

Money Illusion

Sample sizes are all around 100 to 125.

Question 4A: A company is making a small profit. It is located in a community experiencing a recession with substantial unemployment, but no inflation. There are many workers anxious to work at the company. The company decides to decrease wages 7% this year.

	Acceptable	Unfair
KKT	38%	62%
Executives	51%	49%

Question 4B: A company is making a small profit. It is located in a community experiencing a recession with substantial unemployment and inflation of 12%. There are many workers anxious to work at the company. The company decides to increase wages only 5% this year.

	Acceptable	Unfair
KKT	78%	22%
Executives	98%	2%

Question 5A: A shortage has developed for a popular model of automobile and customers must now wait two months for delivery. A dealer has been selling these cars at list price. Now the dealer prices this model at \$200 above list price.

	Acceptable	Unfair
KKT	29%	71%
Executives	70%	30%

Question 5B: A shortage has developed for a popular model of automobile and customers must now wait two months for delivery. A dealer has been selling these cars at a discount of \$200 below list price. Now the dealer sells this model only at list price.

	Acceptable	Unfair
KKT	58%	42%
Executives	97%	3%

Question 6A: A small company employs several people. The workers' incomes have been about average for the community. In recent months, business for the company has not increased as it had before. The owners reduce the workers' wages by 10% for the next year.

	Acceptable	Unfair
KKT	39%	61%
Executives	37%	63%

Question 6B: A small company employs several people. The workers have been receiving a 10% annual bonus and their total incomes have been about average for the community. In recent months, business for the company has not increased as it had before. The owners eliminate the workers' bonus for next year.

	Acceptable	Unfair
KKT	80%	20%
Executives	91%	9%