Anti-social norms: the Colombian case

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Abstract

Why do some societies remain poor, violent, and dysfunctional while other prosper? Economic research often emphasizes deeply-rooted determinants that are hard to change, offering few answers to the question of what could be done to improve societies. At the same time, "social norms" have been shown to play a crucial role in determining collective outcomes and, while typically persistent, they *can* change and when they do they often do so rapidly. A promising avenue of impactful research for social change is therefore to: (1) determine which sets of social norms stand in the way of more desirable social outcomes, (2) understand how they work, and (3) design interventions to combat these collective behaviors. This research aims to initiate such research program for the Colombian case by investigating a specific example of a social norm which does not seem to be designed to promote social efficiency. In Colombia a very common saying is "no sea sapo" (don't be a toad). This expression conveys the idea that citizens should mind their own business and not snitch on other people, even if they are acting in an anti-social way. We hypothesize that adhering to such a norm is likely to undermine the effectiveness of third parties intervening to sanction behavior that violates norms, for example of honesty or fairness. In particular, we will examine whether the mere possibility of enforcing such norm reduces the incidence of honest behavior and increases the deviation from fair and cooperative social outcomes. This completes steps 1 and 2 of the research program for "no sea sapo" and sets the ground both for an informed intervention to modify this behavior (step 3), and to replicate a similar process with other harmful collective behaviors in Colombia.

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1 Introduction

A basic fact of economic history is the massive divergence in per capita income across countries (Pritchett 1997), implying huge differences in levels of economic wellbeing. A recent growing literature has documented the "institutional" foundations of differences in prosperity (Acemoglu, Johnson & Robinson 2005). Following North (1991), "institutions" are broadly understood as the humanly devised constraints or "rules of the game" that shape incentives in social interaction, thus determining whether societies achieve desirable outcomes such as interpersonal cooperation, political stability, widespread investment, peace, and accountable governments, to name a few.

While this line of research has provided some clues on why some societies remain poor, unstable, and violent, less clear are the underlying reasons for institutional divergence and what less developed countries can do to improve wellbeing and shared prosperity. Moreover, several studies locate these differences in deep historial roots and hard-to-change societal equilibria (Acemoglu, Johnson & Robinson 2001, Banerjee & Iyer 2005, Dell 2010, among others).

This paints a relatively grim picture for efforts to improve these societies. Much of their performance appears to have deep, long-run roots and depend on features that are hard, or at least very slow, to change. At the same time social change is ubiquitous, and many countries have escaped poverty and violence to transform into more stable and prosperous societies. This suggests that to harness positive social transformations it is important to examine which features stand in the way of achieving more desirable social outcomes yet, at the same time, be susceptible to change with the right policies and interventions. This is precisely the aim of this research project. We do so by focusing on "anti-social norms" for the Colombian case, defined as norms of collective behavior that do not promote economic efficiency, but which nonetheless many individuals in the population follow (likely because they expect others to behave accordingly).

Studying these norms is important for several reasons. First, they are a crucial part of the "informal" rules of the game that constraint human interaction. Second, they will also shape the way in which individuals respond to "formal rules" (for instance, a good law may fail to move society in the right direction simply because collectively there is a social norm not to obbey the law[1]). Third, while like more formal institutions social norms tend to persist over time, they *can*

[1] In the Colombian case, a well-known saying since colonial times is "la ley se obedece pero no se cumple" (roughly,

change and when they do this may occur rapidly (Bicchieri 2016). Thus, a promising avenue to improve the welfare of many citizens in dysfunctional societies is to (1) determine which sets of social norms stand in the way of more desirable social outcomes, (2) understand how they work, and (3) design interventions to combat these collective behaviors.

