Moral Opportunities versus Moral Tests

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A growing literature (Aquino & Read, 2002; Dunning, 2007; Nisan, 1991; Sachdeva, Iliev, & Medin, 2009) suggests that people are strongly motivated to see themselves and be seen by others as moral. This motivation leads people to act in ways that their culture deems moral and to avoid acting in ways that it deems immoral. One challenge in pursuing this goal is that morally relevant situations tend to cleave into ones that provide potential for the enhancement of one's moral image and ones that threaten to diminish that same image -- and the two types have very different dynamics.

Situations we term *moral opportunities* provide individuals with at least one behavioral option that could potentially enhance their moral self-image. When faced with a moral opportunity the "moral" choice leaves one feeling better about one's moral standing but the "non-moral" choice does not leave one feeling worse. In contrast, situations we term *moral tests* confront individuals with at least one behavioral option that has the potential to diminish their moral self-image. When faced with a moral test the "non-moral" choice leaves one feeling worse about one's moral standing but the "moral" choice does not leave one feeling better.

To successfully maintain a positive moral self-image people must both avoid failing moral tests and embrace moral opportunities when their self-images have been threatened. Besides delineating and illustrating these two classes of situations we describe how the actions of third parties shape whether actors experience situations as moral tests or moral opportunities. In applying the term "moral" to situations we imply only that people perceive their actions in those situations to have the potential to increase or decrease their sense of being a virtuous person. Our analysis assumes that people are concerned with both their moral public image and their moral self-image but in the service of expository simplicity we restrict our focus here to moral self-image. We acknowledge that it is difficult in many of the depicted situations to determine whether the primary driver of the phenomenon is moral self-image or moral public-image.

Defining Moral Opportunities and Moral Tests

Moral opportunities and moral tests confront actors with the behavioral means of substantiating or undermining, respectively, an identity claim that they are a moral person. Kant's (1785) famous distinction between perfect and imperfect duties bears instructive similarities to the difference between moral tests and moral opportunities. Kant viewed failing to perform a perfect duty as a moral transgression, for according to him performing perfect duties is a basic obligation for a human being. In our language, to fail to perform a perfect duty is to fail a moral test. What Kant terms imperfect duties and what we term moral opportunities, do not have the same moral force: They do not merit blame when they are not enacted, though they do merit praise when they are completed.

We assume that all people construe some situations as moral opportunities and some as moral tests but vary considerably in which situations they construe as moral tests and which as moral opportunities. Consider the request to donate blood. Theoretically, this request could be construed as either a moral opportunity or a moral test. Those who consider this request a moral test would not be expected to experience a "warm glow" when they complied with this request but would be expected to experience a "cold prickle" (Andreoni, 2005) when they do not. On the other hand, those who experience this request as a moral opportunity, would be expected to experience a "warm glow" when they complied but not a "cold prickle" when they do not. The more of an opportunity a situation provides, the less of a test it provides and vice versa.

Distinctive Reactions to Moral Tests and Moral Opportunities

If the distinction between moral tests and moral opportunities is to prove useful, it is necessary to show that people react differently to the two situations. Thus, we begin by showing that people's reactions to morally relevant situations vary in ways that are consistent with the logic underlying our conceptualization of this distinction.

Avoiding Moral Tests

People have little incentive to seek out moral tests: they present no promise of enhancing people's moral self-images but present considerable risk. When confronted with a test people must choose either to pay the price required to pass the test or choose to fail the test and incur damage to their public and private image. Given this, people should be motivated to take actions that preemptively reduce their exposure to moral tests.

