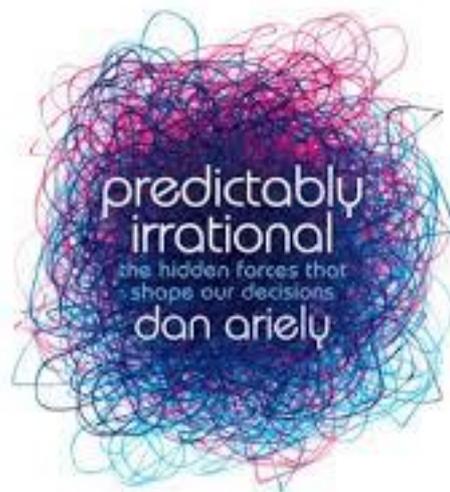


How might Daniel Ariely's research in Behavioural Economics be applicable in the context of schools?

Daniel Ariely is James B Duke Professor of Behavioural Economics at Duke University and has written various books, including 'Predictably Irrational: The hidden forces that shape our decisions'.



His interest in human behaviour and the formation of his unorthodox world view began at the age of eighteen when he suffered severe burns – 70% of his body was covered with third-degree burns following a magnesium flare explosion. His recovery and convalescence took three years, during which time he could only slowly and painfully begin to participate in society's daily activities and routines. Much of this time was spent observing others engaged in these activities. As a result, he began to reflect on these activities, 'as if I had come from a different planet'. He considered what it is about life that motivates people and causes them to behave as they do.

'Predictably Irrational' is not written with schools in mind. It is not a leadership manual for school leaders. Nevertheless, some of Ariely's conclusions about the forces that shape decision-making, supported by numerous experiments and scientific studies, could have an application in schools. In the book, Ariely considers why we find 'Free!' irresistible, even though we may end up paying more; why we are happy to do things, but not when we are paid to do them; why we are desperate to keep our options open, even at the expense of ending with nothing and the problem of procrastination – why we can't make ourselves do what we want to do.

However, for the purposes of this piece, and its possible application to schools, I am going to consider the chapter 'The Context of our Character, Part 1 – why we are dishonest and what we can do about it.'

Ariely begins the chapter by considering the cost of crime in the United States. In 2004, the total cost of robberies was \$525 million. In relation to these crimes, large sums of money are spent on the police, judiciary and the capture and confinement of criminals. However, every year, employee theft and fraud in the workplace are estimated at \$600 billion. This figure dwarfs the combined cost of robbery, larceny-theft and automobile theft (\$16 billion in 2004). Moreover, according to the insurance industry, an extra \$24 billion in false insurance claims are made and, should a further example be required, \$350 billion are not paid in taxes that should be.

It was the emergence of the Enron scandal in 2001 that prompted Ariely to consider why it was that some crimes, particularly white-collar crimes, were judged less severely than others, especially when their perpetrators could inflict so much more financial damage. Did this say something about the nature of dishonesty?



Ariely believes that there are two types of dishonesty: The first is based on a cost-benefit calculation. For example, a potential bank robber stakes out a bank, considers the security measures, the risk and consequences of getting caught and the amount of cash he might be able to make off with. He then decides whether to rob the bank. The second type of dishonesty is committed by people who generally think of themselves as honest. Such

people might, for example, 'borrow' a pen from the office or exaggerate their business expenses a little. Ariely wanted to discover how prevalent this kind of dishonesty was. To this end he set up a series of experiments to test the extent to which 'honest' people would be tempted to cheat and compromise their integrity.

The experiment consisted of asking a group of Harvard undergraduate and MBA students to take a test consisting of 50 multiple-choice questions. The questions included examples such as, what is the longest river in the world? Who in Greek mythology is the goddess of love? The students had fifteen minutes to answer the questions. They then had to transfer their answers from their worksheet to a scoring sheet. Both of these sheets were handed in. For each correct answer the students would be paid ten cents.

Another group of students were set the same test. They too completed the multiple-choice questions and transferred them on to the scoring sheet at the end of the test. However, this group's scoring sheet indicated the correct answers. The students could see the correct answers on the scoring sheet before they transferred their own. Therefore, should they have wanted to, the students could have changed their answers. After they put their answers on the scoring sheet, the students counted how many questions they had answered correctly, wrote that number at the top of the scoring sheet and handed in both the worksheet and the scoring sheet. Again, students were paid ten cents for each correct answer.

A third group of students was tested further. In this set-up, the students did everything that the other groups had had to do with one exception. When the students came to hand in their scoring sheets, they were instructed to shred their worksheets. This would, in effect, destroy any evidence of cheating. The students could cheat, and no one would know.