Our research program proposes to follow this path for the Colombian case, and the research project in this proposal includes steps 1 and 2 for one such social norm: the idea that citizens should not invite other fellow citizens to behave pro-socially. In reference to the common interjection that such socially-minded individual would receive in Colombia, we refer to this norm as the "no sea sapo" norm ("don't be a sapo", where "sapo" or toad is the negative term used to describe citizens who invite others to behave properly, instead of "minding their own business"). This exercise will then be a stepping stone to proceed with step 3 in partnership with the public sector or other organizations, and to replicate a similar program with other harmful norms.[2]

In what follows, we first briefly describe in section 2 the potential importance of "no sea sapo" for social outcomes. Next, in section 3 we describe our strategy to study this norm. Briefly, we plan to run a series of laboratory experiments that will manipulate the extent to which subjects are exposed to the "no sea sapo" norm. We will then study the resulting equilibrium behavior and examine whether socially-desirable outcomes are less likely when "no sea sapo" is present. With these experiments, we plan to make two contributions. First, we will analyze the extent of dishonest and unfair behavior in a sample of Colombians. In particular, we will measure how the incidence of these anti-social behaviors change when we introduce the possibility of third party punishment. Furthermore, we will compare them to other countries with different levels of development than Colombia, where similar exercises have been made. Second, we will analyze if the mere possibility of allowing the "no sea sapo" norm to appear erodes social gains from cooperative behavior. The results of this analysis will be useful for developing policies aimed at counteracting anti-social norms that prevent society reaching efficient outcomes.

citizens observe, but do not abide by, the rules).

[2]Examples in the Colombian case include the notion of "no dar papaya" and "papaya dada, papaya partida", related to the idea that clever individuals should capitalize any opportunity to take advantage for private benefit, even if it hurts a third party (who in turn must be wary not to provide such opportunities), the already cited idea of "se obedece pero no se cumple", and the appeal to social status and connections, a sense of entitlement, when defying law and authority ("usted no sabe quién soy yo" or "you do not know who you are dealing with").

2 Third-party punishment, "no sea sapo" and social outcomes

In normal human interactions there is a lot of scope for opportunism and many instances where what is privately rational deviates from what is collectively desirable. There are returns to trusting, cooperating and honest behavior, yet such behavior may not constitute a best response in a game. Indeed, almost any economic interaction illustrates these issues: when a firm hires a contractor to fulfill a task, there are opportunities for cooperation but also for opportunistic behavior on either part (not fulfilling the task properly by the contractor, or not paying in full by the firm, for example). Moreover, while formal rules and punishment may control at least to some extent opportunistic behavior, cooperative behavior is essential when contracts are necessarily incomplete or simply to reduce the costs of norm enforcement.

Another example is the rule of law. In almost any dimension of formal rules, legal punishments are insufficient to guarantee enforcement. There is scope for opportunistic behavior when a citizen calculates that he can ignore the red light, evade taxes, or violate any other rule without punishment. Moreover, punishing every violation is likely prohibitively costly, so societies where the rule of law prevails largely depend on citizens' decisions to follow the norm despite the opportunities for defection. Social stigma and disapproval from peers is at least one of the ways in which this is achieved, and research on the importance of peer behavior in a variety of realms suggests this indeed plays an important role.

Therefore, pro-sociality may solve social dilemmas, and on the positive side it may evolve as a product of cultural evolution since pro-social people may get higher payoffs (Boyd & Richerson 1985). Of course pro-sociality may exist alongside more conventional forms of rationality, but in a social context, several scholars have hypothesized that pro-sociality can arise not just because it is embedded in individual preferences or norms, but because other members of society are willing to enforce it. After all, we know from ethnographic work that societies use ostracism and other types of third-party and collective behavior to enforce norms (see Flannery 2012, for many examples). Recent experimental work has reinforced this idea and Fehr & Fischbacher (2004) first illustrated that third parties were willing to punish unfair behavior, which violates a social norm, even it is were costly to them. Henrich, McElreath, Barr, Ensminger, Barrett, Bolyanatz, Cardenas, Gurven, Gwako, Henrich et al. (2006) and Ensminger & Henrich (2014) showed that this behavior is

widespread in many different societies.

In short, this evidence and line of reasoning suggests that cooperative and pro-social behavior may arise as a social norm in societies, and help them achieve desirable outcomes. Key for this result is third-party willingness to enforce social behavior by "punishing" defectors who do not behave pro-socially (the punishment can vary from subtle to disapproval to more explicit penalties). Yet while all this may be true, the ethnographic and case study literature suggests that it is overly simplistic to think of norms as always promoting more efficient outcomes and third party interactions always compensating for what individuals cannot to themselves (Banfield 1958, Foster 1965, 1967).

