review

Using behavioral ethics to curb corruption

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abstract

Even people who think of themselves as being ethical ("good people") may engage in corrupt actions. In fact, the situations that seem least problematic can sometimes cause good people to behave immorally. Behavioral ethics research has demonstrated that various unconscious and self-deceptive mental processes promote such behavior in those individuals. To reduce the frequency of misbehavior by normally well-intentioned individuals, policymakers need to be aware that classic approaches to limiting corruption sometimes increase the likelihood that good people will engage in misconduct. Regulators also need to expand their toolbox beyond formal ethical codes and financial incentives by adding preventive interventions that are based on behavioral ethics research.

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The neoclassical, rational economic view of organizational corruption lays the blame for such wrongdoing on "bad people"—self-centered individuals who consciously promote their own interests regardless of the costs to others. This view also assumes that people weigh the pros and cons of their situation and make a fully rational choice about how to behave. Further, it presumes that control of corruption depends on having formal codes of behavior; imposing high fines for misbehavior; and providing financial incentives for behaving in ways that benefit others, such as tying rewards to a group's success rather than to the actions of an individual. (See note A.)

Yet the standard approaches may fail with an important part of the population: people who see themselves as being more ethical than they really are. Behavioral ethics (BE) research demonstrates that such "good people" (as I will refer to them throughout this article) promote their own interests at the expense of others in certain situations—notably in ones that allow them to have only limited awareness of the ethical ramifications of their behavior or ones that at least enable them to deceive themselves into thinking they are behaving ethically. Ironically, at times, classical measures meant to curb corruption actually promote it.[1–14] (The ideas developed in this article are elaborated in my forthcoming book, *The Law of Good People: Challenging States' Ability to Regulate Human Behavior*). (See note B.)

Clearly, the degree to which good people act badly depends on the situation, their level of awareness of the wrongdoing, their ability to overcome unconscious processes, and their ability to find justification for noncompliance.[15,16] BE research indicates that the regulatory toolbox for curbing corruption in business needs to be expanded to address not only bad people but also bad situations that promote corrupt actions by good people. As more data are collected on the contextual factors responsible for misconduct, on the ways that situational design can change people's ethical awareness, and on the efficacy of new types of interventions, this toolbox will grow still more.

Core Findings

What is the issue?
People overestimate how ethical they truly are. Because of various psychological processes like *motivated reasoning,* individuals are more likely to engage in corrupt behaviors when situations allow them to view themselves as being "good." Traditional interventions based on neoclassical rational assumptions may therefore inadvertently increase corruption and miss an important dimension to ethical behavior.

How can you act?
Selected recommendations include:
1) Further controlled research into corruption and nonmonetary influences like media coverage, paid speaking engagements, and conference invitations
2) Increasing the likelihood of detecting unethical behavior rather than increasing penalties for misconduct or corruption

Who should take the lead?
Regulators and industry leaders, organizational psychologists, behavioral science researchers.

Why Good People Behave Unethically

Several psychological processes help to explain why people who usually act morally may sometimes act in their own self-interest instead of fulfilling their professional duties. As research into corruption and conflicts of interest has shown, some of these processes are unconscious. At times, for instance, corporate pressure to achieve financial goals lowers the barrier to ethical misconduct. In addition, when people do not have time to carefully consider their behavior, they rely on fast, automatic thought processes that can enable them to act unethically without reflecting on the implications of their actions.[2,17,18] (See note C.)

Furthermore, people have ethical blind spots that can prevent them from recognizing they are acting corruptly:[6] They may not realize they are doing what they want to do rather than what they should do, that they are being influenced by unconscious biases, or that they have a conflict of interest. In a corporate context, where the focus is on enhancing a company's profitability, a financial advisor might, for instance, blindly follow the firm's investment guidelines rather than fully weighing the needs of a client (to whom the advisor ethically owes loyalty).

