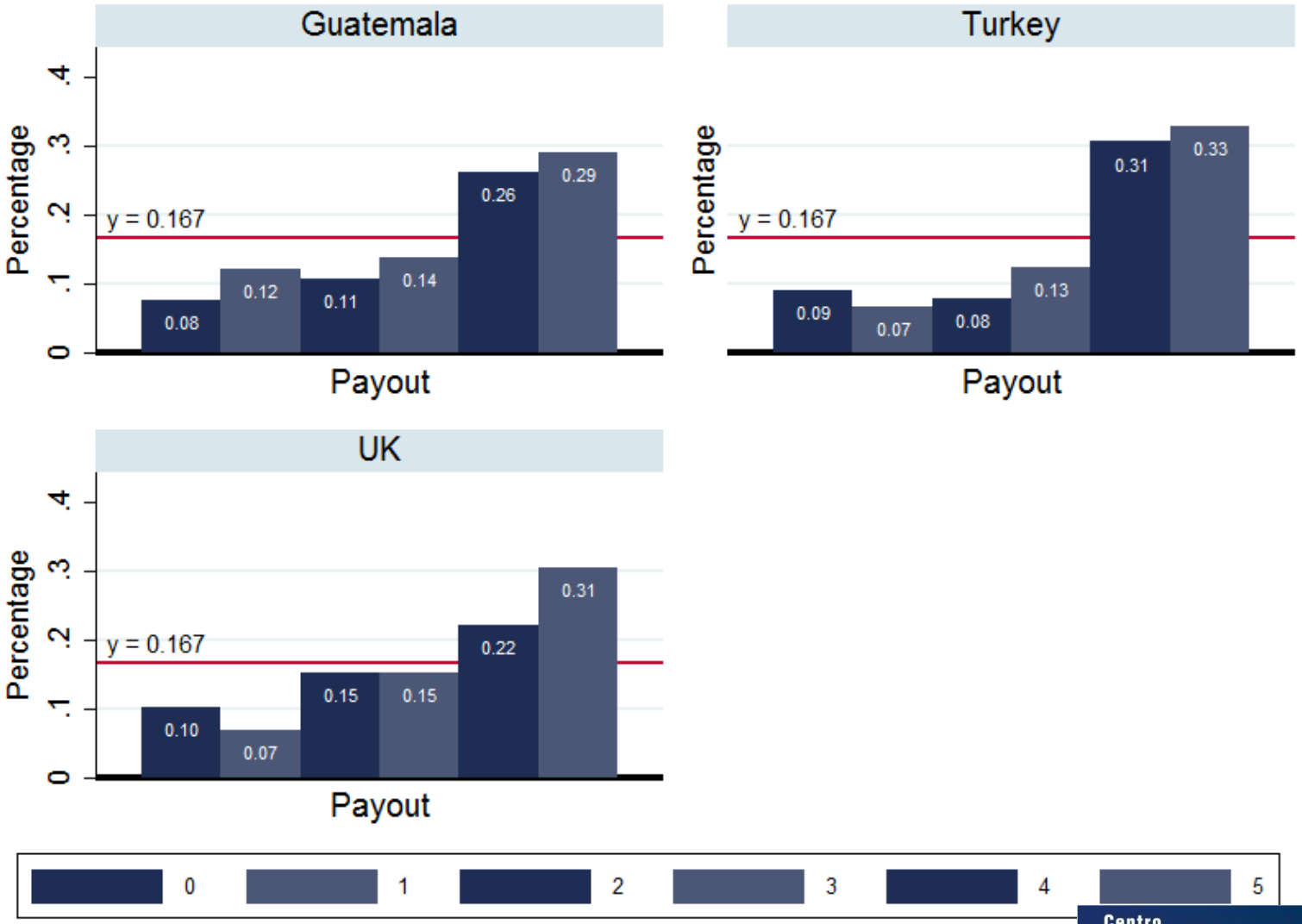
Cheating and Social Norms regarding Cheating

EXPERIMENTAL RESULTS

Results: Payouts and Cheating



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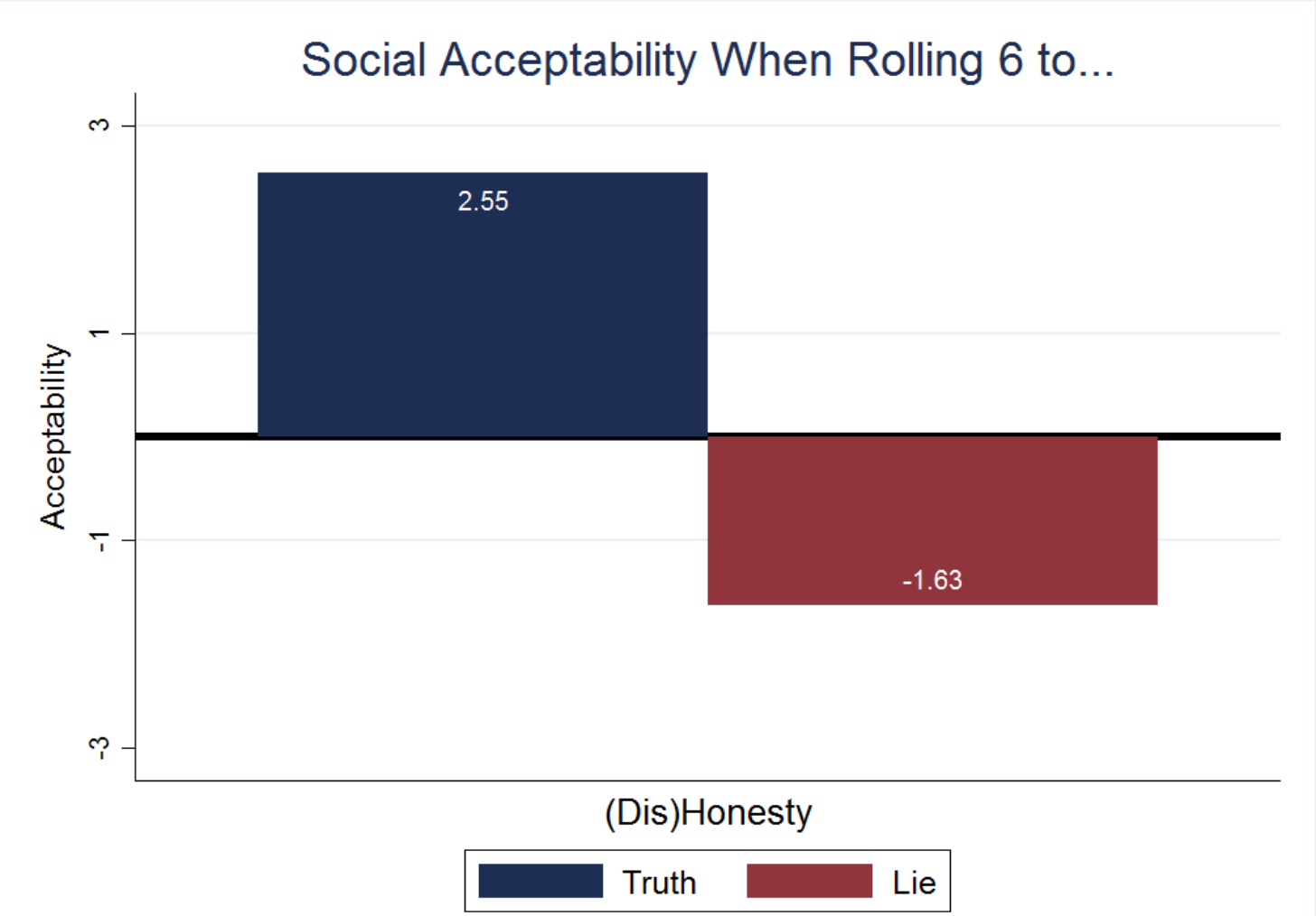
Results – Injunctive Norms



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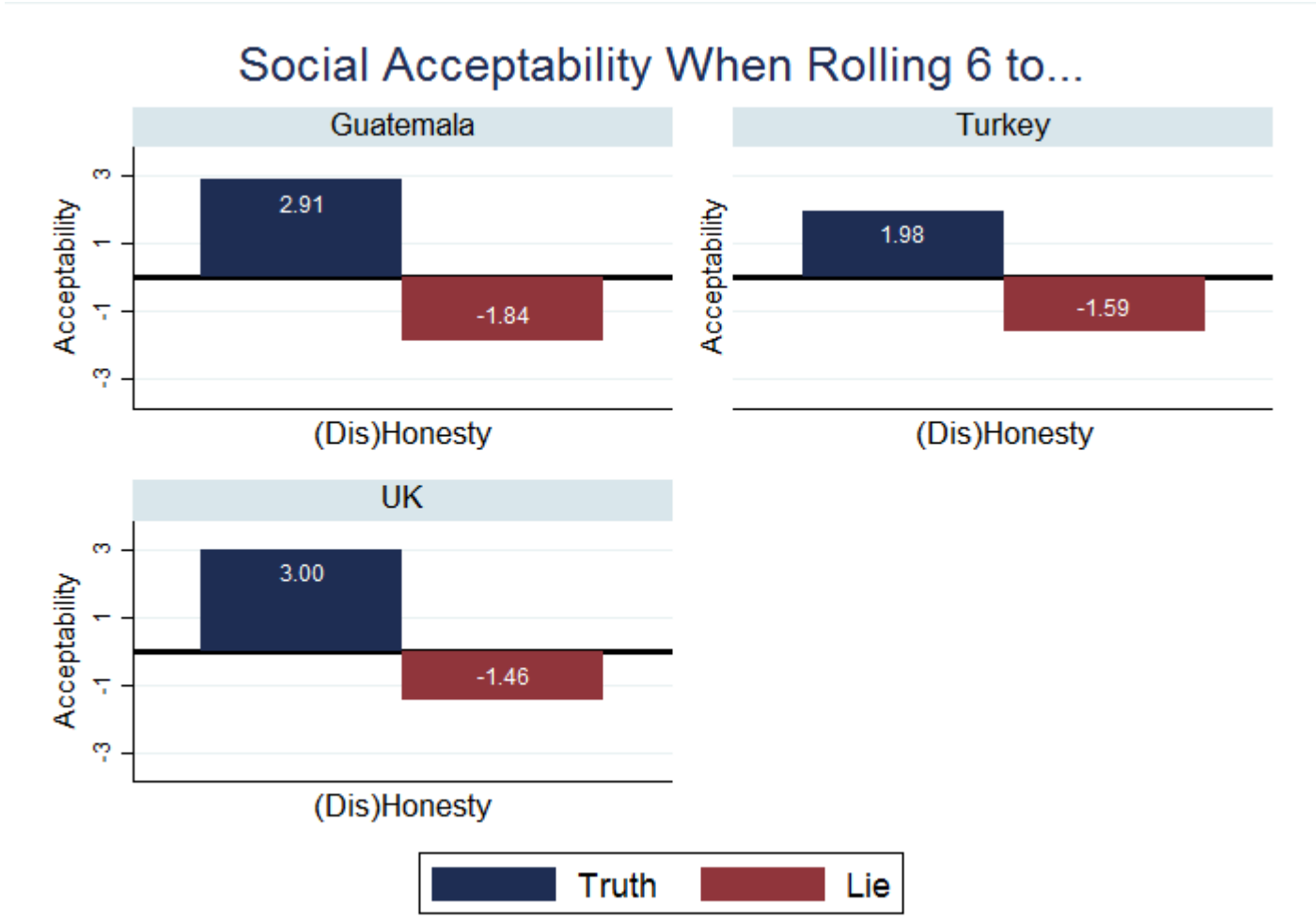
Results – Injunctive Norms



