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A lost wallet returned to its owner serves as a new proxy for the finder's civic honesty.

## BEHAVIORAL ECONOMICS

# *Financial temptation increases civic honesty*

Altruism and self-image, not selfishness, drive surprising findings

By **Shaul Shalvi**

**D**oes temptation shape dishonesty? For example, when a person finds a wallet on the street and decides to return it to its owner, it may be because the contents of the wallet are not very tempting or, alternatively, because people care about complying with norms of good conduct, that is, civic honesty. Scientists commonly explore such questions about human honesty through artificial laboratory tasks, but such studies have not provided conclusive evidence about the extent to which people are honest in natural circumstances. On page 70 of this issue, Cohn *et al.* (1) describe a field experiment involving 17,000 people in 40 coun-

tries to provide a new measure of honesty. The results show just how prevalent civic honesty is, and they raise many questions, such as how environments can be designed to foster civic honesty.

Cohn *et al.*'s work is a prime example of the theoretical models that emerge when economics and psychology interact. Traditionally, economic models have assumed that humans act as rational economic agents who seek to serve their self-interest to increase material gain. To better predict human behavior, behavioral economic models incorporate nonmaterial utilities, such as altruistically caring for others' outcomes (2) or seeking to maintain a positive self-image (3, 4). To test these models, behavioral scientists often engage participants in tasks that enable them to be honest or instead to lie in order to increase their pay. For example, in a task that rewards participants

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according to their self-reported outcome of a private rolling of a die, participants, on average, report higher numbers than would be expected if they were honest, indicating that people lie, but only to a modest extent (5, 6). Because participants' die rolls are private, the modest amount of lying suggests that people are concerned with maintaining a positive self-image.

Such laboratory tasks are limited by their artificial nature and by the fact that it is unclear to participants who would benefit from their honesty or suffer from their dishonesty. The question is whether such settings predict honesty outside the lab, where dishonesty often harms others. Recent work suggests that lab tasks do fairly well, revealing a positive correlation between participants' reported die roll numbers (as a proxy for dishonesty) and their tendency to free-ride on public transport (7) or to not return undeserved payment (8). Furthermore, in countries with high levels of corruption, participants report higher die roll numbers (9). What is still missing, however, is a direct measure for how prevalent honesty is in a natural setting, where people face varying degrees of temptation and have a clear idea of the person or group that benefits from honesty and is harmed by dishonesty.

To disentangle the influence of self-interest, self-image, and altruism in a field experiment, Cohn *et al.* handed wallets to front-desk employees at major institutions, including banks, theaters, and other public offices, claiming to have found them on the street. Each wallet contained a grocery list, a key, and three identical business cards, providing people with a way to show civic honesty by returning the wallet to its owner. To vary temptation, different amounts of money were also included in some of the wallets. Cohn *et al.* conducted many control tests and analyses to rule out the possibility that people would return the wallet out of fear of being identified or punished.

Whereas selfishness predicts that people will be less likely to return wallets containing money, altruism and the desire to maintain a positive self-image predict the opposite pattern. In 38 of the 40 countries studied, wallets with money were returned more often than wallets without money, which supports the idea that people are not purely selfish. Moreover, wallets with more money (US\$94.15) were more likely to be returned than wallets with less money (US\$13.45). The effect not only contradicts rational economic thinking, it is rather surprising. Both laypeople and expert economists predicted the exact opposite pattern of results in surveys reported by the authors.

Furthermore, a key is valuable to the wallet's owner, not the wallet's finder. In the United States, the United Kingdom, and Poland, the authors added an experimental treatment in which wallets included money but no key. Doing so allowed them to assess the specific contribution of altruism to honesty. Indeed, adding a key increased the likelihood of the wallet being returned. Taken together, these results support the idea that people care about others as well as caring about being honest.

Cohn *et al.*'s study provides a new way to assess human honesty. The work evokes numerous questions. By having the grocery list and business cards written in the local language, the authors identified the wallet owner as local. Our globalized world, however, is diverse. People of different ethnicities, backgrounds, and nationalities interact. Prosocial and honest behaviors are often parochial (10–12); people find it worthwhile to act kindly toward members of their own group but not members of other groups. The results reported by Cohn *et al.* may thus scale down when civic honesty is expressed toward nonlocals, including tourists or immigrants.

Also, showing civic honesty does not just mean returning a lost wallet. It is about acting in a socially desirable way, against one's selfish interests. Understanding when people are likely to engage in civic honesty—such as by whistleblowing in response to suspected organizational wrongdoing, or by obeying rules even when exposed to others' corrupt behavior—is important. By continuing to push the methodological boundaries and the proxies used to assess sensitive behaviors such as honesty, researchers aspire to figure out how to better design our environments and organizations to foster such desired behaviors. ■

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