Other psychological processes that come into play allow good people to maintain their moral image of themselves.[12] One is *motivated reasoning*, the tendency to process information in ways that fit one's self-centered desires and preexisting beliefs. Another is the tendency of people to deceive themselves, before as well as after the fact, into thinking that unethical actions are actually ethical or at least justifiable.[18] In the face of these psychological mechanisms, it can be very difficult for people to be clear on what their own motivations might actually be.[19]

The BE research has also revealed a fascinating nuance: In situations where it is easier for people to view themselves as being good, they are more likely to engage in corrupt behaviors. For example, subtle or implied gains may be more of a prod to corruption than obvious financial gains would be. Along those lines, accepting gifts, which could be seen as part of a social exchange, is far easier for good people to justify than taking cash payments, which are more problematic legally and harder to justify. In that sense, the focus of law on “smoking guns” and clear quid pro quo relations completely misses the reality that it is not just bad people who behave corruptly. Focusing on finding indisputable evidence of corruption (which is needed for successful prosecution) will lead investigators to overlook all of the subtle conflicts that might affect a far greater portion of the population: the good people, for whom the subtlety of the conflict might be more, rather than less, problematic.

To understand how seeing oneself as moral can increase the likelihood of being corrupted by subtle incentives, consider what happens when a given behavior is only partly wrong. For example, public officials are not necessarily misbehaving when they vote for a given regulation, promote a certain employee, or allow a particular commercial initiative to go forward. The only factor that would make such actions corrupt is an improper motive. Promoting an employee is not problematic in itself, especially if the official doing the promoting believes the employee being given the new role is worthy. The action becomes complicated if this employee’s uncle donated money to the official’s campaign. In such cases, the official might have mixed motives, acting for both legitimate (the good employee deserves the job) and illegitimate (quid pro quo) reasons, and various self-serving psychological mechanisms could tip the balance toward illegitimate behavior. One such mechanism is *objectivity bias*, which causes people to downplay the effect of self-interest on their decisions and attribute their choices to legitimate motivations.[20–22] In this case, objectivity bias might cause the official to give the employee a more positive evaluation than was deserved without realizing the true source of the positive review.

In another example, a politician may convince himself that the only reason he is voting for a certain bill is because of the persuasive argument of a lobbyist rather than because of the prospect of future financial support by the interest group represented by the lobbyist. In that case, he will not be influenced by an envelope filled with cash but might be swayed by a softer influence attempt that allows him to remain convinced that he is acting objectively, not selfishly.

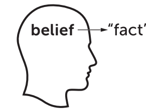
My colleague Eliran Halali and I discovered the force of softer incentives in a 2017 study in which participants who worked for a survey firm were themselves asked to fill out a survey reviewing a specific research institution that they hoped would later hire them to participate in additional surveys.[23] The study replicated the revolving-door effect, in which people employed in the public sector are eyeing their next job in the private sector while still working in the public sector.

Participants were asked to answer two types of questions: one type focused on the importance of the topics studied by the institution, and the other type asked the participants to evaluate the researchers at the facility. We found that participants who were told that the research institution might hire them for future work were more likely to write favorable reviews. Thus, the prospect of possible paid work did lead to an ethical bias.[23]

However, one would have expected the survey firm respondents to provide reviews that were more positive about the researchers than the topics studied, as presumably it is the researchers who are in charge of hiring decisions. Yet the participants did not give their most positive evaluations to the researchers. It seems that being blatant in the scoring might have made the participants more likely to feel that they were being unethical; they were willing to give biased reviews only to the extent that they retained an ethical self-image and did not cross some self-imposed imaginary red line. People have an internal gauge of roughly how far they will go to enhance their self-interest.[23]

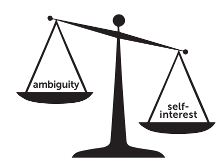
Corrupting Situations

Various characteristics of work life can compound people’s ability to rationalize their bad behavior. BE research indicates that



Motivated Reasoning
The tendency to process information in ways that fit one’s self-centered desires and preexisting beliefs

Objectivity Bias
Downplaying the effect of self-interest on decisions and attributing choices to objective, professional, or legitimate motivations



Elastic Justification
Taking advantage of legal or situational ambiguity to rationalize self-interested behavior

> "vague policies can cause employees to interpret their legal and ethical obligations loosely"

policymakers should particularly focus on the aspects described next.

Vague Rules & Norms

The view that people always behave rationally holds that vagueness in governmental or company rules deters people from attempting to find loopholes that they can exploit to their advantage.[13] The classical notion that people are averse to ambiguity likewise suggests that vagueness will deter underhanded behavior.[24] BE research demonstrates, however, that lack of specificity sometimes has the opposite effect, inducing people to use ambiguity to their advantage. Indeed, vague policies can cause employees to interpret their legal and ethical obligations loosely, especially when the policies are accompanied by weak ethical norms—that is, when people in an organization do not consistently behave in a moral way.

