

Like a Journalist in a Nuclear Power Plant On the Encounter between Experimental Economics and Sociology

Interview with Dorothea Kübler and Michael Hutter

The experimental economics laboratory at the Technical University of Berlin consists of twenty-five computer workstations, each in its own cubicle. The only people to gain entrance are those in the pool of subjects, who number about 4,000, and behavioral economists. Over the last three years, however, sociologists have been frequenting the space as well. They are observing, taking notes, and conducting interviews with participants in the experiments. The quasi-anthropological approach is part of the project on the “Cultural Framing Effects in Experimental Game Theory,” which builds a bridge between two research units at the WZB. To discuss this interdisciplinary venture, Gabriele Kammerer interviewed the two scholars responsible for it: Dorothea Kübler, Director of the Research Unit on Market Behavior, who stressed the perspective of economics, and Michael Hutter, Director of the Research Unit on Cultural Sources of Newness, who brought a primarily sociological viewpoint to the table.

What is a framing effect?

Kübler: Experiments in economics are always about decisions. We economists assume that the context in which people are presented with a choice, or the formulation of the question itself affects their decision. The same question can lead to different behavior, depending on how you tell the story introducing the question. For instance, Amos Tversky and Daniel Kahnemann have conducted experiments showing that physicians decide on different treatment methods, depending on whether they're shown the survival rates or rather the mortality rates associated with each method. That's the classical example of framing.

Hutter: Context determines how I interpret the situation. In experiments, context begins with the very instructions I receive. But the fact that each person is seated in his or her own cubicle with a partition to the front and to either side is also the context, and that is quite different from one in which everyone is sitting around a table. As sociologists in this study, we are looking for ways to set up such variations in context, in the experiment, in order to see whether they make a difference. For example, suppose someone is asked to determine the value of an object. Did that person receive the object by lot? Did the person work for it? Did he or she work with others for it? Those would be the kinds of variation we're talking about.

That doesn't sound like much of a difference so far. What do sociologists add to it?

Kübler: Well, the sociologists get on our nerves a bit. They tell us, “People think something quite different from what you think they think.”

Hutter: That's a standard way of putting it. Yes, we like to challenge and probe.

Kübler: By contrast, we're often not all that interested in what the participants in our experiments think. We're very theory driven. We have behavioral hypotheses that we test. If they get rejected, we have classical reasons that are obvious to economists, and precisely those reasons are quick to be cited. None of us is particularly interested in whether there are other reasons, too. Our experiments

are designed with one dimension in mind. We always distribute questionnaires to the participants to ask whether they found the experiment stupid or good and why they made particular decisions, but we don't usually take the responses to those questionnaires all too seriously. Juliane Böhme, who is monitoring the process as a sociologist, conducts unstructured interviews with the participants and then comes and she tells us, "the people were thinking something quite different from the way you are interpreting things now."

Hutter: When we talk with the people, we get something interesting out of it, such as what they were thinking during individual steps or why they got tired of the experiment halfway through. We then know more about their contextual interpretation than we would by just observing. Juliane Böhme would like to go further by making video recordings in the lab in order to observe behavior beyond language.

You're squirming in your chair, Mrs. Kübler . . .

Kübler: We assume that people's behavior changes when they feel they're being watched. We can't use the data then.

Hutter: The trouble is that the economists have to adhere to the required conditions very strictly in order to publish their study and prove that the experiment has not been "polluted" or undermined by changes in the context. The alternative for our special joint project is to run a kind of blind experiment.

Kübler: A pseudoexperiment.

Hutter: A pseudoexperiment, with a film just for the sociologists.

And then only the film counts, not the outcome of the test?

Kübler: Those are the sorts of compromise we're making. We're trying out variations that we know we can never publish as economists. It's just clear that we need it for the sociologists. For them it's important. By the way, Rustamdjan Hakimov, the research fellow from our unit, is working on a different project to complete his doctorate. That's really good in this case. The bridging project won't make or break his academic career.

So disciplinary cultures are clashing.

Hutter: Absolutely. And that's exactly what interests us in the context of our research unit's program. We want to look at culture in its tiny aspects, facets of human interaction that are as inconspicuous as possible, right down to the level at which they can just be sensed. Values, attitudes, assumptions—what governs social interaction, and how?

Kübler: That, too, is something we're learning from the sociologists. So far, we economists have said, "Well, we're observing Japanese and Americans and checking out what behavioral differences there are, and we'll call it culture." It's not much more exacting than that. Sociologists can say more discerningly what they mean by culture, even cultures within countries.

