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

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### 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 prohibition of deception. We discuss policy implications for the maintenance of separate participant pools.

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### 1. Introduction

In two of the original experimental economics textbooks, *Dixits and Holt* (1993) and *Friedman and Sunder* (1994), among others, proscribe 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 this “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. *Leim and Liu* (2007) discuss the tradeoffs between the

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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

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