Indeed, the "no sea sapo" social norm in Colombia seems specifically designed to break the enforcement mechanisms that facilitate positive collective outcomes through third-party punishment. While it may be true that third parties may intervene to sanction anti-social behavior or behavior that violates norms, for example of fairness, we also argue that such behavior is itself constrained by this norm in Colombia. The common saying "no sea sapo" (don't be a toad) conveys the idea that you should mind your own business and not snitch on other people, even if they are acting in an anti-social way. Adhering to such a norm undermines the effectiveness of the type of third party enforcement studied by Fehr & Fischbacher (2004), Henrich et al. (2006), and Ensminger & Henrich (2014). In fact we hypothesize that because the effect of this norm is to reduce the extent of third party enforcement, the consequence of the norm is to increase the amount of anti-social behavior in equilibrium.

3 Studying "no sea sapo" and its consequences

We propose a series of laboratory experiments with university students (from Universidad de Los Andes and Corporación Universitaria Minuto de Dios –Uniminuto) in Colombia. The current design has been already approved by Los Andes Institutional Review Board (IRB) and found in accordance with the policies for research involving human subjects.

In a nutshell, our experiments exploit two different setups: (i) a dishonesty game with externalities, and (ii) a fairness game. In the first one, a first student has to report an objective outcome but can lie about it. If he lies, he increases his private gains while imposing a cost on a second student.

In the second game, a first student decides over the split of a given endowment between himself and a second student. The chosen split could be fair or unfair. In both setups we allow a third student to punish dishonest or unfair behavior from the first student. There is also the possibility that students, who have behaved anti-socially (either because they lied or chose an uneven split), enforce the "no sea sapo" norm upon the third party.

We hypothesize that adhering to such a norm is likely to undermine the effectiveness of third parties intervening to sanction behavior that violates norms, for example of honesty or fairness. In particular, we will examine whether the mere possibility of enforcing such norm reduces the incidence of honest behavior and increases the deviation from fair and cooperative social outcomes. Below we explain in more detail both experiments and the expected outcomes

3.1 Dishonesty game

We randomly allocate students into groups composed by 3 members. Members follow one out of three different roles: Active (P1), Passive (P2) and Observer (P3). For their participation, subjects receive an endowment of 10 Experimental Tokens (ET). In each experimental session participants are able to gain more ET depending on their actions, and the actions of the other members of their group. ET are converted into monetary payoffs at the end of the experiment.[3]

Actions and payoffs in the dishonesty game

Player P1 tosses a coin four times and reports the number of Tails tossed (#Tails). As a modification to the original experiment by Fischbacher & Föllmi-Heusi (2013), in our experiment P1 does not toss coins privately, instead P3 will indirectly observe P1's tossed coins.

Also, P1's actions have an externality on P2's payoffs: for each Tail reported by P1, P2 receives no ET while P1 gains 5ET; the payoffs are reversed, 0ET for P1 and 5ET for P2, if Head is reported. Therefore, P1 has the incentive to misreport Heads as Tail, doing so increases his private gains but reduces P2 ones.

[3] Smith (1976) shows that paying participants of an experiment for their actions (i.e., inducing value for their actions in an artificial interaction), is an incentive compatible mechanism inducing subjects to reveal what they would typically do in a similar real life situation.

P3's payoffs are independent of any other player's actions and gets 22ET. P3 can decide to send P1 a sanctioning message if P1 misreports the true number of Tails, by spending his own ET in deduction points for P1. Every ET spent in punishing P1 reduces P1's payoff in 3ET. That is, P3 can act as a tattler or "sapo" (i.e., a third party punisher).

P1 can also decide to pay 1ET to send back P3 a message reinforcing the "no sea sapo" norm, telling him "mind your own business". P2 remains passive throughout the interaction.

In the language of the previous section, P1 would have the option to behave dishonestly, by reporting a different number of Tails than the one determined by chance, creating a negative externality on P2. P3 could tell on P1 dishonest behavior by sending him a sanctioning message if he misreports, that is he may play the role of a "sapo". P1's can also try enforcing the "no sea sapo" norm by sending back a message similar in nature to "mind your own business".[4]

3.2 Fairness game

The fairness game is based on the dictator game (Berg, Dickhaut & McCabe 1995) with third party punishment studied by Fehr & Fischbacher (2004). As in our previous game, three players are grouped together: P1 is the dictator, P2 is the recipient and P3 is the third party.