Maurice E. Schweitzer and Christopher K. Hsee have shown,[25] for example, that when rules are imprecise, people tend to engage in *elastic justification,* taking advantage of ambiguity to rationalize self-interested behavior.[26–31] Similarly, in experiments I conducted with Amos Schurr and Doron Teichman, subjects' interpretation of the meaning of the word *reasonable* in a hypothetical contract varied depending on how the interpretation would affect their financial gains or losses.[26] Vague legal standards were used in a self-serving way, especially when subjects had no other guidance on how they should behave.

What is more, the greater the ambiguity of a situation, the more people will feel confident in their own ethicality[32] and the more people's self-interest will take precedence over professional duties.[28,31] Conversely, reducing a person's ability to justify unethical behavior in ambiguous situations is likely to decrease the temptation for good people to misrepresent the facts.[13] Thus, regulators who wish to curb corruption through legal means should craft rules that are very specific rather than imposing general legal standards (although they should be aware of some inadvertent effects of specificity).[33]

Nonmonetary Conflicts of Interest

Policymakers usually take the rational-choice perspective and assume that financial rewards have the greatest influence on corruption and hence should be subject to the greatest scrutiny. The BE research shows the opposite effect: Nonmonetary rewards are harder to resist, especially by good people, because the motivations behind them are ambiguous and thus open to interpretation. An invitation to give a keynote speech at a conference is far more effective than cash payments at influencing many types of doctors, for instance.

Classic studies on the corrupting power of money focus on politicians influenced by campaign donations[34] and on physicians whose health care decisions are affected by the receipt of drug industry money and perks.[35] In contrast, more recent studies have analyzed situations where a government regulator has no financial ties to a private entity being regulated but does have social ties to the organization or its members, such as sharing a group identity, a professional background, a social class, or an ideological perspective.[36] In that situation, regulators were likely to treat those being regulated more leniently. Thus, even relatively benign-seeming tendencies that regulations tend to ignore—such as giving preference to people having a shared social identity—could be as corrupting as the financial ties that are so heavily regulated in most legal regimes.

In 2014, for instance, investigators in the Netherlands showed that regulators in the financial sector who had previously worked in that sector were less inclined to enforce regulations against employees who shared their background.[36,37] Similarly, in a 2013 look at the regulation of the U.S. financial industry before the 2008 crisis, James Kwak noted that the weak regulation at the time was not strictly a case of regulatory capture, in which regulatory agencies serve the industry they were meant to police without concern for the public good. Some regulators, he argued, intended to protect the public, but cultural similarities with those being regulated, such as having graduated from the same schools, prevented regulators from doing their job effectively.[38] In such instances, people often convince themselves that their responses to nonmonetary influences are legitimate, mistakenly thinking that because such influences usually go unregulated, they are unlikely to be ethically problematic.

Additional controlled research is needed on the ways that nonmonetary influences cause corruption and on how they can lead people to engage unwittingly in wrongdoing. Despite the growing recognition of the power of such influences—which might include invitations to prestigious conferences, lucrative paid speaking opportunities, or media coverage—regulators still tend to see them as less problematic than direct monetary incentives. The regulators are wrong. They need to worry about nonmonetary rewards' effects on good people at least as much as they do about the effects of financial rewards on "bad people."

Availability of Justifications

As suggested earlier, the underlying assumption of most BE approaches is that individuals want to view themselves as ethical agents. Therefore, people are more prone to unethical behavior when settings allow them to justify their actions as being ethical.[39] People who would abstain from acting out of self-interest in cases where being selfish was clearly unethical may well indulge themselves if they can easily ignore the ethical dimensions of their choices.[27,28] For example, when an organization that donates to a politician holds public views that coincide with the politician's own opinions, the politician can easily ignore the problematic nature of voting in a way that supports the donor organization.

Regulators can apply empirically tested tools to identify the common rationalizations that people use to justify corruption (such as "Everyone does it," "No one would care," or "I am not responsible"). (See note D.) Then they can take preemptive steps, perhaps by training people to recognize common justifications and informing them of the moral and legal irrelevancy of those justifications.