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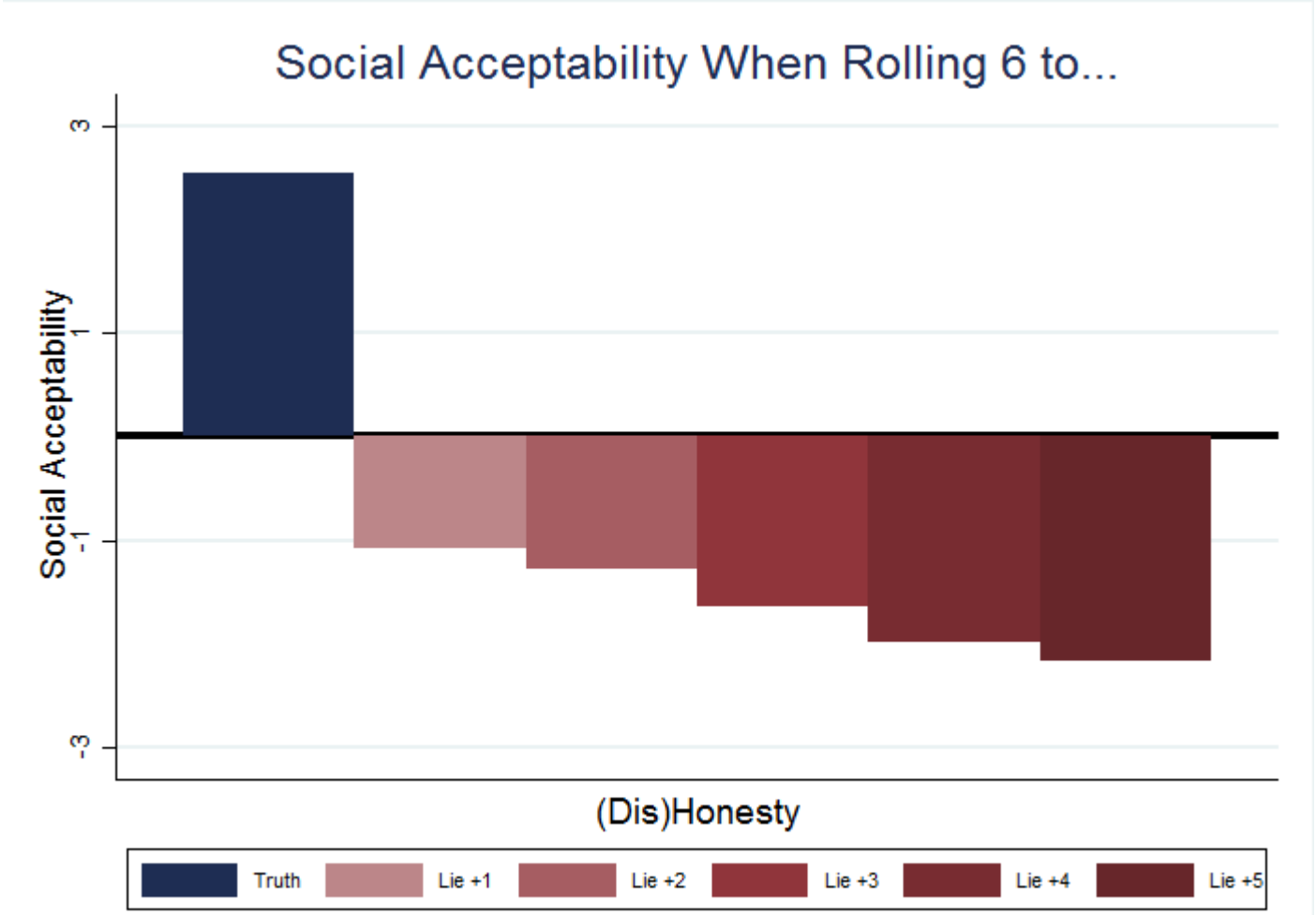
Results – Injunctive Norms



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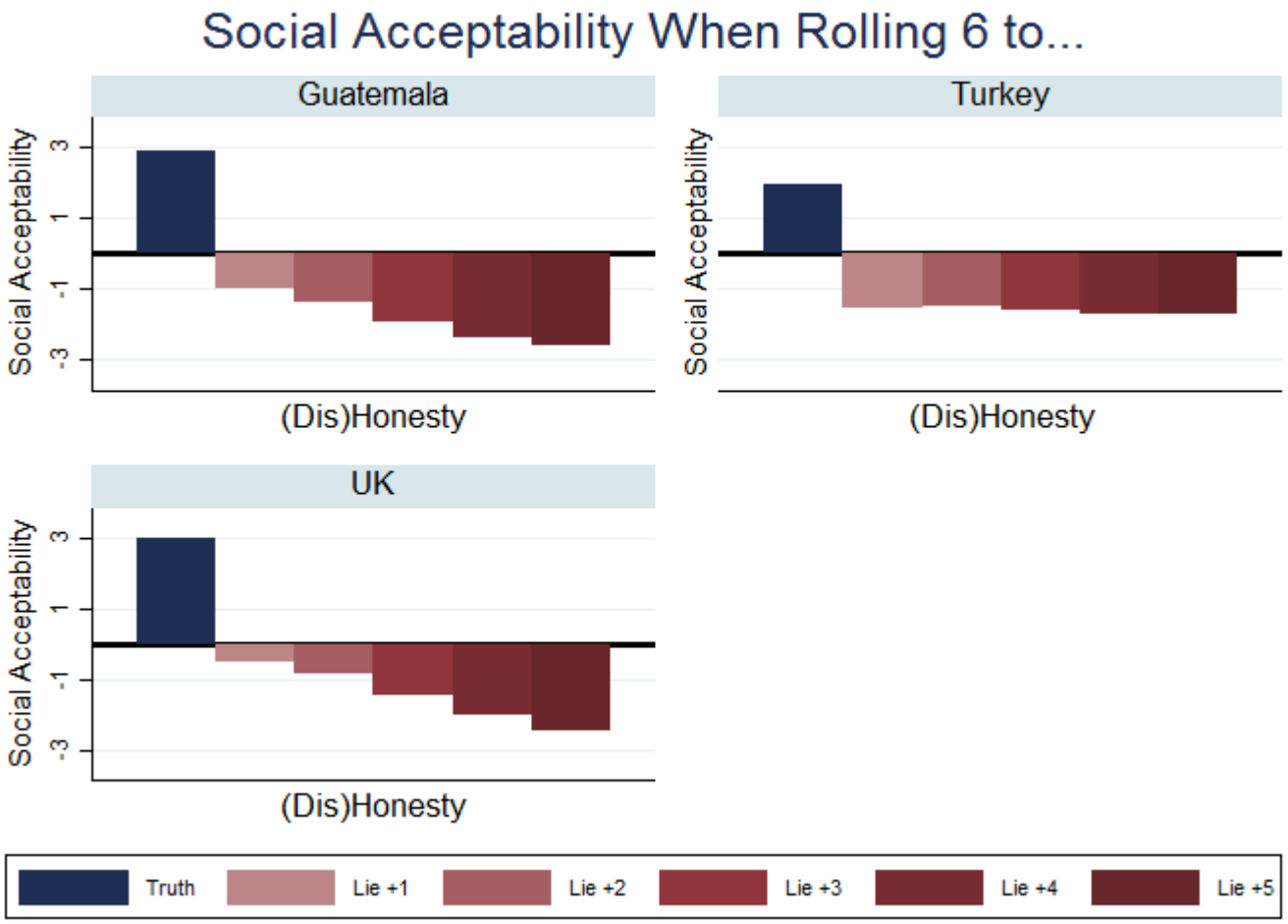