Actions and payoffs in the fairness game

P1 gets an endowment of 100ET and has to decide an amount to send to P2. P2 is endowed with 0ET and remains passive throughout the experiment. So P1 is ultimately deciding whether to split his endowment fairly (sending P2 a share of 50ET) or unfairly (sending P2 a share strictly lower than 50ET).

P3 receives a fixed endowment of 50ET and observes the decision from P1. P3 has also the option of punishing P1 by spending his own ET in deduction points for P1. Every ET spent in punishing P1 reduces P1's payoff in 3ET.

Once P1 receives any deduction points from P3 he can decide to pay 1ET to send P3 a message highlighting that he should "mind his own business", that is, a message enforcing the "no sea sapo"

[4]While P2's action space is null, we would recover his expectations about the prevalence of misreporting and "no sea sapo" norm enforcing by P1, and of tattling behavior by P3.

norm.

Similarly to the dishonesty game, P3 acts as the social enforcer of cooperative behavior in the society composed by the three players. However, in this game, the cooperative behavior is related to being fair rather than honest. P1, on the other hand, behaves as the enforcer of the anti-social norm "no sea sapo".

3.3 Evolution of anti-social norms

The interaction described in the dishonesty and fairness game would be repeated for several decision rounds. This allows us to study the evolution of non-cooperative behavior and measure the strength of the "no sea sapo" social norm in determining it.

Also, across rounds, roles are fixed and groups are formed with anonymous random re-matching. In the first round, subjects do not know the setup repeats for another couple of rounds. This enables a comparison with the one-shot experiment with identical setup as has been amply studied in many settings. Feedback across rounds is circumscribed to P1 and P3 actions and players payoffs. Payments are based on one randomly chosen round at the end of the experiment. The identity of each player remains completely anonymous to both, participants and experimenters.

3.4 Treatment arms

To determine whether the "no sea sapo" norm stands in the way of desirable social outcomes in Colombia, and to understand how it works, we consider the following experimental treatments.

T.0 **Control**. As control condition in both games, we restrict the interaction to P1 and P2 players. In that sense, P3 is a passive player that does not observe P1 actions and cannot sanction him.

Rationale for T.0: It gives us a benchmark about the base level of dishonest and unfair behavior for our sample of students.

T.1 **Third party punishment institution**. Same as the control condition **T.0** but allowing P3 to observe and sanction P1 actions.

Rationale for T.1: We then can measure whether an institution that allows third parties to punish non-cooperative behavior reduces the extent of dishonesty or unfair outcomes.

T.2 **Third party punishment with "no sea sapo" institutions**. Same as **T.1** but now P1 can enforce, upon P3, the "no sea sapo" norm by sending him a message stating that he should "mind his own business". Therefore, the **T.1** treatment is exactly the interaction described in the previous section.

Rationale for T.2: By implementing this treatment, we are able to study whether the mere possibility of using a message similar in nature to "no sea sapo" determines social behavior in Colombia. We are ultimately interested in establishing whether this social norm counteracts the efficiency gained with the third party punishment institution, and whether it erodes cooperative behavior down to the base level found in **T.0** (or perhaps even further).

3.5 Expected outcomes

In Figure 1 we summarize the expected outcomes from steps 1 and 2 of this project. We depict, on the vertical axis, the share of P1, for any of the two games, that behave cooperatively. That is, the percentage of P1s who never misreport the number of Tails (in the dishonesty game) or that always split the endowment evenly between him and P2s (in the fairness game). On the horizontal axis we vary the treatment: we start with the control condition **T.0** (depicted with the solid bar), then the treatment introducing the third party institution **T.1** (depicted with the downward sloping line pattern bar), and finally the treatment where we allow for enforcing the "no sea sapo" norm (the bar filled with the upward sloping lines).

Given the evidence in the literature, we expect that the percentage of P1 reporting correctly the number of Tails in the dishonesty game (i.e., behaving honestly), or those sharing the initial endowment evenly with P2 (i.e., behaving fairly) to be close to 60% when facing the control condition **T.0**. We also expect that introducing an institution that allows for peer sanctioning of antisocial behavior (i.e., under **T.1**) is likely to increase the rate of cooperative behavior up to a 80%.