Is it only the subjects who are being observed or is it also the researchers?

Kübler: To me it seems that this question of what economists do in experiments has become increasingly important in our joint project. I really don't know whether we initially had that in mind when we drew up the project idea.



Dorothea Kübler is director of the WZB research unit Market Behavior and professor of experimental economics at Technical University Berlin. Her research focus is on market decisions and matching design.

[Photo: David Ausserhofer]

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Hutter: Perhaps you didn't see it that way. We didn't tell you that so plainly at the beginning.

Kübler: I am discovering some interesting things today!

Hutter: I am also an economist by training and know from experience what a distinct culture characterizes economics faculties, how clearly it differs from the way sociologists talk to each other, what they consider important, and how they publish.

In terms of the bridge metaphor, it's actually the sociologists visiting the economists on their side of the river, isn't it?

Hutter: It's true that the field situation is the lab experiments. We've agreed on that point from the start. We sociologists have an opportunity to gain insight into a special situation. We've stepped back, knowing that the experiment has to proceed. Sociologists can't interfere and start talking or anything like that. Besides, we know that the people conducting the experiment are often not the authors themselves. They have to follow the instructions in a very particular way.

This collaboration is a great privilege. We're profiting enormously from the opportunity of working as colleagues under one roof. At a conference recently Juliane Böhme reported what we're doing, and a colleague from Harvard got really excited, saying she'd been trying for years to study lab experiments but that no economist would let her look on! She simply couldn't comprehend that Juliane can walk around, talk with them, and make suggestions and that they respond to her seriously. That has not been possible for her with the economists at Harvard. She compared the situation with that of a journalist penetrating into the control room of a nuclear power plant.

Are you just being nice, Mrs. Kübler, or do you have your own interest in this visit?

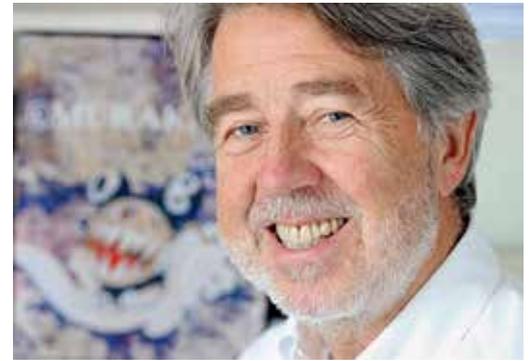
Kübler: No, no! I am definitely pursuing an intellectual interest. Whether I'll ever be able to write something about it, I don't know, but the exchange has affected the way I think. I believe it's a good intellectual exercise for us to look at the matter from another perspective. The challenges we encounter in these conversations with sociologists are different from those we get within our own discipline.

Where did the idea to work together originate? Who knocked at whose door?

Hutter: I don't remember actually. Somehow it went pretty quickly. We'd been talking for a good while about what you were all doing, and then this issue of framing emerged as a conceptual link between our two research interests. The concept of framing opens the door for meaning and differences. Framing is a term accepted in the literature among behavioral economists. That's enough. There's no need to overlay it with any theories.

But you're miles apart methodologically.

Hutter: That's true. Quantitative sociology tends to be more compatible with economics, but in our research unit on Cultural Sources of Newness we are working qualitatively, arguing that the phenomena we're examining are surprising and unfamiliar. They don't readily occur 300 times. We therefore have to approach them with other methods, and they look much more tentative than



Michael Hutter headed the research unit Cultural Sources of Newness from its inception in 2008 until the conclusion in 2014. His main research fields are economics and culture, creative industries, and innovation, knowledge and culture. *(Photo: David Ausserhofer)*
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what is possible when working with the power of statistical methods.

Kübler: If maybe two subjects make the same comment in the interviews, we economists naturally ask how representative it is.

So genuine interdisciplinarity is demanding.

Hutter: There are many naïve notions about how easy it is. It's often thought that good will and a little terminology are enough. That's not how it is. There are cogent institutional and substantive reasons why some researchers proceed in one way and others a different way. That makes it necessary to grapple with the issue seriously. Interdisciplinary work requires the participating researchers to be masters of their craft and to be interested in how others practice it. That's demanding but doesn't have to be discouraging. Realizing that the rockface you are climbing is not just 6 feet high but rather 60 is not sad. It's impressive.