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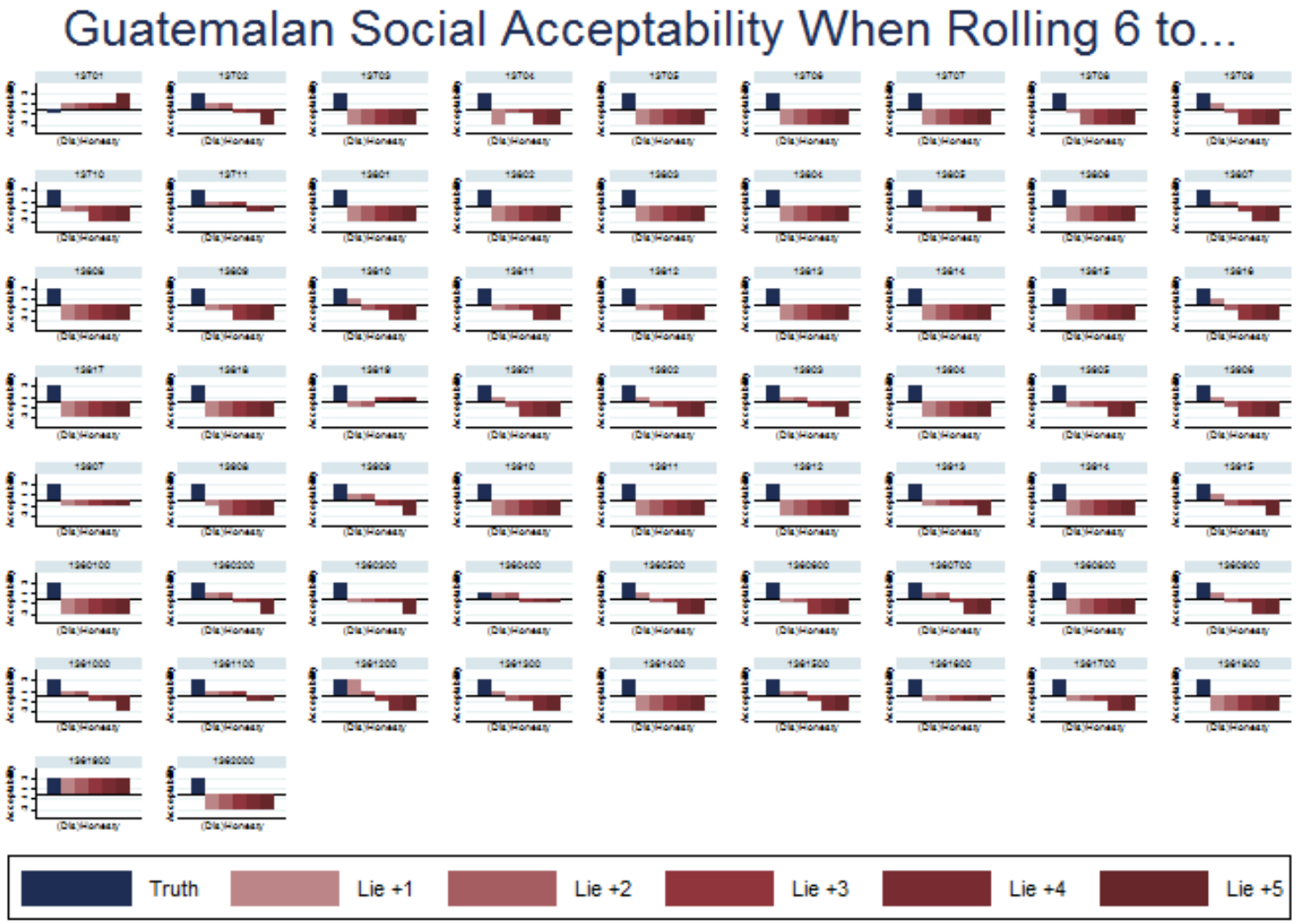

Heterogeneous Norm Perceptions

1. Mean Social Acceptability: Average of social acceptability of lies irrespective of extent
2. Individual level measure of norm perceptions:
   - Classify individuals according to measure based on regression of all social acceptability data for each individual:

$$SocialAccept = c + \beta Extent + \gamma Sit. + \delta Truth + \varepsilon$$

- Perceived ***Consequentialist Norm***: β<0 (MSA = -1.43)
- Perceived ***Deontologist Norm***: β=0 (no var.) (MSA = -2.49)
- Perceived ***Homo-Economicus Norm***: β>0 (MSA = 0.24)

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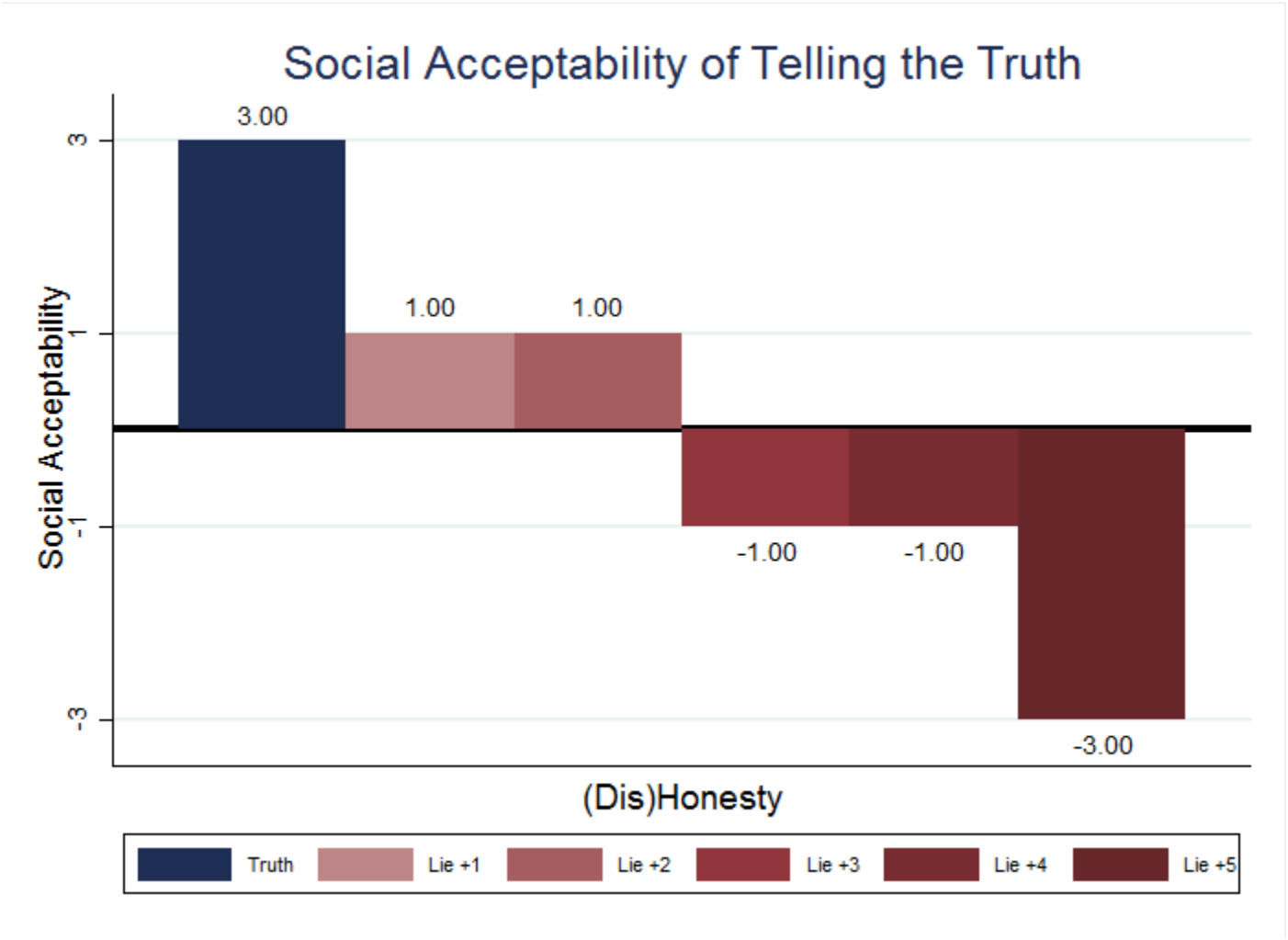
Consequentialist Norm Perception



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Injunctive Norm Perceptions

Country	Consequentialist		Deontologist		Homo Economicus		Total
Guatemala (MSA = -1.90)	36	(55%)					65
Turkey (MSA = -1.60)	24	(27%)					88
UK (MSA = -1.52)	40	(68%)					59
Total (MSA = 01.67)	100	(42%)					212
	(MSA = -1.43)		(MSA = -2.49)		(MSA = 0.24)		

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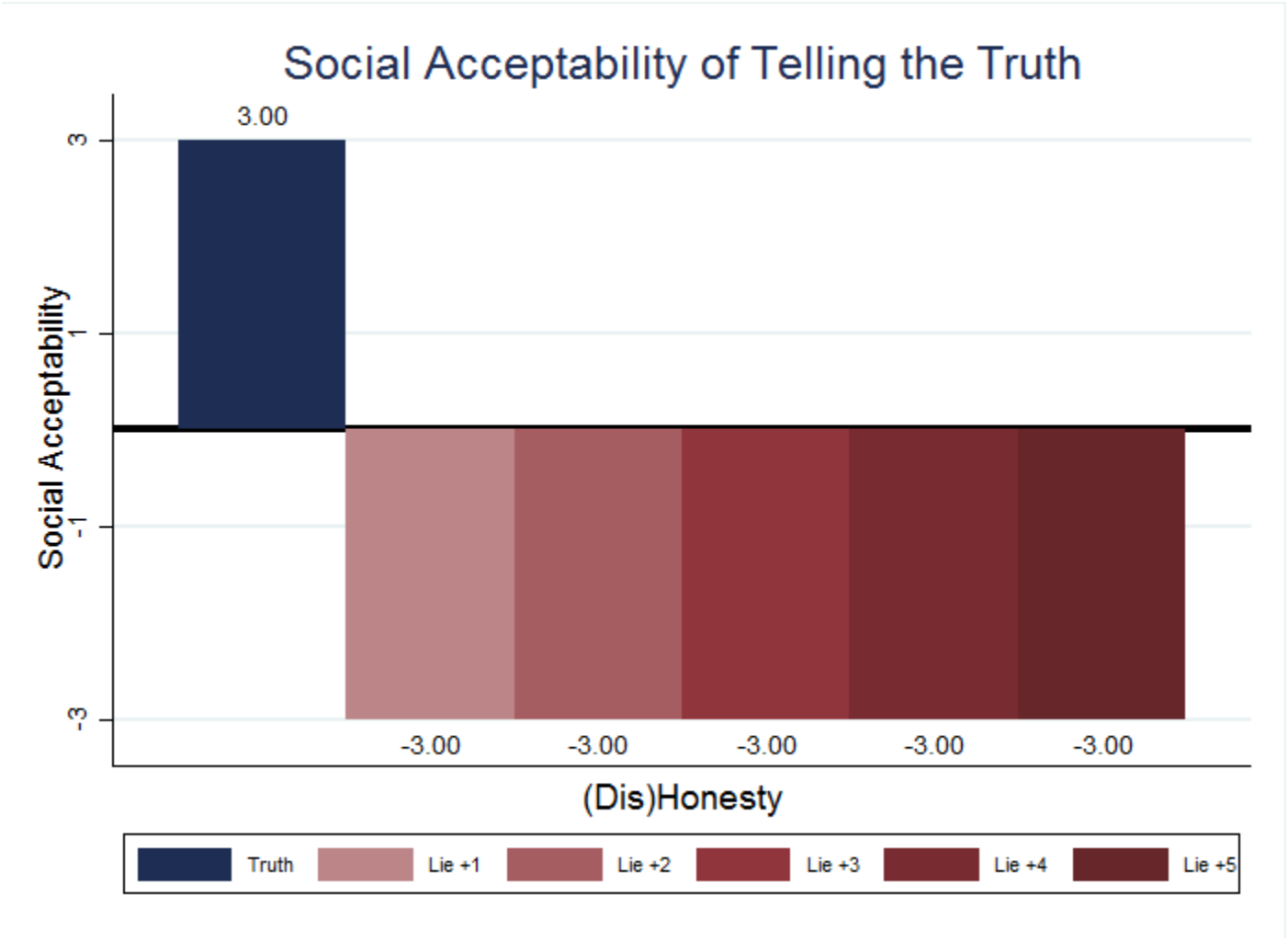
Deontological Norm Perception



