

might be around to stop them, and what punishment they may face if caught (including how much time off they might get for good behavior). On the basis of this cost-benefit calculation, they decide whether to rob the place or not.

Then there is the second type of dishonesty. This is the kind committed by people who generally consider themselves honest—the men and women (please stand) who have “borrowed” a pen from a conference site, taken an extra splash of soda from the soft drink dispenser, exaggerated the cost of their television on their property loss report, or falsely reported a meal with Aunt Enid as a business expense (well, she did inquire about how work was going).

We know that this second kind of dishonesty exists, but how prevalent is it? Furthermore, if we put a group of “honest” people into a scientifically controlled experiment and tempted them to cheat, would they? Would they compromise their integrity? Just how much would they steal? We decided to find out.

THE HARVARD BUSINESS SCHOOL holds a place of distinction in American life. Set on the banks of the River Charles in Cambridge, Massachusetts; housed in imposing colonial-style architecture; and dripping with endowment money, the school is famous for creating America’s top business leaders. In the Fortune 500 companies, in fact, about 20 percent of the top three positions are held by graduates of the Harvard Business School.* What better place, then, to do a little experiment on the issue of honesty?†

*As claimed by the Harvard Business School.

† We often conduct our experiments at Harvard, not because we think its students are different from MIT’s students, but because it has wonderful facilities and the faculty members are very generous in letting us use them.