Loyalty to an Organization

Feeling responsible to one's company can undermine the tendency of good people to abstain from actions that can harm the company's customers, suppliers, or others. Employees are more likely to act unethically when the corporation rather than the individual benefits from the behavior and when professional norms favor unethical activity.[40] One study revealing the corrupting influence of the desire to benefit an employer showed, for instance, that when bankers were reminded of being bankers, they became less likely to behave honestly .[41] These findings run contrary to the rational-choice perspective, which holds that people are more likely to behave unethically when they themselves benefit from doing so.

Other aspects of acting on behalf of a corporation also tend to encourage unethical behavior. BE research suggests that altruism can promote corruption: People's misbehavior increases when their actions are intended to help others.[42] BE studies also indicate that in some cases, people will act more unethically when they enjoy only part of a benefit rather than all of it,[43] as happens in corporations, where revenues from misconduct are distributed among shareholders and other members of the organization.

Another characteristic of the corporate context that could increase the likelihood of good people behaving in a corrupt way is the frequent reliance on teamwork. BE research suggests that when a few people work together to execute a task, the collective nature of the endeavor can increase the chances that people will act unethically.[44]

Related findings indicate that people are more likely to engage in serious misconduct when they do it in a gradual rather than an abrupt way[45] or when they harm many unidentified victims rather than a specific individual known to them.[46] Corporations lend themselves to these kinds of situations. In many corporate contexts,

> "under certain circumstances, people who work in pairs are more likely to engage in wrongdoing than if they had worked individually"

executives might also sin by omission, failing to intervene to halt the corruption of others.[47,48]

Overall, then, the corporate setting is ideal for nurturing unethical behavior in good people. Employees often do not perceive their actions as putting their own interests in front of others' and do not directly see the effects of their actions on the people—customers and others—who may be harmed. Given that unethical behavior can often benefit the corporation at the expense of the general public, regulators need to keep in mind that this environment is especially conducive to ethical violations by ordinary people.

Classic Enforcement Approaches May Inadvertently Increase Corruption

Behavioral approaches to the regulation of corruption will require new tools. Policymakers should also recognize, however, that some standard tools intended to curb corruption can actually increase it.

Disclosures

Disclosure of conflicts of interest is one of the most commonly used approaches to curbing dishonest behavior. Yet, as research by George Loewenstein and his colleagues has shown, disclosures can have paradoxical effects. For instance, although clients of financial advisors may receive worse advice from someone who has a conflict of interest, those clients may not be less trusting after reading or hearing a disclosure of that conflict of interest.[49] Research by Sunita Sah, who has analyzed the impacts of disclosures, suggests that regulators can increase the protective effects of disclosures by adjusting how the disclosures are presented. For example, in medicine, it is best to present disclosures to patients as being mandatory rather than voluntary and best to have them delivered by a third person rather than by the doctors themselves.[50]

The Four-Eyes Principle

The *four-eyes principle*—a policy requiring that transactions be approved by two people, not just one—is well established in the corporate and political worlds. Intuitively, involvement of more people in key decisions seems as though it should reduce corruption. However, this approach can sometimes backfire, according to Ori Weisel and Shaul Shalvi, who have shown that under certain circumstances, people who work in pairs are more likely to engage in wrongdoing than if they had worked individually.[51] Their research challenges the current regulatory perspective that the four-eyes principle is an effective tool for curbing corruption.[52]

Further study is needed to understand the mechanisms underlying this surprising effect. Nevertheless, policymakers might decrease the inadvertently corrupting effects of working in dyads by making sure that each member of the pair has a different role to play and thus will not benefit in the same way from unethical behavior. Such would be the case, for instance, if one person were responsible for financial interactions with suppliers and the other person were responsible for financial interactions with clients.

Partial Solutions

When people are financially or otherwise dependent to some extent on people or organizations that could influence their ethical behavior, the effects are similar to those of nonmonetary influences. A common solution, according to the rational-choice perspective, is partial financial dependency, which should lead to less corruption than full dependency would. For example, a research center that was fully funded by only one donor would be expected to produce research results in accord with the interests of that particular donor, and the traditional solution to that dependency problem is to diversify the donor pool.

BE research on topics such as half lies[53] suggests, however, that partial dependency may create more fertile ground for corruption, because good people will have more leeway to convince themselves that the influence of any individual donor is small. Partial solutions thus provide the worst of both worlds: The problem does not go away, but good people are given the opportunity to think that it did go away, which further reduces their willingness to fight any corrupting dependency. This example translates to a larger principle: Any solution to a conflict of interest that does not eliminate the problem but only makes the conflict less blatant is likely to increase the chances that good people will behave badly.