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Injunctive Norm Perceptions

Country	Consequentialist		Deontologist		Homo Economicus		Total
Guatemala (MSA = -1.90)	36	(55%)	25	(38%)			65
Turkey (MSA = -1.60)	24	(27%)	45	(51%)			88
UK (MSA = -1.52)	40	(68%)	17	(29%)			59
Total (MSA = 01.67)	100	(42%)	87	(46%)			212
	(MSA = -1.43)		(MSA = -2.49)		(MSA = 0.24)		

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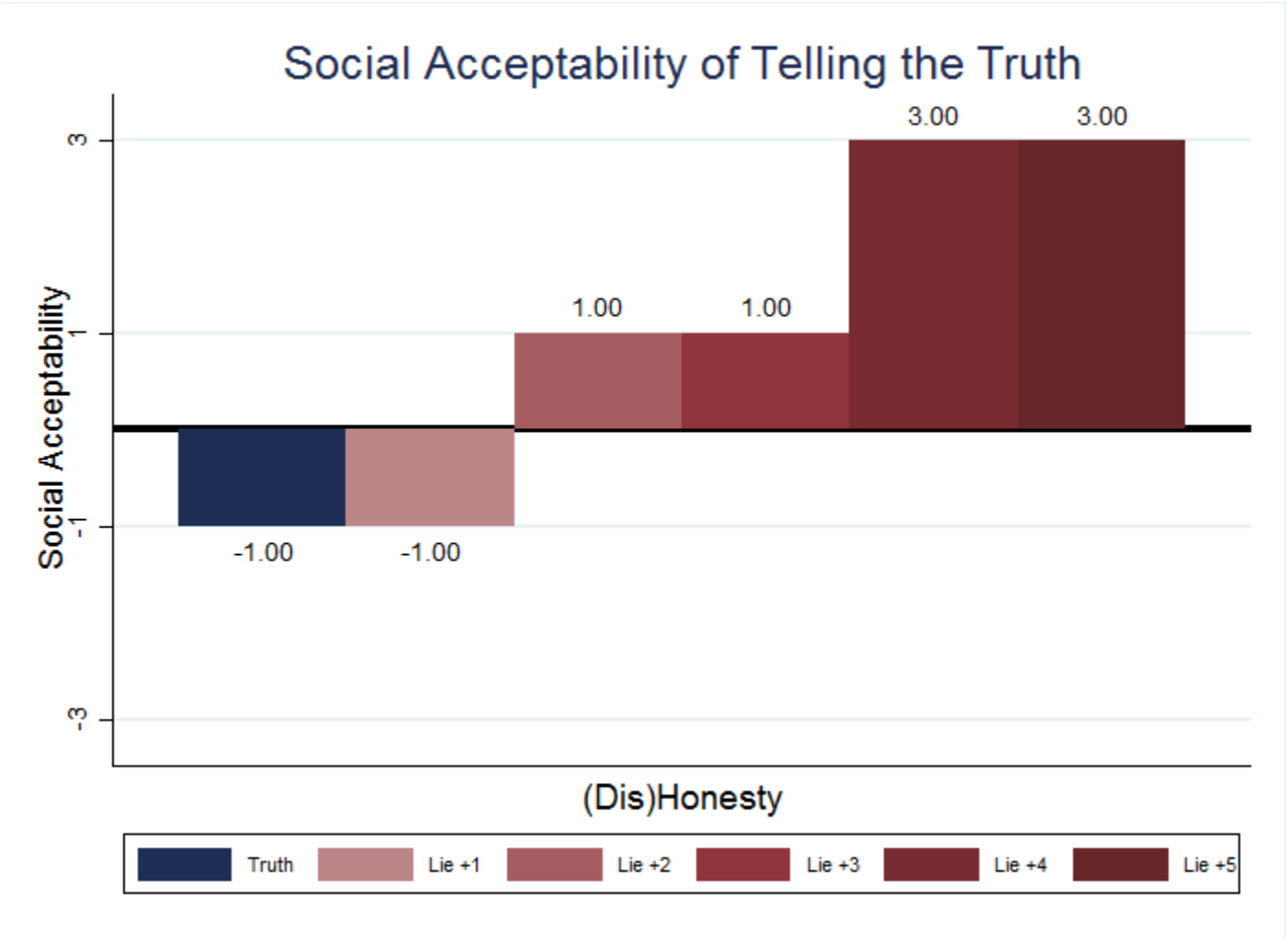
Homo Economicus Norm Perception



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Injunctive Norm Perceptions

Country	Consequentialist		Deontologist		Homo Economicus		Total
Guatemala (MSA = -1.90)	36	(55%)	25	(38%)	4	(6%)	65
Turkey (MSA = -1.60)	24	(27%)	45	(51%)	19	(22%)	88
UK (MSA = -1.52)	40	(68%)	17	(29%)	2	(3%)	59
Total (MSA = 01.67)	100	(42%)	87	(46%)	25	(12%)	212
	(MSA = -1.43)		(MSA = -2.49)		(MSA = 0.24)		

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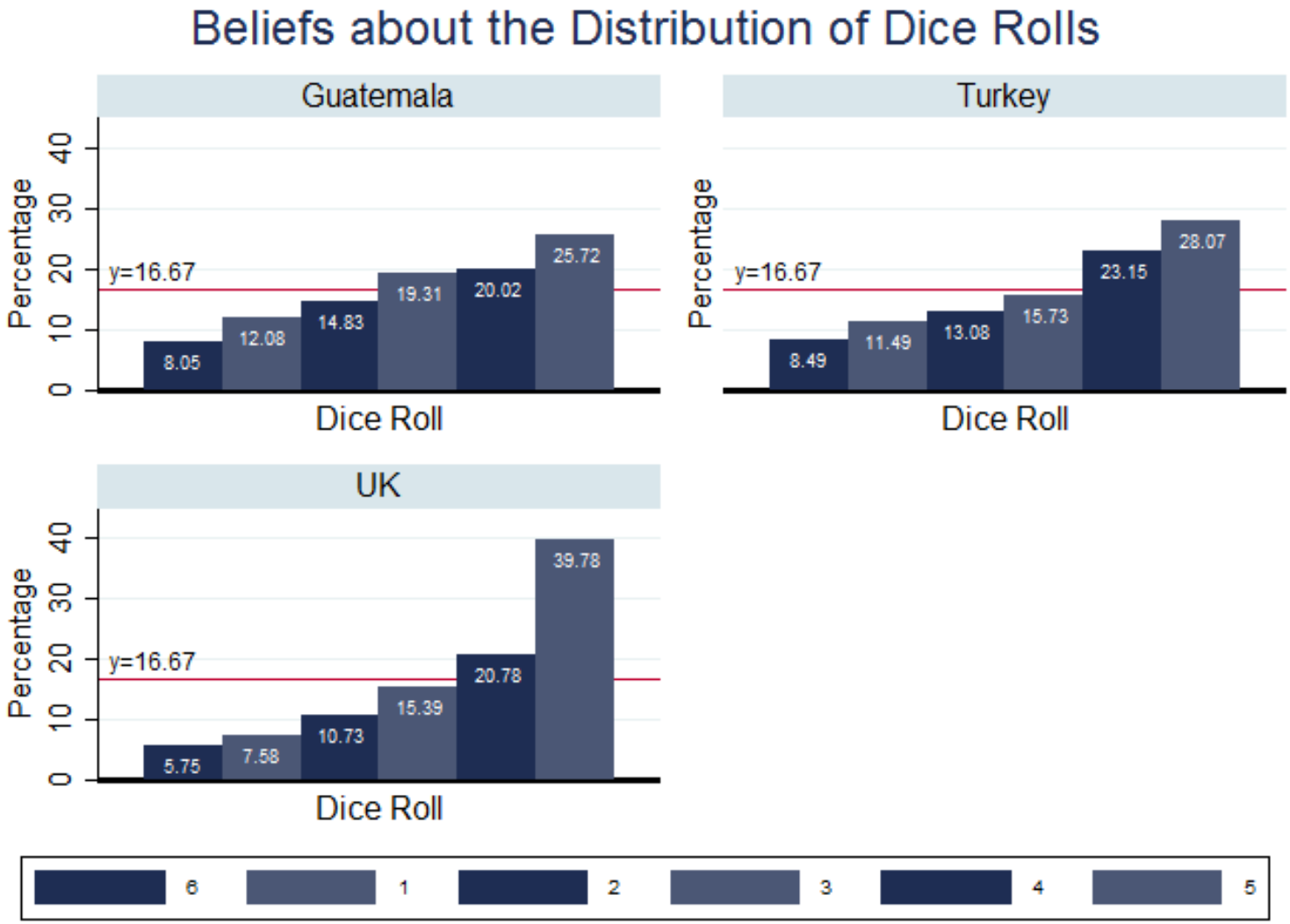
Results – Descriptive Norms



Summary 1

- Underlying injunctive norms are different
  - Variation between subject pools
  - Variation within subject pools

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Research Questions

- What are the underlying norms regarding honesty?
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Research Questions

- What are the underlying norms regarding honesty?
- Do norms vary between societies?
- How do injunctive norms, descriptive norms, and dishonesty relate to each other?
  - Measures
    - Mean Social Acceptability (Injunctive Norm Perception)
    - Expected Average Payout (Descriptive Norm Perception)