Finally, we expect the share of cooperative behavior to collapse as a result of the "no sea sapo" social norm enforcing institution (i.e., under **T.2**), closer to the baseline control level or even more. The picture conjectures less than 50% of "good behavior". The "no sea sapo" norm says: "do not act as a third party punisher, it is none of your business". Therefore, third parties will be reluctant

to punish dishonest or unfair P1 and, anticipating this reluctance, P1 will not behave socially in the first place. An environment where "no sea sapo" becomes the norm is thus likely very detrimental to society. This experiment would provide a first scientific proof of such an effect.

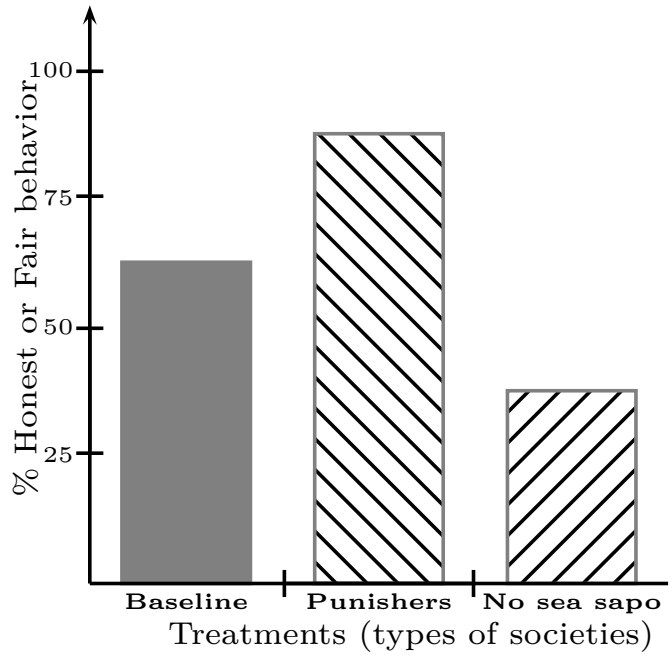

Figure 1: Expected percentage of subjects behaving honestly (or fairly), by treatment

One further observation is due to the chosen sample composed by Universidad de los Andes and Uniminuto students. Students who attend these two universities generally come from a different socioeconomic background. By investigating their decisions in the experiment, one would be able to link how socioeconomic characteristics interact with non-cooperative behavior. This will further enrich the conclusions of this study. Obviously, we would not disclose, or refer to, each university individually or its effect on observed behavior when presenting research findings.

4 Research team

This project will be led by Leopoldo Fergusson, José A. Guerra and James A. Robinson.

Leopoldo Fergusson (PhD in Economics, MIT) is Associate Professor of Economics at Universidad de los Andes. He has been a Santo Domingo Visiting Scholar at the David Rockefeller

Center for Latin American Studies of Harvard University (2015), Visiting Scholar at the Pearson Institute for the Study and Resolution of Global Conflicts of the University of Chicago (2017), and Visiting Associate Professor of Economics at the Massachusetts Institute of Technology (2018). His research focuses on the interactions between economics and politics, in particular to understand the causes and consequences of violence, state weakness, and economic prosperity.

Jose A. Guerra (PhD in Economics, UCL) is Assistant Professor of Economics at Universidad de los Andes. He has been Visiting Scholar at the University of Essex (2018). In his academic work he exploits observational and experimental data to study individual decision making and collective choice when agents are subject to social interactions, or are better described by non-standard "boundedly rational" models.

James A. Robinson (PhD in Economics, Yale) is the Reverend Dr. Richard L. Pearson Professor of Global Conflict and Institute Director of The Pearson Institute for the Study and Resolution of Global Conflicts at the University of Chicago. Previously, he was the Wilbur A. Cowett Professor of Government at Harvard University and a faculty associate at Harvard's Institute for Quantitative Social Science and the Weatherhead Center for International Affairs. Robinson has conducted influential research in the field of political and economic development and the factors that are the root causes of conflict. His work explores the underlying relationship between poverty and the institutions of a society and how institutions emerge out of political conflicts. His book with Daron Acemoglu, *Why Nations Fail*, is a global best seller and has been recognized with the Paddy Power And Total Politics Political Book Award in International Affairs, the Lionel Gelber Prize, and shortlisted for the Financial Times and Goldman Sachs Business Book of the Year Award, among other recognitions.

The project leaders will be joined by four part-time Research Assistants, Master students at Universidad de los Andes.

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