Explicit Language in Ethical Codes

The final standard approach I discuss here is probably the most traditional: explicit ethical codes. Views about their efficacy conflict.[54] Some evidence indicates, however, that they can be made more potent by drawing on new BE approaches that combine explicit and implicit ethical interventions. For example, in a working paper on the language of ethical codes, Maryam Kouchaki, Francesca Gino, and I showed that using the word *employees* instead of *we* in an organization's ethics code was more effective in curbing employees' unethical behavior.[55] What seems to drive the effect is that the word *we* signals to employees that they are part of a community and, as such, might be forgiven for their misconduct.

Tools Inspired by BE Research

Clearly, to root out most corruption, policymakers need to revisit their regulatory toolbox and expand it to take into account the various states of mind and situations that induce good people to shirk their institutional responsibilities. The tools below can help.

Ethical Nudges

The most well-known strategy I would suggest adding to the regulatory toolbox for fighting corruption in organizations is the nudge, made famous by Richard H. Thaler and Cass R. Sunstein's book by that name.[56] Nudges are interventions that lead to behavioral changes without limiting people's free choice.

Different types of nudges have different effects and policy implications. Long-used, classical nudges are meant to remind people to act in their own self-interest and take steps meant to, say, improve their health or save money on energy bills. In contrast, ethical nudges are meant to protect third parties. They may be less effective than classical nudges, partly because the attempt to suppress a person's self-interest is likely to encounter resistance; people will not be as motivated to respond to the nudge.[57] Nevertheless, ethical nudges can be useful.

One of the best-known examples of an ethical nudge that can reduce the incidence of unethical behavior in an organizational setting is affixing one's signature to the beginning of a document rather than to its end.[58] The success of this easy, practical nudge confirms that people change their behavior when reminded of their moral responsibility at the moment of decisionmaking. Such nudges should be implemented with caution, however, because making laws that require their use—which could render them too standard or routine—might eliminate the nudges' power to remind people of their moral and professional responsibilities (an idea suggested to me by Dan Ariely).

Although the importance of nudges and other implicit measures is now recognized, policymakers should not completely toss out traditional explicit interventions. These might sometimes be more effective than implicit measures, such as for avoiding conflicts of interest. In my 2017 study with Halili, involving survey firm workers who were asked to assess a research institution that they understood might give them future work, the participants either read explicit statements about which actions are legal and moral or filled out a word-completion exercise relating to morality and deterrence of corruption before engaging in the subtle conflict-of-interest situation. We found that only the explicit messaging regarding legality and morality was effective.[23] This result is consistent with BE research showing that overt reminders to behave morally increase ethical behavior.[59]

Ways to Prevent the Corruption of Good People

Situations That Promote Corruption	Classic Solutions and Their Pitfalls	Behavioral Ethics Solutions
Vague rules and norms Ambiguity enables people who view themselves as moral to convince themselves that unethical behavior is ethical and hence legal. **Nonmonetary conflicts of interest** People who would refuse outright bribes can often be swayed by more subtle rewards, such as opportunities for self-promotion. **Availability of justifications** Corruption is more likely if people can convince themselves that everyone is acting in a certain way or that they are not hurting anyone. **Loyalty to an organization** Feeling responsible to one's organization can reduce ethical restraints on hurting customers, suppliers, and others if doing so benefits the organization.	**Disclosures of conflicts of interest** Ironically, delivering disclosures to customers or patients can give people license to behave in a self-interested way. **The four-eyes principle** Having two people approve all transactions is a widely used strategy to reduce unethical behavior, but research suggests that involvement of more people might actually increase corruption. **Partial solutions** Partial solutions (such as avoiding full dependency) could be worse than no solutions. For example, having multiple sources of funding makes it easy to feel that an ethically hazy reward provided by any one of the sources does not harm the objectivity of the funded organization. **Ethical codes** Such codes are widely used in organizations, but not enough attention is paid to the effects of the particular words that are used; some language choices might increase unethical behavior rather than decrease it.	**Nudges** Nudges that frequently remind people of their ethical responsibilities may be particularly effective at promoting moral behavior. (See "Mandatory declarations" below for an example.) **Detection** Enforcement programs that invest resources in detecting corruption may be more effective deterrents than large fines (which may seem irrelevant to people who do not see themselves as behaving corruptly.) **Blinding** Restricting access to information that might prejudice responses to other people can reduce both explicit and implicit biases. **Targeted policies** Focusing on the ways that specific situations increase vulnerability to behaving unethically can be more effective than a one-size-fits-all approach. **Mandatory declarations** For corporate or government decisionmakers, frequent use of written declarations of conflicts of interest might make it harder to ignore having such conflicts.

