

Can Cheating in the Lab Predict Fraud in Real Settings? An Experiment in Public Transportations

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Abstract

We conducted an artefactual field experiment to study whether fare-dodging behavior in the field is related to cheating behavior in the laboratory. We recruited passengers of the public transport service in a large French city when they were getting off the public vehicle. We collected two measures of dishonesty in the field: one based on self-reporting and the other one on whether participants could, at the end of the experiment, display a validated ticket in exchange of a new one. During the experiment, subjects rolled privately a die twice, and were asked to report the outcomes of the two rolls. The reported outcome of the first die roll determined their payoff. By comparing the distribution of the reported outcomes with the uniform distribution of a fair die roll, we can measure the extent to which subjects were dishonest in the laboratory and relate this to cheating in real settings.

We find that (a) the laboratory measure of cheating behavior is related to dishonesty in real life; (b) the proportion of fully dishonest subjects is higher among those participants who did not hold a valid ticket, regardless of their self-reports; (c) the proportion of incomplete liars is the highest among those participants who held a valid ticket but self-reported as behaving sometimes dishonestly (occasional fare-dodgers); (d) the distribution of reported outcomes is consistent with reporting the best of two rolls; (e) subjects, especially cheaters, also misreported the second die roll in order to make their lie more credible, although the second roll had no consequence on payoffs. Overall, our experiment shows that simple tests of dishonesty in the lab may capture some individual attributes that predict dishonesty in real life.