

**Authors**

Julian Jamison  
University of Exeter

Dean Karlan  
Northwestern University



**To deceive or not to deceive: The effect of deception on behavior in future laboratory experiments**

Julian Jamison<sup>a</sup>, Dean Karlan<sup>b</sup>, Laura Schechter<sup>c,\*</sup>

<sup>a</sup> Behavioral Creativity Institute, University of Southern California 3820 McClintock Ave, Los Angeles, CA 90089, United States  
<sup>b</sup> Department of Economics, Yale University, 27 Hillhouse Avenue, New Haven, CT 06520, United States  
<sup>c</sup> Department of Agricultural and Applied Economics, University of Wisconsin at Madison, 487 Lincoln Drive, Madison, WI 53706, United States

**ARTICLE INFO**

Available online 17 January 2008  
Received 12 October 2006  
Accepted 7 September 2007  
Available online 17 September 2008

JEL classification:  
A22  
C81  
D80

Keywords:  
Laboratory experimental methods  
Experimental economics  
Deception  
Psychology and economics  
Laboratory selection effects

**ABSTRACT**

Experimental economists believe (and enforce the idea) that researchers should not employ deception in the design of experiments. This rule exists in order to protect a public good: the ability of other researchers to conduct experiments and to have participants trust their instructions to be an accurate representation of the game being played. Yet other social sciences, particularly psychology, do not maintain such a rule. We examine whether such a public goods problem exists by purposefully deceiving some participants in one study, informing them of this fact, and then examining whether the deceived participants behave differently in a subsequent study. We find significant differences in the selection of individuals who return to play after being deceived as well as (to a lesser extent) the behavior in the subsequent games, thus providing qualified support for the prescription of deception. We discuss policy implications for the maintenance of separate participant pools.  
© 2008 Elsevier B.V. All rights reserved.

**1. Introduction**

In two of the original experimental economics test beds, *Dixit and Nalebuff (1993)* and *Friedman and Sunder (1994)*, among others, proscribed the use of deception in experiments. The primary concern with deception is that many experimental laboratories use a common pool of participants. Thus, a public goods problem exists in which experiencing deception in one experiment may cause participants to react differently (and uncertainly) in future games with other researchers. Clearly, maintaining the "public good" involves trade-offs between benefits to the individual (ability to conduct experiments that require deception) and the group (maintaining a subject pool that is trained to believe that experiment instructions are truthful). As some research questions may be better answered by using deception, should we forego the knowledge that could be acquired through such experiments in order to maintain a common pool of deception-free participants? This concern warrants testing, and in this paper we determine the presence and extent of such sample contamination in a particular setting.

Although we focus here on the particular issue of deception, the overall methodological question of understanding what we mean by "control" in the laboratory is important more generally. *Levin and Loo (2007)* discuss the tradeoffs between the

\* Corresponding author.  
E-mail address: lschech@facstaff.wisc.edu (L. Schechter).

# To Deceive or Not to Deceive: Second-guessing the Experimenter in Experimental Economics

Experimental economists believe (and enforce the idea) that researchers should not employ deception in the design of experiments. This rule exists in order to protect a public good: the ability of other researchers to conduct experiments and to have participants trust their instructions to be an accurate representation of the game being played. Yet other social sciences, particularly psychology, do not maintain such a rule. We examine whether such a public goods problem exists by purposefully deceiving some participants in one study, informing them of this fact, and then examining whether the deceived participants behave

differently in a subsequent study. We find significant differences in the selection of individuals who return to play after being deceived as well as (to a lesser extent) the behavior in the subsequent games, thus providing qualified support for the proscription of deception. We discuss policy implications for the maintenance of separate participant pools.

September 17, 2008