An Emphasis on Detection

Back in 1968, Nobel laureate Gary S. Becker put forth the now-accepted notion that the effectiveness of a regulation as a deterrent to bad behavior is equal to the perception of the expected cost of being caught.[60] But BE research now challenges this equation.[31]

If, indeed, good people are not fully aware of the legal consequences of their unethical behaviors, they will be unlikely to accurately assess the benefit of that misconduct relative to its legal cost. In this regard, the BE literature supports findings from deterrence research indicating that increasing the likelihood of detection does more to prevent misconduct than increasing the size of threatened penalties does.[61] A threat of punishment can be useful, however, if it is combined with detection efforts and if the form of punishment attempts both to change the social meaning of the behavior and to convey moral norms that reinforce awareness of the ethical nature of a behavior.[62,63]

A primary focus on the magnitude of penalties, though, is particularly ill-suited to influencing the behavior of good people, who are less likely than criminals to calculate the potential punishment they might receive. Further, good people do not think that their behavior is corrupt or, at least, do not think it is as corrupt as legal policymakers would. Thus, especially when dealing with gray behaviors—the kind many of my examples have described—organizations and regulators should invest in detection rather than in increasing penalties, which assumes a calculative mind-set. (See notes E and F.)

Blinding

An important way to curb corruption related to bias is to expand efforts to disguise personal information, a strategy that is already used to avoid discrimination in employment and the justice system. In employment discrimination, this practice has been shown to be highly effective at curbing implicit biases and the unconscious effects of self-interest. In an effort to expand on that success, Christopher Robertson and Aaron Kesselheim edited a recent book on ways that blocking information might prevent unconscious biases in many institutional contexts.[64] For instance, they argue that when an expert is being paid to write an opinion about something, the expert is less likely to be biased in that opinion if he or she does not know the identity of the payer.

Use of Targeted & Integrated Policies

The motivations that drive behavior vary between people. Even good people have multiple motivations, some of which can impel them to do bad things. Two main strategies can deal with this heterogeneity and, at the same time, address people's frequent lack of awareness of their own corruption: (a) a targeted approach that is based on context-specific data collection and is tailored toward a given situation and population or (b) an integrated approach that encompasses a large number of regulatory tools and that attempts to deal with a number of different mind-sets. Each strategy has its pros and cons, and they can be used separately or together.

In the targeted, or differentiated, approach, regulations address the specific situational factors that foster corruption for particular groups. For example, regulators might need to expand their focus, not only screening bank accounts for deposits of corrupting payments but also tracking the influence of nonmonetary inducements, such as positive media coverage and prestige. In work on pharmaceutical corruption, my colleagues and I have suggested that scientists in pharmaceutical companies are

> "Even good people have multiple motivations, some of which can impel them to do bad things"

often motivated by prestige and self-fulfillment; therefore, some may cut corners in their research to achieve positive results in their clinical trials of drugs. Financial fines are less relevant for this population and more appropriate for pharmaceutical executives, who might engage in misleading marketing practices to increase profits for the corporation and, hence, would be more sensitive to monetary fines.[65]

An example of the broader, integrated approach has been proposed by Shahar Ayal and his colleagues.[59] They call it REVISE, which is an acronym for REminding people not to use gray areas to justify dishonesty (by providing subtle cues that increase the salience of ethical criteria); VIsibility, or using procedures that increase people's awareness that they are being seen and recognized by other people who know them; and SElf-engagement, or reducing the gap between people's abstract perceptions of their moral self-image and their actual behavior (to keep their idealized self-image from allowing them to do wrong yet still feel that they are moral individuals). For instance, making it clear that technology is monitoring computer-based transactions should increase employees' awareness that the organization demands ethical behavior.