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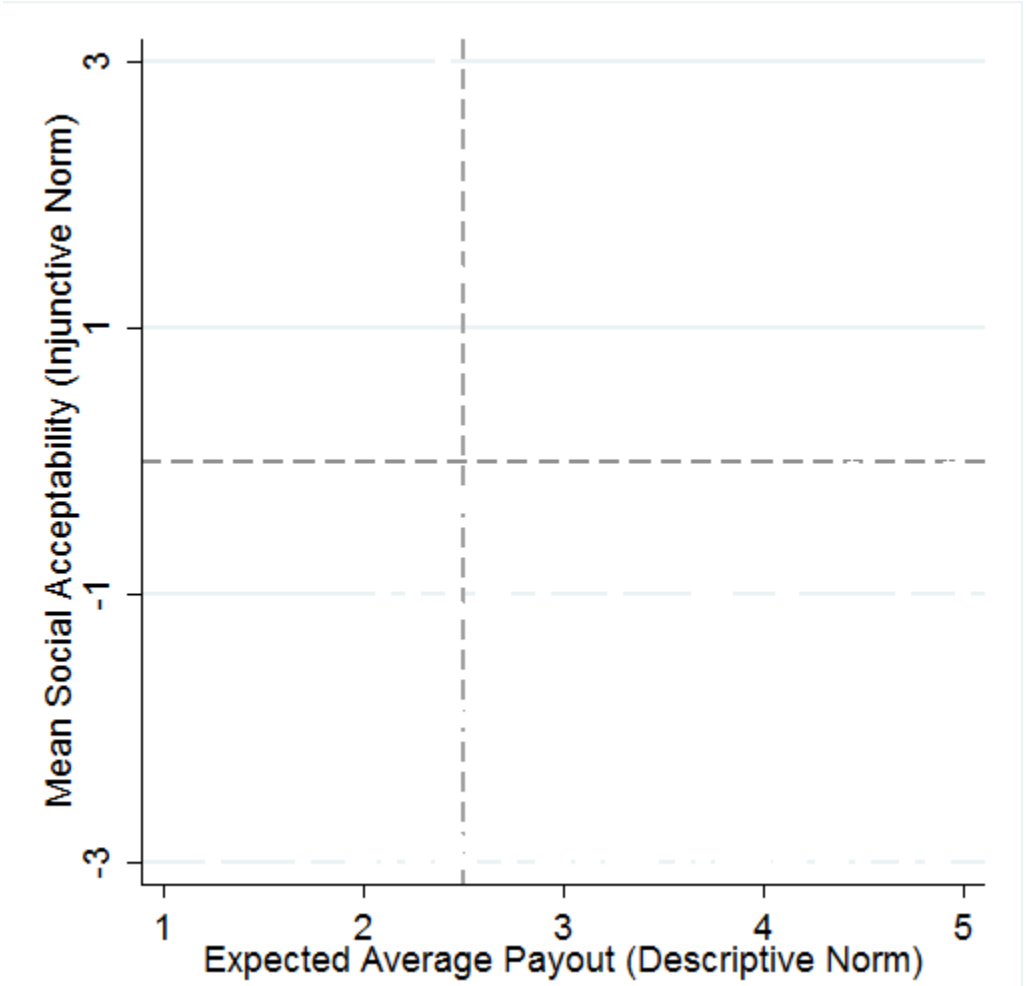
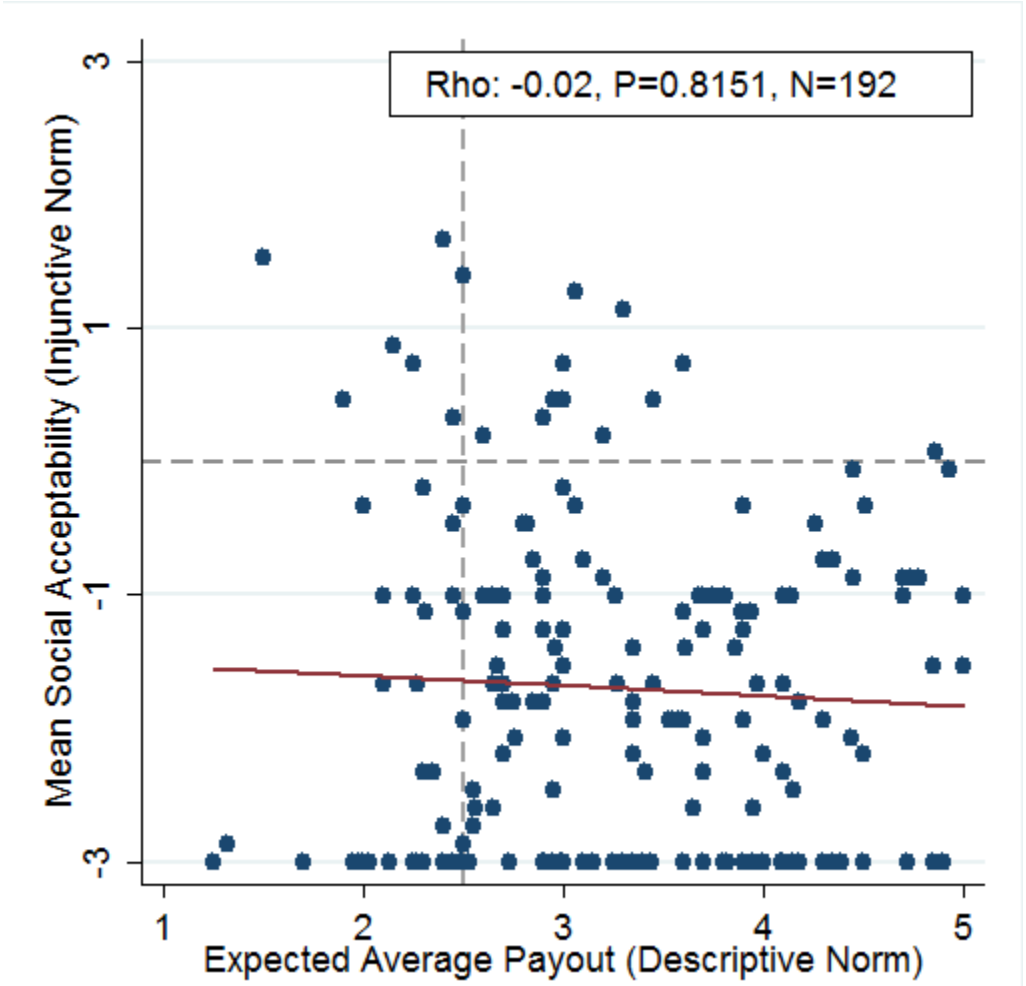
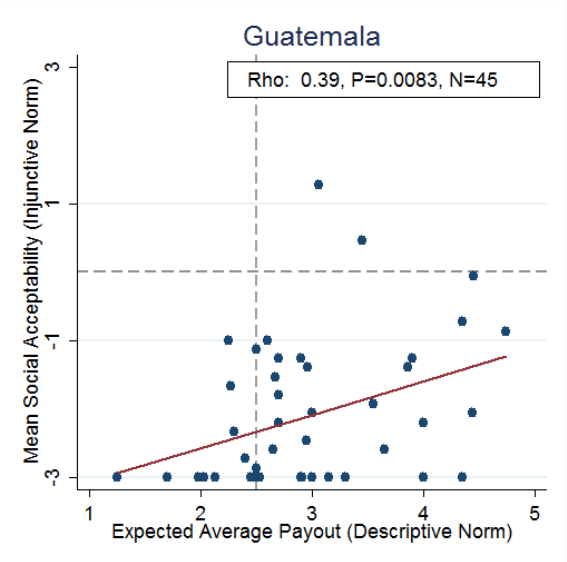
Injunctive & Descriptive Norms

