

Asymmetric power boosts extortion in the workplace

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What do profit-driven bosses do if they are not satisfied with an employee's conduct? They use their strategic advantage to blackmail their subordinates: "If you don't want to do the job, I'm sure we'll find somebody else who does". Together with researchers from Harvard University and the Institute of Science and Technology Austria (IST Austria), researchers from the Max Planck Institute for Evolutionary Biology in Plön have found that asymmetrical power encourages extortionate behaviour. Both in a model and an experimental setup, such 'blackmailing' strategies proved successful for the extortionists. An especially surprising finding was that subordinates were in fact better off if they played along in the unfair game. However, extortionists shouldn't be too obviously selfish; they are only successful if they maintain a well-measured degree of friendliness.

Nearly one in two people will take advantage of others if the opportunity arises: that is the sobering conclusion of a study recently published by researchers from the Max Planck Institute for *Evolutionary Biology*. The scientists asked 160 students to take part in the so-called 'prisoner's dilemma' game where two [players](#) choose, over several rounds, if they will cooperate with each other or not to receive a cash payoff. In this scenario, cooperation only pays off if the respective opponent also cooperated.

This means that particularly Machiavellian players can lull their [opponents](#) into a false sense of security by initially cooperating, only to unexpectedly withhold cooperation in the next round. In this case, the

selfish player receives an especially large payoff, whereas their opponent is left empty-handed. Such strategies, however, are only successful in the short term. Ultimately, extortionate players often emerge as losers, because their opponents tend to stop cooperating with them altogether.

Not playing along gets you fired

In this study, however, the researchers changed the rules of the game: In their experiment, one of the players had the opportunity to swap their opponent if they were not satisfied with the latter's cooperative behaviour. The swapped player was then replaced by a previously inactive player and was suspended from the game for several rounds. "This is the equivalent of a boss firing and replacing an employee," explains Christian Hilbe of IST Austria.

Nearly half the players who were given this opportunity took advantage of the asymmetrical power structure to force their opponents to cooperate - without being similarly cooperative themselves. In this way, they achieved significantly better payoffs than the players in a control group who were not allowed to replace their opponents.

It was only possible for the extortionists to be so successful because their opponents played along in this unfair game. In fact, it proved to be more advantageous for the co-players to allow themselves to be frequently exploited than to withhold cooperation completely. Players who refused to cooperate with the extortionists were permanently sent to the 'unemployed' replacement bench, and went home with a small payoff in the end.

Interviews with the participants after the experiment showed that many players had understood their situation quite well. Most had realized quickly that they were powerless against the strategic advantage of their opponents and were only able to reap the most benefits for themselves if

they actually cooperated – even if their opponents repeatedly took advantage of them. The privileged players were also often aware of the situation and the best strategy.

Blackmailing requires some skill

In addition to those players who deliberately decided in favour or against 'blackmailing' behaviour, there were also those who were simply too obviously selfish in their extortionate attempts. The strategy works only if an extortionist sometimes cooperates with an opponent. "A heavy-handed boss who always solely relies on exploitation is not successful," says Manfred Milinski, Director at the Max Planck Institute for *Evolutionary Biology*. "Without occasional cooperation, the system doesn't work. It is therefore those people who appear to be friendly on the surface we maybe should be most wary of." The researcher suspects that extortionate behaviour is much more common than previously believed – especially, but not exclusively, when a power imbalance exists, such as between a boss and an employee.

More information: Christian Hilbe et al. Asymmetric Power Boosts Extortion in an Economic Experiment, *PLOS ONE* (2016). [DOI: 10.1371/journal.pone.0163867](https://doi.org/10.1371/journal.pone.0163867)

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