

Decision Processes Colloquia

Monday, April 8, 2019

Where: 340 JMHH

When: 12:00 – 1:20 pm

Shaul Shalvi

Associate Professor, Experimental Economics and Psychology
University of Amsterdam

Ethical free-riding: When the honest partner with the dishonest

ABSTRACT:

Corruption is often the product of coordinated rule-violations. We investigate how such corrupt collaboration emerges and spreads when people can choose their partners. Participants were assigned a partner and could increase their payoff by coordinated lying. After several interactions, they were either free to choose whether to stay or switch partners, or forced to stay with (or switch) their partner. Results reveal both dishonest and honest people exploit the freedom to choose a partner. Dishonest people seek and find a partner that will also lie—a “partner in crime.” Honest people, by contrast, engage in ethical free-riding: they refrain from lying but also from leaving dishonest partners, taking advantage of their partners’ lies. We conclude that to curb collaborative corruption, relying on people’s honesty is insufficient. Encouraging the honest not to ethically free-ride others’ dishonesty is essential.