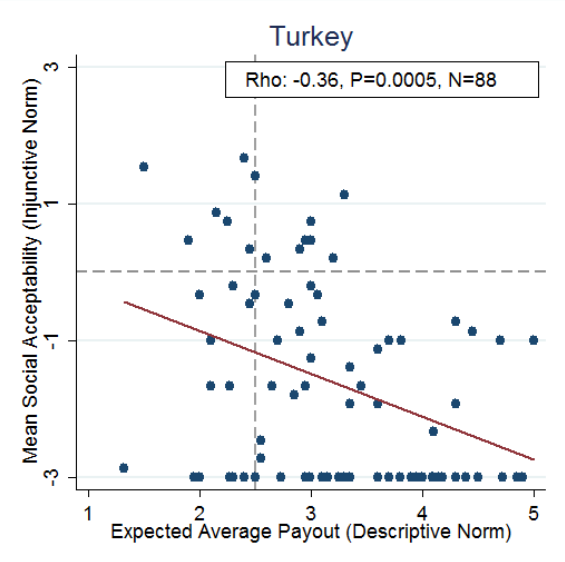


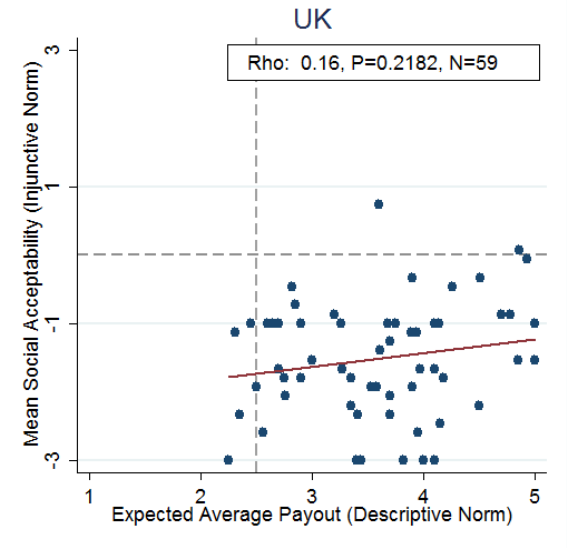
Injunctive & Descriptive Norms



Injunctive & Descriptive Norms







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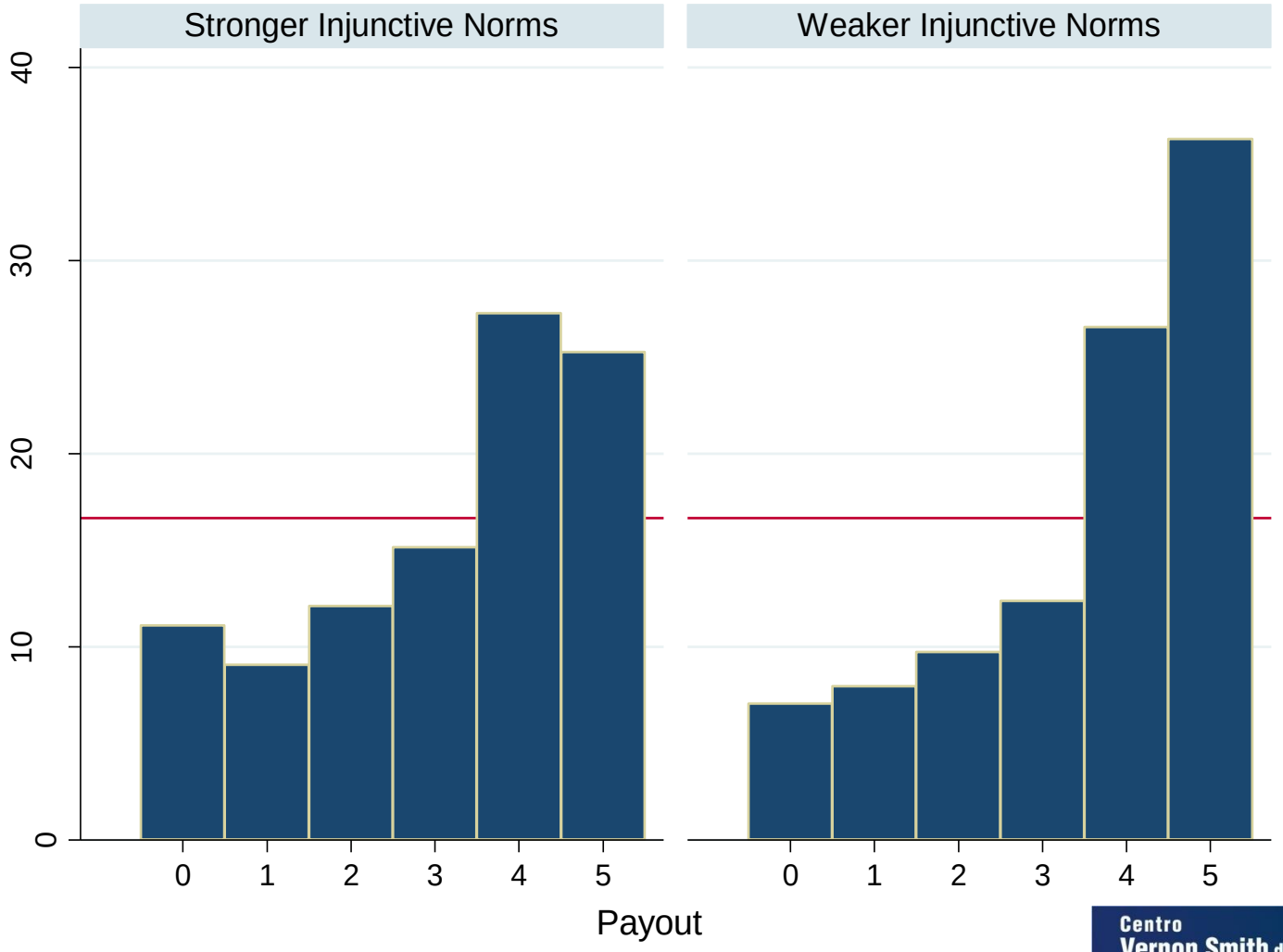
Injunctive Norms and Payout



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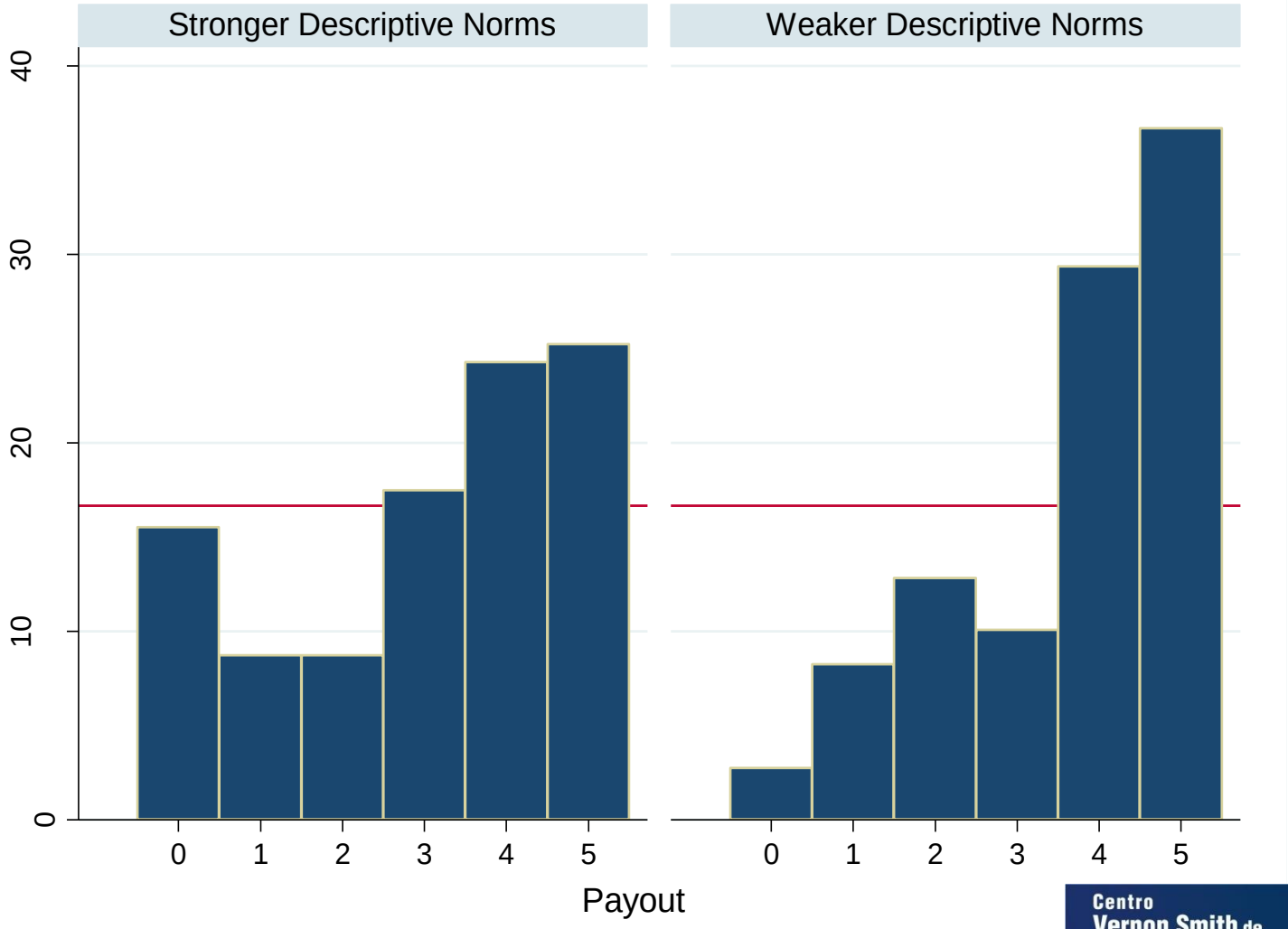
Descriptive Norms and Payout



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Conclusion

- Underlying injunctive norms are different
  - Variation between subject pools
  - Variation within subject pools
- Injunctive and Descriptive Norms
  - Do not relate in the UK
  - Positively correlate in Guatemala
  - Negatively correlate in Turkey
- We find no significant relation between Injunctive Norm Perceptions and Dishonesty
- We find a significant relation between Descriptive Norms Perceptions and Dishonesty

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Further Questions

- Does the variance in social norms matter?
- How should we interpret the large variation in perceived injunctive norms?

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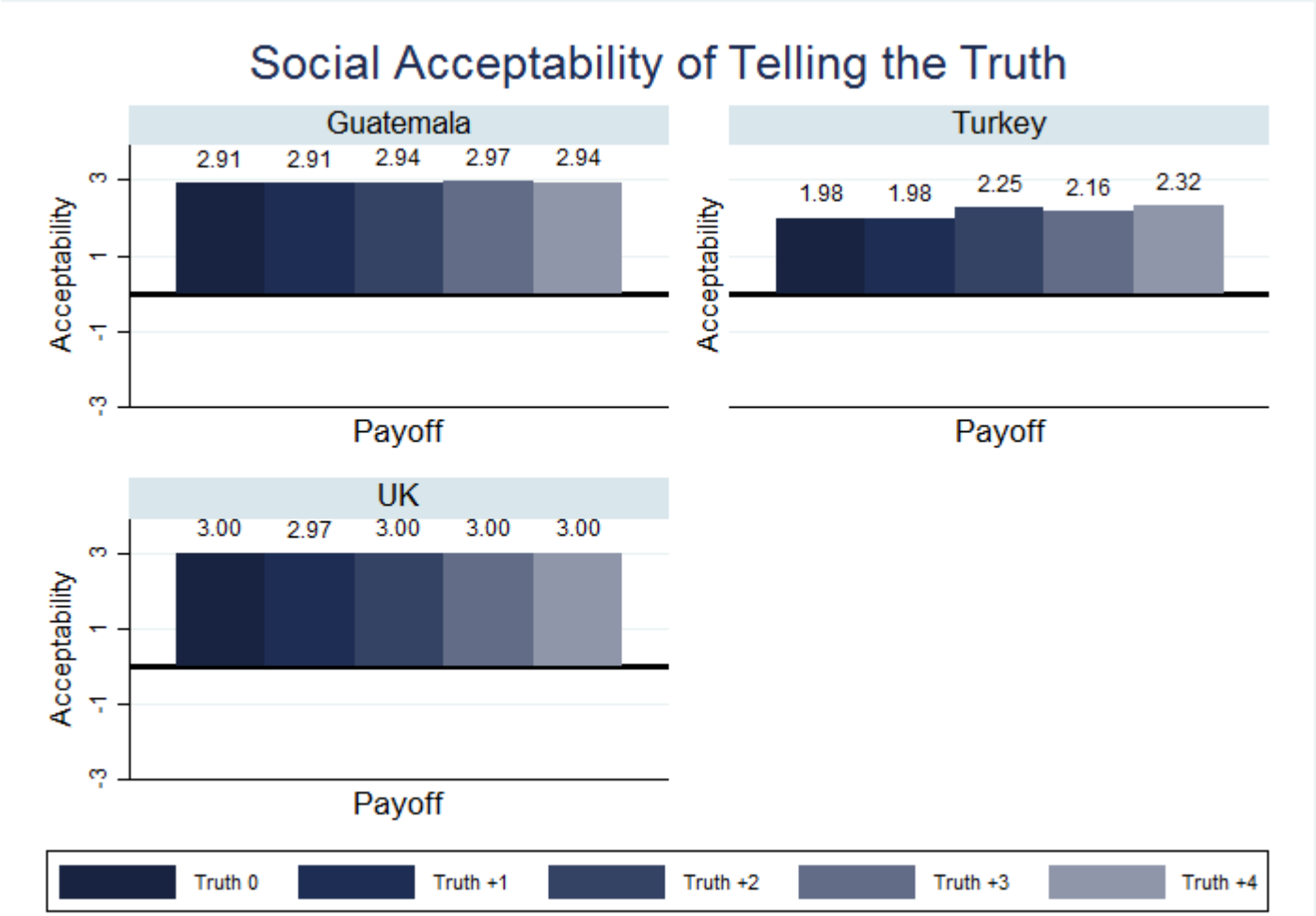
Results – Injunctive Norms