One example of the strategic avoidance of a moral test is found in Gaertner's (1973) telephone study of racial discrimination among registered White conservatives and liberals in New York City. The study involved the willingness of the randomly-dialed respondents to help a Black or White caller (identifiable on the basis of their dialects) who claimed that their car had broken down on a local highway and that they had just used their last quarter to try to call their mechanic from a public phone booth. The Black and White callers explained that they had misdialed and that they now needed the respondent to help to call the mechanic for them. White conservative participants helped Black callers less than White callers, whereas White liberals did not discriminate. More relevant to our analysis, although liberals helped without regard to race when the need for their assistance was articulated, they, unlike conservatives, were more likely to hang up

prior to learning fully of the caller's need for help when the caller was Black than White. One interpretation of this is that for White liberals the request to help a Black person provided more of a moral test than it did for White conservatives and this led the former to be more likely to help Blacks (thereby passing a moral test when faced with it) but it also led them to be more likely to escape the situation prior to the request for help (thereby avoiding being confronted with a moral test that would be costly to either pass or fail).

The desire to avoid a moral test may similarly underlie the finding that when Ultimatum Game players are given a choice between (1) freely allocating \$10 between themselves and an anonymous participant and (2) walking away from this choice with only \$9, many participants do the latter (Dana, Cain, & Dawes, 2006). This result is striking because the participants' choice is potentially costing them money--they are opting for \$9 when they could have kept all \$10 in the first situation. This behavior makes sense, however, if we assume that those who opt-out anticipate that their conscience would not let them keep more than \$9 when they were free to choose the amount to allocate. That "opt-outers" are trying to escape what they perceive to be a costly moral test is supported by the fact that they are the ones who share the most when no opt-out response is available.

The reluctance to take actions that would benefit the self in the short term because of imbedded moral tests may also explain why people are often surprisingly reluctant to accept gifts or favors from others (Greenberg & Shapiro, 1971). Once people accept a gift the pressures of the reciprocity norm insures they will later face a moral test that they might not be able or willing to pass. Thus, whatever value a gift may have, it may be refused if it does not come with a clear understanding of what would constitute repayment and the belief this would be a reasonable exchange.

The desire to avoid future moral tests can even lead people to shun moral opportunities if embracing them will sow the seeds for future moral tests. For this reason, the most effective framings of moral opportunities are often those that address people's fear that availing themselves of such opportunities would expose them to future moral tests. One example of this logic at work may be the greater effectiveness of offering products in exchange for donation (the "exchange fiction," see Holmes, Miller, & Lerner, 2002). Receiving a token gift in return for a donation may diminish the identity enhancement potential from the donation but it may still increase its attractiveness by minimizing the potential of future tests. Specifically, if you get something in exchange for your donation, a subsequent request to donate without the offer of a gift becomes less of a test (presumably there is no pressure to buy the gift again as inconsistency in consumer choices is perfectly acceptable). As a general rule, we would predict that the less a helping opportunity carries with it the potential of future moral tests, the more likely people will be to take it.

Seeking Moral Opportunities

If moral tests are to be avoided, moral opportunities are to be embraced, especially when one's moral image has been threatened. Seizing a moral opportunity has the potential to restore a tarnished moral self-image; passing a moral test does not. Experiences that lower a person's current moral self-evaluation, therefore, should increase the appeal of an opportunity to restore that evaluation. The transgression-

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compliance paradigm (Freedman & Carlsmith, 1970; McMillen & Austin, 1971) illustrates how this fact can be leveraged to increase compliance.

In this paradigm participants are first led to believe that their actions have accidentally caused someone (often the experimenter or another participant) unjust harm. They next are provided with an opportunity to help a person either related or unrelated to the victim. Compared with others who committed no "transgression," these participants are found to comply more readily with the request to help. According to our analysis, inducing participants to commit a harmful act lowers their moral self-evaluation, thereby increasing the appeal of a chance to redeem their self-image, which moral opportunities provide but moral tests do not.

Consistent with the claim that the typical request in a transgression-compliance study (see O'Keefe, 2000 for a review) constitutes a moral opportunity rather than a moral test is the fact that these measures typically elicit helping responses from fewer (often far fewer) than 50% of the participants in the control group. This level of response is more characteristic of what we would assume an opportunity rather than a test would elicit. Of course, one could claim that people who have transgressed would be more willing to avoid failing subsequent moral tests, too, and this may be true. However, the fact that those who have transgressed are no less likely to help someone unrelated to their transgression than its victim (O'Keefe, 2000) suggests that the requests for help are viewed as opportunities rather than tests. If the request to help was viewed as a test, one would expect that it would be stronger, and hence more likely to be complied with, when it came from the victim of the transgression. On the other hand, this would not be expected to be the case were it viewed as a moral opportunity; indeed, a request from someone unrelated to the transgression would, if anything, provide a greater moral opportunity.

