## Cultural Determinants of Reactions to Control: Evidence from a Large-Scale Internet Experiment

Katrin Schmelz (joint work with Anthony Ziegelmeyer)

April 7, 2011

With the help of a large-scale internet study, we investigate experimentally the feedback effect from the political regime on the aversion to control in employment relationships. In our experimental design, the principal has the possibility to control the agent by choosing one out of three enforcement levels before the agent chooses an effort level. We implement a repeated trial environment and elicit incentivized beliefs before each repetition.

Reunified Germany offers a great opportunity to analyze the long-term effects of an oppressive political regime on reactions to control in employment relationships. In former East Germany, institutionalized restrictions of citizens' choice sets was common practice. Our working hypothesis is that 45 years of heavy state intervention and indoctrination has instilled in people the view that the controls are justified and usually perceived by individuals as legitimate.

In the first wave we rely on student samples from two East German and two West German locations. Born in the time of German reunification, students in both parts of Germany have experienced the same political regime but different values might have been transmitted to them by their parents and teachers. In the second wave we address the German population within an age range of 25 to 65 years. These older participants have experienced different political regimes in the East and in the West, and the influence of the political regime is likely to vary with age.