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When do we lie?☆

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ABSTRACT

The paper reports from an experiment studying how the aversion to lying is affected by non-economic dimensions of the choice situation. Specifically, we study whether people are more or less likely to lie when the content of the lie is personal, when they base decisions on intuition, and when they are in a market context. We also study how aversion to lying depends on personal characteristics, including age, gender, cognitive ability, personality and social preferences. Our main finding is that non-economic aspects of the choice situation are crucial in understanding aversion to lying. In particular, we find that people are less likely to lie when the content of the message is personal. We also find large effects from priming the participants to rely on intuition, but, interestingly, in this case the effect only applies to males. Finally, we find that people who are highly motivated by social preferences are more averse to lying, but there is no significant relationship between lying behavior and other personal characteristics.

1. Introduction

It is often argued, in particular by moral philosophers, that it is bad to tell lies irrespective of the consequences of doing so. Immanuel Kant famously asserted that lying, or deception of any kind, is forbidden in any circumstance and irrespective of the consequences (Kant, 1949). Since communication is a key element in almost all social interaction, including in economic transactions, it is important to understand when, and to what extent, people are motivated by such non-consequentialistic moral reasoning.

A growing literature in economics has studied the prevalence of lying in different economic environments and how it relates to other moral motives (Gneezy, 2005; Dreber and Johannesson, 2008; Sánchez-Pagés and Vorsatz, 2009; Erat and Gneezy, 2012; Erat, forthcoming; Abeler et al., 2012; López-Pérez and Spiegelman, forthcoming; Childs, 2012; Friesen and Gangadharan, 2012; Hoffmann et al., 2013; Lundquist et al., forthcoming; Gneezy et al., 2013; Lightle, 2013).[1] In particular, Erat and Gneezy (2012) report experimental data showing that a substantial fraction of people refuse to tell a lie that would be beneficial for all parties involved, referred to as Pareto White Lies. Their design identifies a pure aversion to lying, since it is hard to see that anything else can motivate not lying in such situations. At the same time, they show that people are not

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[1] There is also a related important literature on dishonesty and promise breaking, including Brandts and Charness (2003), Charness and Dufwenberg (2006, 2010), Sutter et al. (2009), Angelova and Regner (forthcoming), Battigalli et al. (forthcoming), Gino et al. (forthcoming) and Kriss et al. (2013).

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strictly non-consequentialistic in their lying behavior, but also take into account the economic consequences of lying and lie less when it hurts themselves or others.

In this paper we examine how non-economic dimensions of the choice situation affect the aversion to lying. More specifically, we examine whether people are more or less averse to lying when the content of the lie is personal, when they base decisions on intuition, and when they are in a market context. These aspects are potentially of great importance when considering whether we should expect people to communicate the truth or not. For example, should an employer expect an employee whom he knows to be truthful about personal issues also to be truthful when communicating about non-personal issues? Should we trust the intuitive response of a politician more than his reflective statements? Should universities expect more dishonesty from their students if they view themselves as "customers in an educational market" rather than as traditional students?[2]

In order to study how non-economic dimensions affect the aversion to lying, we introduced four treatments in a sender–receiver game (Gneezy, 2005), which allows us to identify the causal effect of changing a particular dimension of the non-economic environment. A key element in all four treatments is that it is beneficial for both the sender and the receiver that the sender lies when sending the message to the receiver. The decision not to lie in this experiment thus reflects a pure aversion to lying that outweighs the beneficial consequences of lying. In addition to the base treatment, we conducted three treatments that each manipulated one non-economic aspect of the choice situation. In the personal treatment, the content of the lie was personal (in contrast to the impersonal nature of the lie in Erat and Gneezy (2012)), whereas in the intuition treatment and the market treatment we used a priming sequence to capture the marginal behavioral effect of being in a market context and relying on intuition, respectively. Finally, in the experiment, we also collected information about gender, personality (measured by the Big Five Inventory), cognitive ability (measured by the WAIS-IV Matrices), and social preferences (measured by the share given in an independent dictator game). This allows us to study whether the aversion to lying relates to important individual characteristics.

A related literature on lying and moral motivation more generally suggests that the three non-economic dimensions studied by our treatments could be important for understanding aversion to lying. There is evidence showing that people lie less in personal relationships (DePaulo et al., 1996; DePaulo and Kashy, 1998; Chakravarty et al., 2011), which may suggest that people lie less when the content of the lie is personal. Lundquist et al. (forthcoming) find, in line with this, that individuals have an aversion towards lying about personal information, but they do not compare this to a setting where people can lie about something impersonal. There is also some evidence suggesting that people might lie less when relying on intuition. In particular, Greene et al. (2004) show that people rely less on calculations of costs and benefits when they base their moral judgment on intuition rather than reasoning, which suggests that non-consequentialistic considerations, like a pure aversion to lying, may play a larger role when intuition is invoked. At the same time, Rand et al. (2012) show that intuition supports cooperation in social dilemma situations, which suggests that the fact that lying benefits the other participant may pull in the direction of more lying in the intuition treatment. Finally, several experiments have documented, by the use of priming techniques, that the introduction of a market context increases the weight people place on self-interest (Vohs et al., 2006) and efficiency (Al-Ubaydli et al., 2011), which may imply that the aversion to lying is given relatively less weight in a market setting where lying is beneficial to everyone.

Our main finding is that non-economic aspects of the choice situation are crucial in understanding aversion to lying. In fact, by manipulating the non-economic environment, we find effects of similar size as those established by manipulating the payoff structure in Erat and Gneezy (2012). In particular, we find that the share of participants lying drops by 20 percent when the content of the message is personal. We also find large effects from priming the participants to rely on intuition, but, interestingly, in this case the effect only applies to males; the share of male participants that lie drops by almost 30 points in the intuition treatment, where only 50 percent of the males are willing to lie even when doing so benefits both parties. Among the female participants, we do not see any effect of being primed to think intuitively. Finally, we do find a small effect of the market priming making the participants likely to lie, but this effect is not statistically significant.

Among the background variables, we find a close relationship between lying aversion and pro-social behavior in the dictator game, where those who give a large share in the dictator game are much less likely not to lie. Other personal characteristics have little effect, and, interestingly, we do not find any gender difference on the overall level of lying across the four treatments.

The rest of the paper is organized as follows. Section 2 presents the experimental design. Section 3 presents the results while Section 4 concludes.

2. Design

We start out by describing the base treatment, before we detail the treatments manipulating the non-economic aspects of the choice situation.[3] Finally, we describe the collection of background data, the experimental procedures, and the sample.

[2] For a broader discussion of the implications of students taking the consumer perspective, see New York Times, January 3, 2010 (http://roomfordebate.blogs.nytimes.com/2010/01/03/are-they-students-or-customers/).

[3] The complete instructions are provided in a web-appendix.