Another means to increase the appeal of moral opportunities is to make people feel that they have been hypocritical. To act hypocritically is to fail a moral test and it will leave people desirous of redeeming their self-images. One demonstration of this relationship is provided by Stone *et al.*'s (1994) experiment in which half of college participants were made mindful of their unsafe sexual practices, while the other half were made mindful of the unsafe sexual practices of their friends. Further, half the participants had first videotaped a speech for local high schools advocating safe sex. Those participants who were both mindful of their past failures and had made the speech were deemed to have acted hypocritically.

Following these manipulations, some participants were given the opportunity to donate some of the money they had earned to a homeless organization or to buy condoms and take informational pamphlets about AIDS. Participants in the hypocrisy condition who had the chance to do either bought significantly more condoms than other participants, but did not donate more to the homeless. However, participants in the hypocrisy condition who were not given the option to buy condoms did donate more to the homeless than other participants. For participants whose moral identities were threatened by reminding them of their past unsafe sexual behavior, it appears the opportunity to buy condoms had more redemptive potential than the opportunity to donate to the homeless. Nevertheless, it was still possible for them to imbue the latter opportunity with such potential when that was the only moral opportunity available. *Creating and Negating Moral Opportunities and Tests: The Role of the Self and Others* Whether a behavioral choice constitutes a moral test or moral opportunity is not fixed. Context matters. What constitutes a test for one person in one context may not for another person or for the same person in another context. The same is true of opportunities. One reason for this is that individuals by virtue of their previous actions are architects of their own tests and opportunities. Another reason is that the methods employed by those who seek to change the behavior of others shape whether actions are experienced as moral tests, moral opportunities or neither.

The Role of the Self in Creating and Nullifying Tests and Opportunities

People's individual histories and values determine whether the construe the same situation as a moral test or a moral opportunity – or as not morally relevant at all. The most noteworthy common feature in the narratives provided by the exceptional moral exemplars in Colby and Damon's *Some Do Care* (1992) is that they embraced their causes not out of a desire to do good (which would have been a moral opportunity framing) but because the alternative seemed inconceivable – they had to do something (a moral test framing) given the amount of need they perceived. Diffusing responsibility and claiming helplessness is the more common response to such situations, which renders them not moral tests but mere moral opportunities, a means of psychological escape that philosopher Peter Singer tries to short-circuit when he talks about *The Life You Can Save* (2009) – it is just one life and you can save it: Now will you? (a moral test).

People's past actions also play an important role in defining whether they will see their present circumstances as affording moral tests or moral opportunities. On one hand past actions can increase the likelihood that a particular action will be seen as a moral test. As discussed previously, having previously accepted a favor from someone makes any future request by that person a much greater moral test than it otherwise would be. Similarly, admitting failure to practice safe sex constitutes a much greater failed moral test for someone who has made a previous commitment to do so. On the other hand, past actions can also reduce what otherwise would seem a moral test from feeling so. For example, when people's past actions provide them with moral credentials that make them secure in their moral self-image they will be less likely to see potentially problematic situations as tests of their moral identity (Miller & Effron, 2010; Monin & Miller, 2001).

One's past actions also affect how much of a moral opportunity situations are perceived to afford. Earlier we saw how past actions (e.g., transgressions) affect the likelihood that people will avail themselves of moral opportunities. But they also can affect what people define as a moral opportunity. For example, the previously discussed motivation of "transgressors" to redeem their temporarily diminished moral selfevaluations can even lead these individuals to imbue requests of dubious merit with redemptive moral potential. One example of this is Brock and Becker's (1966) finding that "transgressing" Ohio State University (OSU) undergraduates were more likely than their non-transgressing peers to sign a petition advocating an increase in OSU tuition. It is difficult to imagine that refusing to support the tuition hike would be seen as a failed moral test to an undergraduate. It may also seem surprising that undergraduates seeking to enhance their threatened moral image would see any great redemptive potential in this act but apparently they were able to convince themselves that it was at least above the bar on this score.