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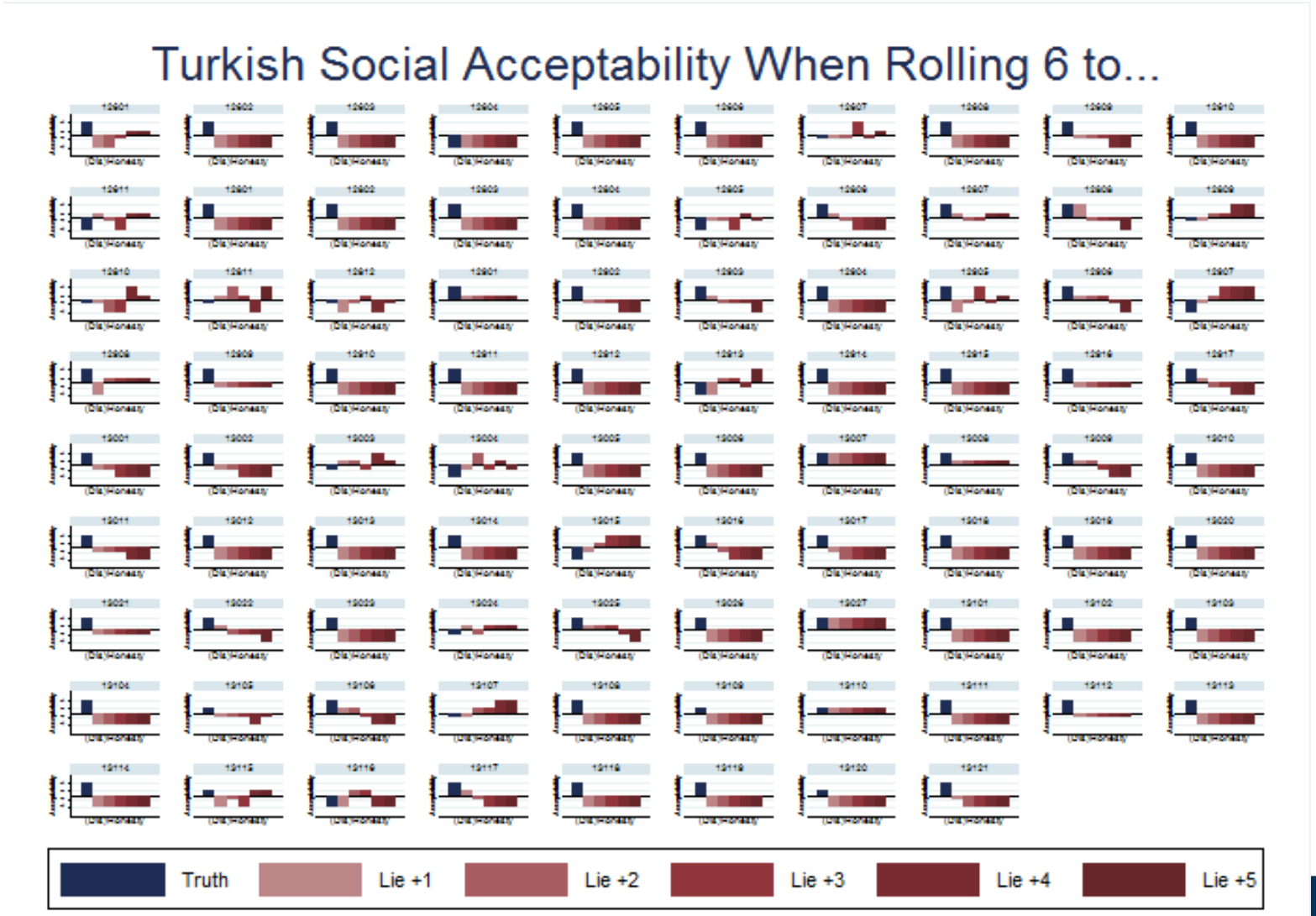

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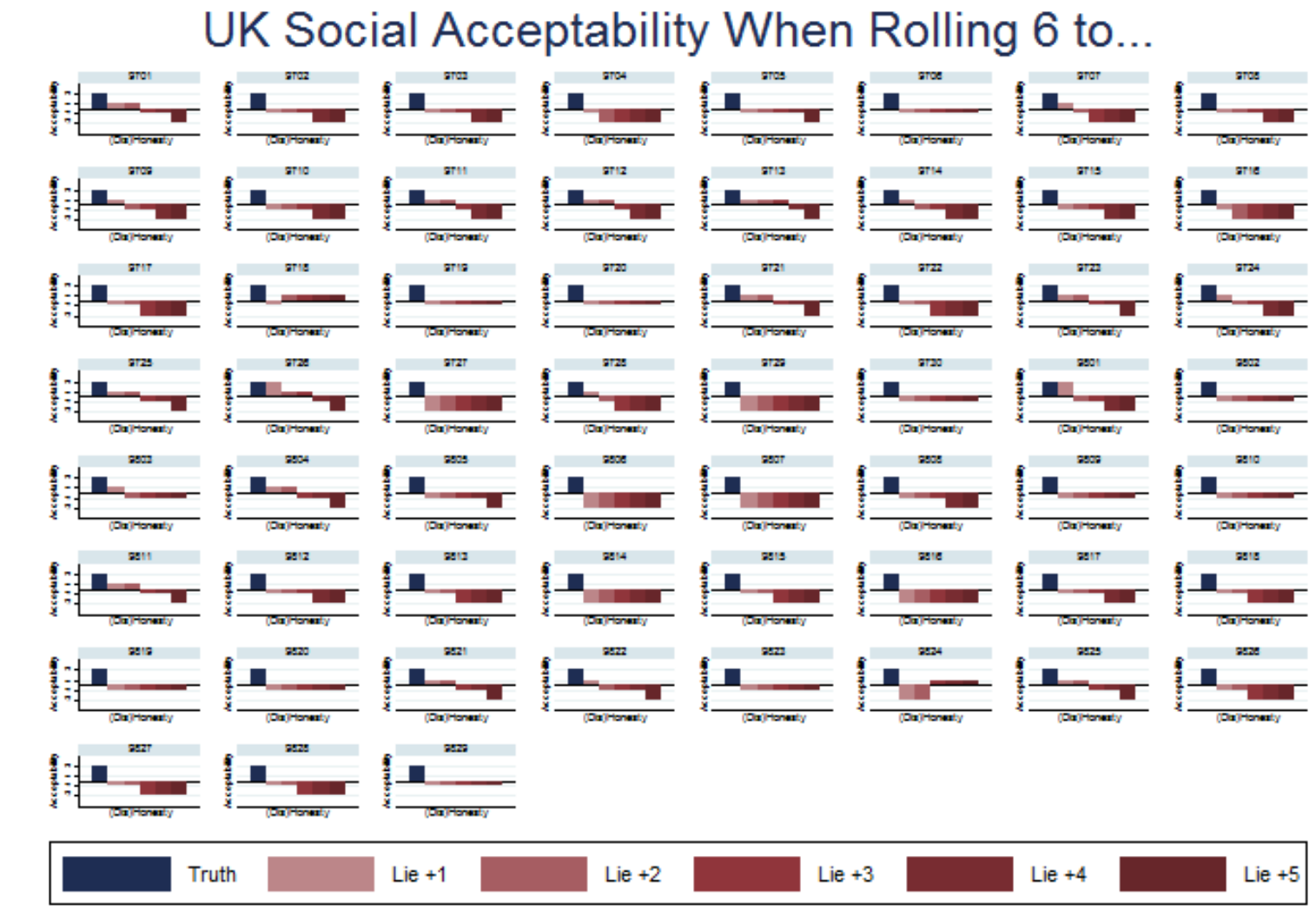