The conditions of the test were changed once more for a final group of students. This time, the students were instructed to not only shred their worksheets but also the scoring sheets. All they had to do was total up their scores and help themselves to the jar of ten cents for every correct answer they believed they had. Would this law-abiding group of students be tempted to cheat?

The first group had no opportunity to cheat. On average, they got 32.6 of the 50 questions right. So, how did the other three groups fare? The second group who could see the correct answers on the scoring sheet claimed to have solved 36.2 questions. Since it was unlikely that this group of students was any cleverer than the first control group, they had cheated by about 3.6 questions. In the case of the third group, these students also claimed to have answered 35.9 questions correctly. More than the first group but about the same as the second group. The final group claimed to have answered 36.1 questions correctly, about four questions more than the first group, but a similar number to the other groups.

These experiments were replicated in different institutions with different people, and all presented similar results.



What did Ariely learn from this experiment? Well, the first conclusion was that, given the opportunity, many honest people will cheat. Rather than being about a 'few bad apples', the majority of people cheated, but just a little bit. The second, counter-intuitive, conclusion was that once tempted to cheat, the participants were not as influenced by the risk of being caught as might be expected. The students in the fourth group cheated to the same degree as the students in the second and third groups, even though they had the opportunity to hide their crime completely, which the other two groups were unable to do. Ariely surmised that even when there is no chance of being caught, people still don't become wildly dishonest because something holds them back.

What holds us back from being wildly dishonest? Adam Smith, the eighteenth-century economist, argued that it was because success depends on the good opinion of others, such as colleagues and customers. This regulates interactions and transactions; a system based on checks and balances. However, this theory is underpinned by the notion that people behave in this way because it is in their interest to do so; they conduct a cost-benefit analysis. Ariely disagrees. 'I agree with others (from Plato down) who say that honesty is something bigger – something that is considered a moral virtue in nearly every society.' It is why we stop at red lights when no one is around or get a warm feeling when we return someone's wallet, even when their identity is never revealed. These acts stimulate the reward centres in our brains and make us feel content. If honesty is important to us then, why are we frequently dishonest? Ariely's experiments lead to the conclusion that we want to be honest, but our internal honesty monitors only kick in when contemplating large, not small, transgressions. We find ways to justify the small things. It isn't really much to do with the risk of getting caught. So, what may help with this?

In an experiment that Ariely conducted, two groups of students were asked to complete a set of maths problems. They were rewarded for correct answers. The experiments were constructed similarly to previous experiments already described and opportunities for cheating were available. However, before the first group attempted the problems, they were asked to write down the names of ten books they had read at high school. The other

group was asked to write down as many of the ten commandments that they could remember. Was there any difference between the groups in terms of cheating? Yes. The group requiring students to list the ten commandments did not cheat at all, despite being given ample opportunity. It didn't matter whether they could remember two or ten commandments; it was the mere contemplation of a moral benchmark of some kind. This is not actually a new revelation. Professionals, such as doctors and lawyers, have taken oaths to use knowledge and power wisely and honestly for centuries. However, Ariely comments that these have declined in recent decades because of accusations of elitism and the need for transparency.



Is the world of education immune from dishonesty? Teaching has become a more high-stakes business over time with an increased focus on exam results, league tables and external accountability through Ofsted. It is worth pondering what impact these pressures have had on teachers' resolve to stick to the straight and narrow. For example, as an inspector for Ofsted, I know that, in some cases, the highly positive school assessment information presented to me during inspection bore little resemblance to the actual results that followed.

Ariely's research suggests that individuals within organisations and professions will be less likely to be dishonest, even if it's only a little dishonest, if their association with the organisation is bound up with a commitment to agreed moral values, standards or beliefs. It is something that society as a whole, across the range of institutions, businesses and professions, including the world of education, would benefit from.

What form could this take in schools? Maybe something modelled on the Hippocratic oath – a commitment by educators to do their best by pupils and keep them safe. I can see where this is going... are we just talking about reading and signing a code of conduct? Surely, it's got to be more than this. I think it is.

This is where influential, great leaders earn their money. They set the tone and, working through others, shape the culture and ethos of a school. They lead with integrity, modelling the principles and ethics they believe in. Ariely's book does not stray into this territory but it

strikes me that powerful, principled leadership is the answer to the question he raises about how individuals within organisations become that little less dishonest. We become embedded in our environments, attune to the expectations of others and sensitive to the climate. It's not enough to *know* what is expected of us in moral and ethical terms, we also need to *feel* and *believe* in that expectation collectively as well. And that comes through leadership built upon human decency, integrity and a commitment to doing the right thing.



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