The Role of Social Planners in Defining and Nullifying Tests and Opportunities

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Third-parties also play an important role in defining what circumstances are defined as moral opportunities and moral tests. Sometimes the influence of third parties comes via rhetoric and sometimes through the administering of carrots and sticks. Using rhetoric to create tests and opportunities. When social actors, such as social planners, wish to increase or decrease the frequency of a behavior, they frequently attempt to leverage the moral opportunity or moral test potential of the behavior. For example, an obvious way to increase the likelihood that a person will avail herself of a moral opportunity is to emphasize the "warm glow" potential taking that action has (Aquino, McFerron, & Laven, 2011) - in effect, labeling the behavior a moral opportunity. Pointing out to people that they can feel virtuous without incurring much cost might be especially effective. This presumably explains why having citizens contemplate the "voter" identity is more likely to get them to the voting booth the next day than simply considering "voting" (Bryan, Walton, Rogers, & Dweck, 2011) – enticing them with this desirable identity and its associated warm glow is an effective way to prompt behavior because it made salient a moral opportunity by making a desired identity within reach. One does not need to look far to see such identity pitches for prosocial behavior ("When you shop at Target, you become a do-gooder in your community"; or the 2008 Bay Area water agencies "Water Saving Hero" campaign), some of which are couched in explicitly hedonic terms (An ad for an environmentfriendly kitchen-remodeling book suggests: "Do good. Feel great. Be green.") Even the small instruction handouts that come with HP printer cartridges try to muster the warm glow by encouraging users to "feel good about recycling," before referring them to a website to recycle their used cartridge.

Rhetoric is also used to encourage people to see performing undesirable behaviors as failing moral tests. Public service campaigns, for example, often seek to change behavior by marketing an undesired behavior as a failed moral test (see Miller & Prentice, 2013). This was successfully accomplished by the 1986 "Don't Mess with Texas" campaign initiated by the Department of Transportation in the state of Texas to reduce roadside littering. In this campaign, the phrase "Don't Mess with Texas" was prominently displayed on road signs and in television and print ads, and was also used in radio announcements. The goal of this campaign was to make people (Texans) uncomfortable littering by framing the act of littering as the failure of a moral test. You are not a real Texan and hence not a good person if you litter (in) Texas. Similarly, the Vancouver Police Department's 2011 campaign against sexual assault used the tagline "Don't be that guy," and was credited with a 10% drop in reported assaults (Matas, 2012). This ad framed dating misconduct as a moral test, as well as clarifying the stigmatization of an undesirable identity (you know that guy and you don't want to be him). Experimental work further supports the power of priming negative identities to make a choice a moral test. Just like the "voter" label can make voting more attractive, admonishing participants "Don't be a cheater" is more effective at reducing unethical behavior than simply urging them "Don't cheat" (Bryan, Adams, & Monin, 2013), presumably because it frames the situation more unambiguously as a test of one's moral character.

Using rewards and punishments to augment the power of tests and opportunities. Third parties interested in changing social behavior often employ rewards and punishment,

sometimes with surprising results. Distinguishing between behaviors moral tests and opportunities helps illuminate when and why these strategies are not always effective. *When social planners use carrots versus sticks*. When social planners decide that more of a behavior is desirable (e.g., blood donation, hiring of under-represented groups, recycling) they often decide, in accordance with price theory (Stigler, 1987), to use economic levers in the forms of subsidies or taxes.

In theory, to produce the desired change social planners could either subsidize the desirable behavior or tax the undesirable behavior. However, assuming that the targeted population agrees that the outcome sought by the social planners (e.g., adequate blood supply, equal opportunity, economic sustainability) is socially desirable, we propose that the favored economic lever will depend on whether the targeted moral action is socially represented as an opportunity or a test. For opportunities, subsidizing the desired behavior will seem most appropriate; for tests, taxing the undesired behavior will seem most appropriate.