Mandatory Declarations Used as Ethical Reminders

A more legalistic approach to the REVISE scheme emphasizes moral reminders and uses declarations to deter misconduct that stems from people's lack of attention to their own wrongdoing and from the various self-serving mechanisms discussed above. For example, before every meeting in which executives vote, it can help to have all participants write out and sign a declaration stating that they understand the types of conflicts of interest that they need to reveal, that they do not have such conflicts, and that they know the relevant laws. Such declarations can serve two purposes. From a behavioral perspective, writing out a declaration prevents a person who wants to maintain an ethical self-image from failing to announce a conflict of interest; such omissions can be downplayed in a person's mind more than a stating an outright a lie can.[66] From a legal perspective, writing a declaration in their own handwriting reminds people that they can be prosecuted for perjury; reminders of legal consequences have been shown to be effective even for relatively subtle conflict of interests.[23]

Conclusion

In this article, I have contrasted the BE and the rational-choice accounts of the corrupted agent. Recognizing that some of the corruption in society in general and organizations in particular can be attributed to good people who view themselves as ethical and understanding the factors that cause such individuals to go astray are important for three main reasons. First, identifying the situations that enable ethical misconduct in such individuals (such as ambiguity in rules and corporate environments) can allow policymakers to alter those situations or to increase scrutiny over them. Second, the realization from BE research that some of the anticorruption tools based on rational-choice theories can have inadvertently counterproductive effects, especially on good people, can enable policymakers to be on the lookout for such effects. Finally, BE research suggests some additional tools that policymakers could use to curb corruption, such as blinding and ethical nudges. By expanding their toolbox; using a differentiated, situation-specific approach when data on a given situation exist; and using a comprehensive, integrated approach when data on specific situations are not available, policymakers will be able to make new strides in reducing corruption.

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endnotes

A. For a discussion on using incentives to motivate ethical behavior in organizations, see "Reinforcing Ethical Decision Making Through Corporate Culture," by A. Y. Chen, R. B. Sawyers, and P. F. Williams, 1997, *Journal of Business Ethics, 16;* the relevant section begins on page 862.

B. Note that the "good people" scholarship is usually different from the type of research conducted by Philip Zimbardo on the Lucifer effect, which is described in *The Lucifer Effect: Understanding How Good People Turn Evil*, by P. Zimbardo, 2007, New York, NY: Random House. The "good people" research generally tries to explain how ordinary people end up doing evil or at least engaging in gross criminal behaviors.

C. For research suggesting that automaticity can lead to cooperation rather than corruption, see David G. Rand's research paradigm on this topic, as is described in the article "Social Context and the Dynamics of Cooperative Choice," by D. G. Rand, G. E. Newman, and O. M. Wurzbacher, 2015, *Journal of Behavioral Decision Making, 28,* 159–166. This argument was also recently summarized in a meta-analysis suggesting that peoples' intuition is actually more likely to lead them to be cooperative: "Cooperation, Fast and Slow: Meta-Analytic Evidence for a Theory of Social Heuristics and Self-Interested Deliberation," by D. G. Rand, 2016, *Psychological Science, 27,* 1192–1206 (https://doi.org/10.1177/0956797616654455).

D. Analogous to rationales used in the corporate setting, the rationales (for example, "It's a new era") that illegal downloaders of copyrighted files use to justify their behavior, as well as the tactics used by both copyright holders and regulators to fight these types of rationales, are reviewed in "The Law and Norms of File Sharing," by Y. Feldman and J. Nadler, 2006, *San Diego Law Review, 43,* 577–618.

E. For a review of algorithms used by different corporations to detect employees' unethical behavior when it happens rather than relying on ex post facto punishment, see "The Ethics of Intracorporate Behavioral Ethics," by T. Haugh, 2017, *California Law Review Online, 8,* https://doi.org/10.15779/Z38TD9N731.

F. For an approach that tries to separate deterrence and moral reminders, see "The Expressive Function of Trade Secret Law: Legality, Cost, Intrinsic Motivation, and Consensus," by Y. Feldman, 2009, *Journal of Empirical Legal Studies, 6,* 177–212, and "Deterrence and Moral Persuasion Effects on Corporate Tax Compliance: Findings From a Randomized Controlled Trial," by B. Ariel, 2012, *Criminology, 50,* 27–69. For a look at the effects of small punishments, see "The Effect of Unpleasant Experiences on Evaluation and Behavior," by A. Schurr, D. Rodensky, and I. Erev, 2014, *Journal of Economic Behavior & Organization, 106,* 1–9.

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