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Why Do Citizens Support Price Controls? The Role of Motivated Beliefs

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Experiencing a shortage reduced support for the price cap more than receiving factual information. Yet many participants continued to prefer the cap. The evidence is consistent with beliefs that are attractive to hold, as well as with incomplete information.

The question

A lower price sounds attractive, but a binding cap can also reduce the chance of obtaining a good. Why does support persist after citizens learn about this trade-off? The study tests whether the way people learn, and their responsibility for the outcome, change beliefs and policy preferences.

How the study works

The study recruited 821 university students for 45 sessions at the Rosario Experimental and Behavioral Economics Laboratory in Bogotá, between October 2022 and March 2023. Participants bought a fictitious good, with real payments linked to decisions.

In the experimental free market, everyone could buy; under the price cap, the price was lower but only half could purchase. The main comparison assigned sessions to factual information or direct experience. An additional treatment reversed the order of market experience.

Independently, one person in each group of four made a binding choice of market regime, while the others made hypothetical choices. The researchers measured beliefs and preferences before and after learning about the cap.

Support for the price cap, before and after learning

Factual information



Direct experience



Rounded shares in the restricted main comparison: 351 participants with consistent beliefs and initial regime choices. Source: Figure 5 and Table 1, columns 1–2.

Four findings to take away

01 Facts reduced support.

In the restricted main comparison, support fell from 80% to 62% after a factual explanation: a decline of about 18 percentage points.

02 Experience had a larger effect.

Support fell from 76% to 41% after direct experience: about 35 points in the same restricted analysis.

03 Support remained substantial.

Even after experiencing shortages, 41% of this group still chose the price cap. Learning did not eliminate favorable views.

04 Decision-making responsibility mattered.

Among initially optimistic participants, those with binding choices revised beliefs more and were less likely to keep supporting the cap than those making hypothetical choices.

The full sample provides context

In the full main-comparison sample (523 participants), support fell by 10.8 points after factual information and by about 25.0 points after experience. The experience advantage remains, while the magnitudes are smaller than in the restricted sample.

What this suggests

The findings suggest that accurate information may leave some policy preferences unchanged when optimistic beliefs are psychologically appealing. Experiential feedback and a meaningful stake in the outcome deserve attention.

Policy simulations, pilots and accountability mechanisms are possible applications to test. The experiment did not establish their effectiveness in real political settings.

What the study cannot establish

The sample consists of university students in Bogotá, rather than a representative electorate. The market was deliberately simplified, sellers were automated and learning was measured over a short period.

The laboratory abstracts from fairness, distributional conflict, partisan cues and repeated exposure. Support that persists is consistent with the authors' motivated-beliefs account; it is not proof that every participant's preference is irrational.

The largest headline changes use a restricted sample with consistent beliefs and initial choices. Full-sample estimates are smaller, making the sample definition essential to interpretation.

Where to look in the paper

Design and sample: sections 3–4.

Information and experience: section 5.2, Figure 5 and Table 1.

Agency: section 5.3 and Tables 2–3.

External validity and implications: section 7.

Suggested citation

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This guide summarizes the study; it does not replace the paper.