Fining people for failing to do something they should feel good about doing feels wrong, as does compensating people for doing something they should feel bad about not doing. For example, the fact that jurisdictions that incentivize voting (Funk, 2005) tend to do so by fining people for not voting (rather than paying people for voting) suggest that voting is seen as a moral test, something to feel bad about not doing, not to feel good about for doing. On the other hand, the fact that jurisdictions that incentivize blood donation (Niza, Tung, & Marteau, 2013) do so by compensating people for donating blood (rather than fining those who do not) suggests that this act is seen as a moral opportunity, something to feel good about doing, not to feel bad about for not doing.

When authorities change the lever they use over time, it likely reflects a change in the moral status of the act. For example, the shift in lever preference from incentives to fines in the case of home recycling in some American towns may suggest that recycling, in these communities, has transformed from a moral opportunity to a moral test.

How employing carrots and sticks change the perception of tests and opportunities

Which economic lever social planners choose in their effort to increase certain behaviors and decrease others not only reflects whether those behaviors are seen as moral opportunities or moral tests – it also help define the status of those actions as moral opportunities or tests. Sometimes the choice of lever strengthens the existing framing; sometimes it undermines it.

The potential costs of subsidizing behavior. If the moral opportunity provided by a behavior (e.g., blood donation) is insufficient to generate the desired amount of that behavior, it might seem reasonable to augment the existing psychological incentive with an economic one. The expectation might reasonably be that that would increase the frequency of the desired behavior among those who previously saw the situation as a moral opportunity (they now would have two motives for undertaking the behavior) as well as among those who previously did not see the situation as a moral opportunity (they now could have the situation as a moral opportunity (they now could have the situation as a moral opportunity (they now could have the situation as a moral opportunity (they now could have the situation as a moral opportunity (they now could have the situation as a moral opportunity (they now could have the situation as a moral opportunity (they now could have the situation as a moral opportunity (they now could have the situation as a moral opportunity (they now could have the situation as a moral opportunity (they now could have the situation as a moral opportunity (they could now at least have an economic motive for undertaking the action).

The situations appears more complicated than this, however, as was first suggested by Richard Titmuss (1971) in his analysis of the British government's decision to increase the supply of blood by compensating blood donors. Titmuss argued that rather than supplement the civic-mindedness that already motivated blood donation, the offer of a financial incentive would backfire and actually reduce the likelihood that people would donate. Economists initially resisted the suggestion that subsidies would "crowd out" prosocial motivation in the realm of blood donation (Arrow, 1972; Solow, 1971), but recent empirical evidence supports this prediction (Mellstrom & Johannesson, 2008; Niza, *et. al.*, 2013).

The so-called "crowding-out" effect differs somewhat from the "overjustification" effect documented by psychologists (Deci, 1975; Lepper & Greene, 1980). The latter refers to fact that accepting an external incentive for an activity that people were initially intrinsically motivated to perform diminishes their willingness to perform that activity once the incentive is removed. For example, the over-justification effect describes the situation wherein people induced to donate blood for a financial consideration would be less so inclined in the future if the reward has been removed. The crowding-out effect (Frey & Jegen, 2001) most commonly refers to people's diminished willingness to undertake a potentially morally satisfying action (e.g., donate blood) when an extrinsic incentive is offered, yielding less of the behavior even with the external incentive still in place. In this latter case the question is how the offer of an incentive changes the appeal of an activity you have not yet performed rather than the appeal of one you have already performed (Bruno, 2012).