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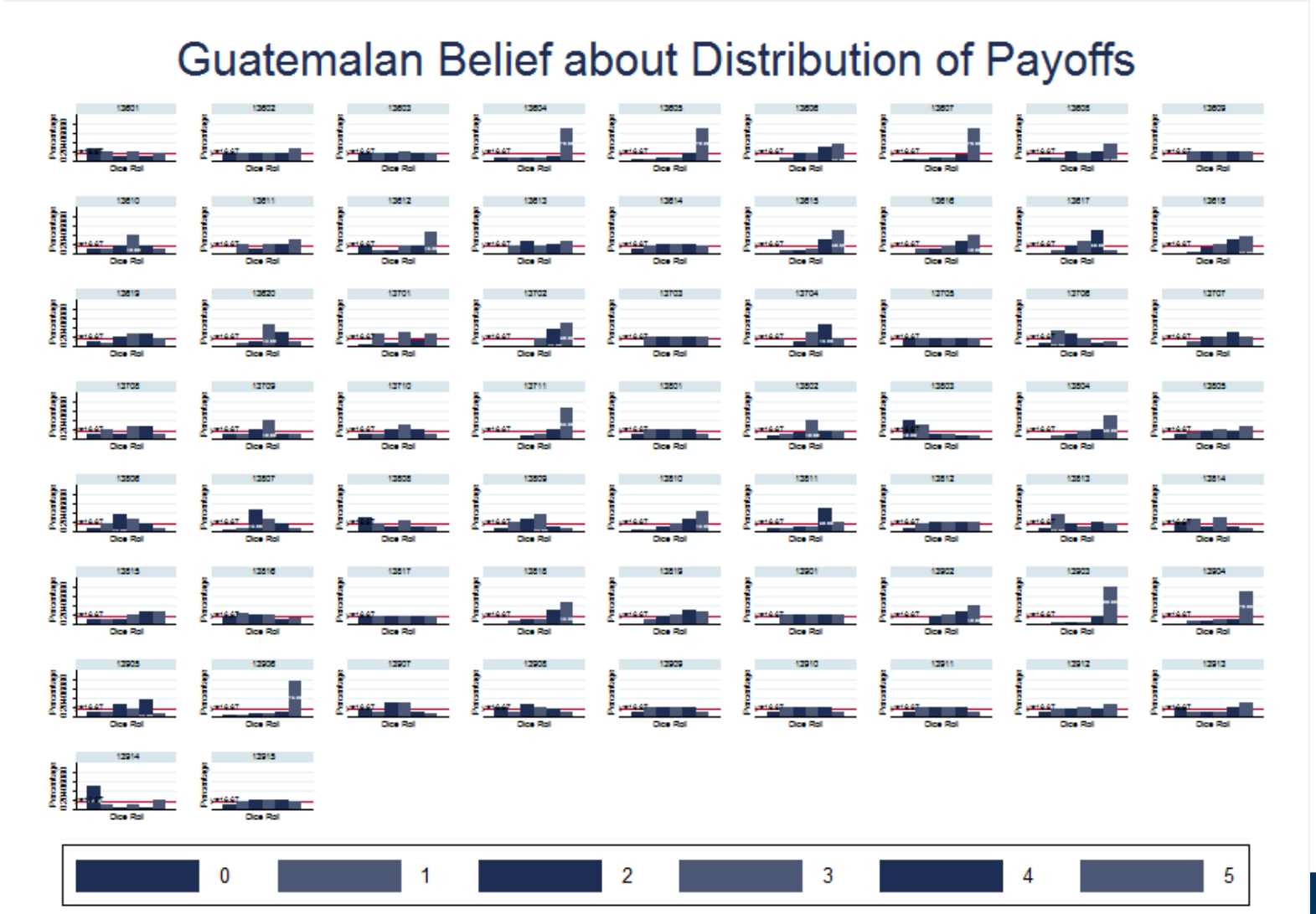

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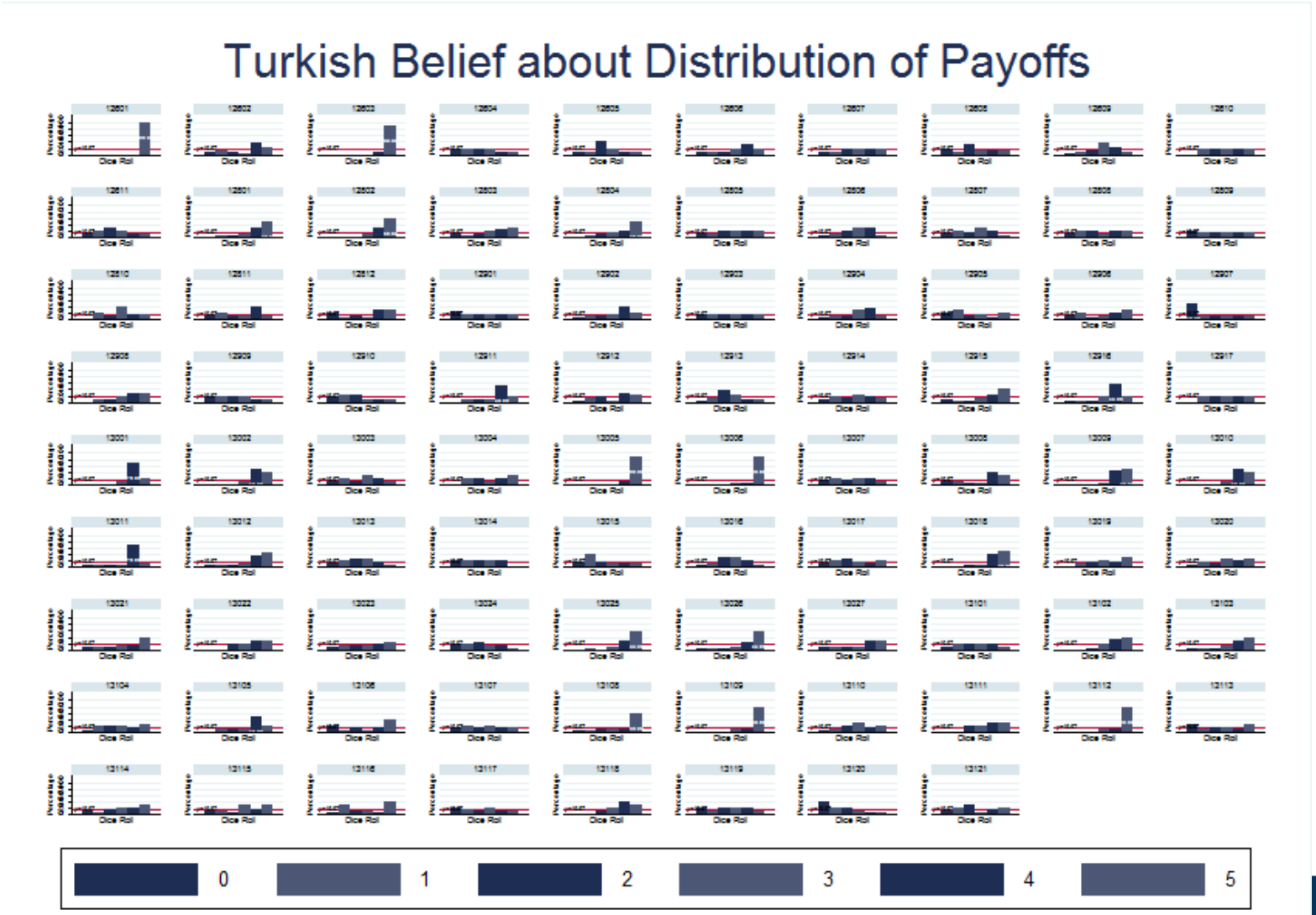
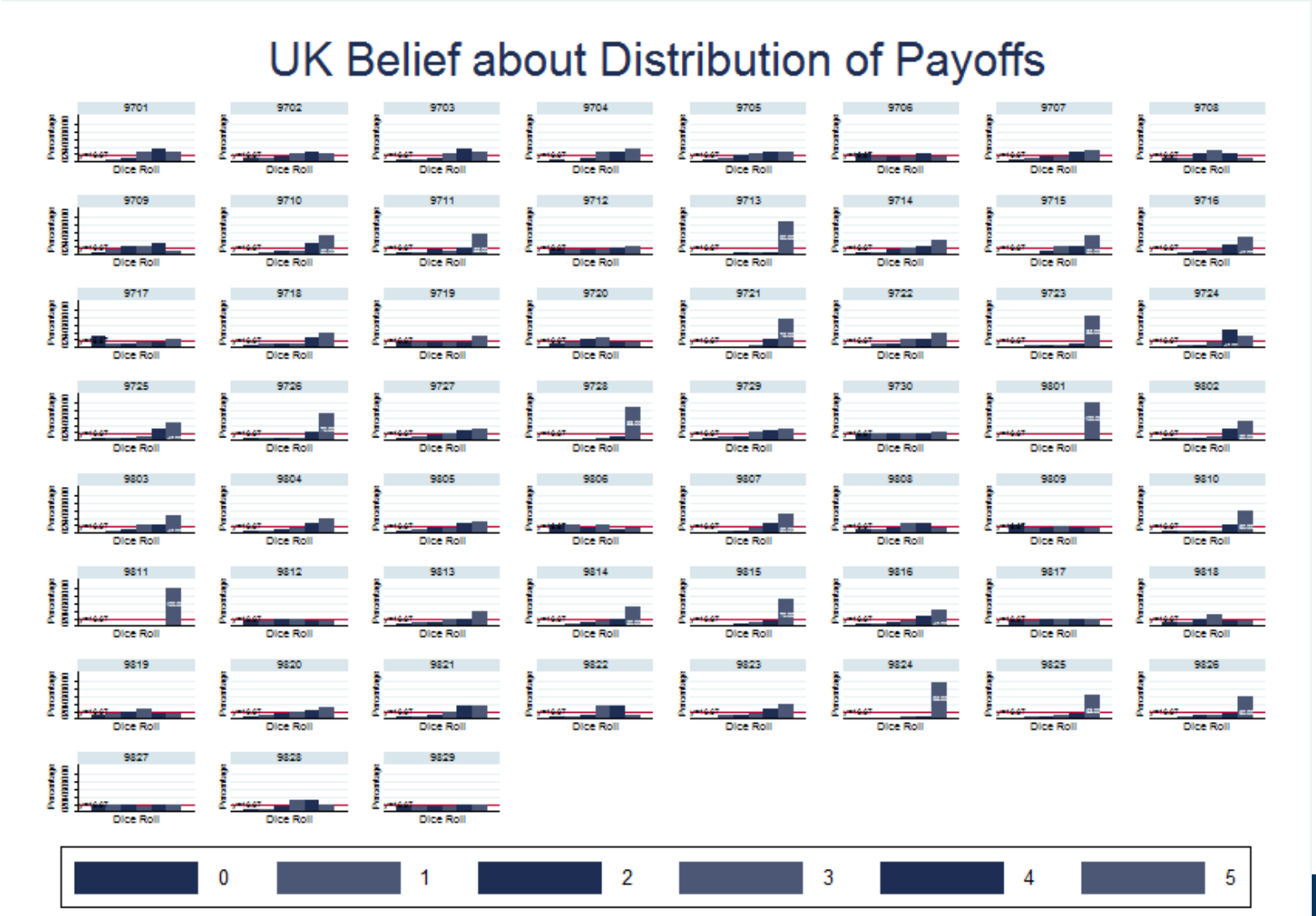
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