HONESTY ON THE STREETS: A FIELD STUDY ON NEWSPAPER PURCHASING

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Abstract
Many publishers use an honor system for selling newspapers in the street. We conducted a field experiment to study honesty in this market, finding that a moral reminder increases the level of honesty in payments, whereas the same message has no effect on whether one is honest. Reminding customers of the legal norm has no effect. We argue that these results are consistent with a preference for honesty, based on an internalized social norm. Auxiliary evidence suggests that the moral message remains effective when it is posted for longer periods, and even when it is removed again. (JEL: C93, K42)