

save to himself, and which it can impose upon other people. (Wealth of Nations Book 1, chapter V)". Smith's perspective was straight-forward; labor is disutility and the right way to value its price is by estimating the amount of pain it causes. When an employer wants to hire an employee to perform a task, the salary offered and the salary demanded should be the cash equivalent of the "pain" caused by the labor, as predicted by the employer and the employee, respectively.

In this research we focus on buyers' and sellers' valuations of labor. Specifically, we focus on the valuations of predicted pain and the cash equivalence of that pain as determined by the buyer and the seller. Past research has shown that people typically place higher value on goods they own than those they do not. The mere ownership of a good increases its value. This tendency is known as the endowment effect. People demand more money to give up an item they own than people are willing to pay to obtain the same item. The standard explanation for this phenomenon is that value is a reference-dependent function that is "steeper for losses than for gains". The pain of losing something is greater than the pleasure of gaining the same thing. In the present research, we ask whether a similar effect occurs in evaluation of labor. Is the price demanded by an employee to perform a laborious task greater than the price offered by an employer who wishes to relieve himself of the need to perform the same task?

We explored this question in a series of experimental markets. Half of the participants were randomly assigned to a time-consuming task, and the others escaped the drudgery. Those facing the task were allowed to pay for other participants to complete it for them. We elicited willingness-to-pay from buyers of labor and willingness-to-accept from sellers and found that the sellers of the labor (the "employees") demanded significantly more than what the buyers (the "employers") offered. We also found differences in valuations of the suffering caused by the work; the estimated pain of the labor was greater for sellers than for buyers. Our research demonstrates that endowment effects apply to the value of services as well as the value of goods.

Value, labor, endowment, pain

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A typology of Austrian self employed taxpayers based on motivational postures

Schwarzenberger, Herbert; Muehlbacher, Stephan; Kirchler, Erich

University of Vienna, Austria

herbert.schwarzenberger@univie.ac.at

A representative sample of 476 Austrian self employed taxpayers should expose whether there are differences concerning motivational postures, tax compliance,

and justice perceptions. Braithwaite (2003) distinguishes five motivational postures (commitment, capitulation, resistance, disengagement, and game playing) towards taxes and the tax authorities. These interconnected sets of beliefs and attitudes are consciously held and openly shared with others. Motivational postures reflect the social distance taxpayers perceive between themselves and the tax authority. Kirchner (2007) assumes that the motivation to cooperate is an important factor influencing tax behavior and is closely related to the motivational postures. Braithwaite (2003) showed that the motivational postures correlate with tax compliance. Nevertheless, they are not stable and isolated personal characteristics. The motives for paying taxes or not may change, and several motivational postures can be held simultaneously by one person.

By means of a cluster analysis, four basic types of taxpayers were identified. These types differ in their motivational postures that underlie tax behavior. From the results, we derived a typology of self-employed taxpayers.

The "solidary" taxpayers feel obliged to the community and pay their taxes because they perceive the system as fair and want to contribute their part. "Non-solidary" ones feel no relatedness with the system and experience the burden as unfair. This corresponds largely to the known results of Braithwaite (2003). New and interesting insights have been gained through both remaining types. "Critical" taxpayers describe themselves, concerning to their tax behavior intentions, similarly honest like "solidary" ones. However, they feel treated more unfairly and show markedly higher resistance to the tax authorities. This group reminds of the saying "his bark is worse than his bite". "Strategic" ones experience the tax burden similarly fair like "solidary" ones. However, they show substantially more distinctive intentions for tax evasion and tax avoidance.

"Solidary" and "non-solidary" taxpayers seem to act in accordance with their motives and attitudes, whereas these factors do not seem to predict the behavior of the "critical" and "strategic" taxpayers. "Critical" taxpayers do not have positive attitudes towards the tax system and its authorities; nevertheless they do pay their taxes to an unexpectedly high degree. "Strategic" taxpayers feel that they receive fair treatment, but they still try to reduce their tax burden as soon as they see a chance. Braithwaite (2007) pleads in her responsive regulation approach, that the tax authorities should respond to the different positions of taxpayers. The cooperative ones should be supported and notorious tax evaders should feel the full rigor of the law. The present typology concludes that cooperative and uncooperative behavior originates from different motives. The gained knowledge offers even more insights to Braithwaite's approach. It allows adjusting responsive regulation more differentiated to the different types of taxpayers.

Further investigations, for instance an analysis of the stability of the typology over time ("working age") may help to prevent "critical" taxpayers from changing into "non-solidary" ones. Thus, at an early stage it could be avoided that undesirable behavior patterns become permanent.

Self-employed, tax compliance, tax evasion, tax equity, motivational postures

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*Prof. Dr. Detlef Fetchenhauer
University of Cologne
Department of Economic and Social Psychology
Herbert-Lewin-Straße 2, D-50931 Köln, Germany
detlef.fetchenhauer@uni-koeln.de*

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