There are two reasons why the offer of compensation for blood donation could make it less of a moral opportunity for people. First, the offer of financial compensation could lead people to see blood donation as a commercial activity rather than an act of community service. People could take the offer of compensation to signal that blood donation represents a market activity and as such is devoid of moral significance. Second, even if the introduction of remuneration did not strip blood donation of its moral significance for the actor, it could diminish its appeal to him or her by obscuring the signal that it sent to observers about the actor's moral virtue (Bénabou & Tirole, 2006; Seabright, 2004). The act of blood donation, once remunerated, would no longer unambiguously signal that the donor's motives were moral even if they were. As specified by attribution theory (Kelley, 1971; Jones & Davis, 1965), the stronger the presence of one potentially causal factor (financial incentive) the weaker the assumed presence of another (moral virtue). Indeed, observers are reluctant to extract any positive signal about a person's moral motivation from behavior in situations that could be explained by self-interest (Hilton, Fein, & Miller, 1990).

Interestingly, offering non-financial incentives has proven more effective in increasing blood donation than the offer of cash (Kamenica, 2012). Glynn *et al.* (2003) surveyed over 45,000 U.S. blood donors on their attitudes towards incentives for blood donation. Their respondents indicated that offering cholesterol screening and prostate-specific antigen screening for donation would increase their willingness to donate but that offering financial incentives would have the opposite effect.

Perhaps the opportunity to affirm one's identity as a good citizen or moral person is not removed or compromised by the offer of nonmonetary rewards as the offer of this form of compensation does not "commercialize" the transaction or 'commodify' the gift. Indeed, Costa-Font *et al.* (2012) conducted a 15-country representative survey of potential blood donors and found that the appeal of the different forms of compensation depended on the respondents' experience with blood donation. Those who favored monetary rewards for blood donation tended not to have donated in the past, while those favoring non-monetary (social) rewards tended to have previously donated blood. Our interpretation of blood donation findings assumes that those who view it in moral terms tend to see it as a moral opportunity rather than a moral test. It is nevertheless possible that people view the request to give blood as a moral test, something they feel an obligation to do. In that case we predict that compensation would also diminish the likelihood of people donating blood. The offer of a compensation for performing a behavior signals that although the behavior may be socially valuable it is not obligatory but simply an action that people are free to do or not to do.

There are circumstances, however, where the status of a behavior as a moral test will be undermined by the offer of compensation. A field demonstration of this phenomenon is provided by Sudarshan (2012). He found that telling homeowners about their peers' lower energy usage had a positive effect on their own usage as one would expect to the extent that this information could potentially reveal to people that they were failing a moral test by not being as socially responsible as their neighbors (note that in general, learning of a moral norm in advance of one's own choice is likely to constitute a moral test if one's expected performance is below the norm, or an opportunity if one can imagine exceeding the norm). But the apparent social and psychological discomfort produced by not matching their neighbors' standards was reduced when the peer information was accompanied by a financial incentive for conserving. Homeowners seem to care less about performing below their peers in public good contribution (energy conservation) when authorities were using subsides rather than taxes to close the gap. If their high energy use was really a moral failure wouldn't authorities be punishing them for deviating from neighborhood norms rather than not compensating them for complying with those norms? Offering compensation for undertaking an action signals that the action is optional, not morally mandated.

In conclusion, the offer of a subsidy for performing an action will diminish the capacity of that action to function as either a moral opportunity or a moral test. There are two reasons that compensation undermines the moral opportunity value of an action. First, by commercializing the action it defines it as a market activity rather than a moral one (Fiske, 1992). Second, even if moral value remains attached to the action, the presence of compensation renders ambiguous what performing that action signals about the person's moral motivation. Did the person perform it because she was a socially responsible person or because she wanted the compensation? It is not just moral opportunities that are undermined by compensation, moral tests are as well. Compensation diminishes the potential of an action to be a moral test because it signals that the behavior is not collectively viewed as a test, for authorities discourage the failure of tests by employing taxes not subsidies. Of course, none of this guarantees that the offer of compensation will diminish the supply of a particular behavior, because (1) it may not currently be moralized as either an opportunity or a test, or (2) the compensation could provide enough external incentive to make up for any diminished internal motivation that results from the offer of compensation.

The potential costs of taxing behavior. That increasing the cost of something diminishes its demand is axiomatic in economics so one might expect that when framing an undesirable behavior as a failed moral test is insufficient to deter the behavior adding an economic tax to the existing psychological tax could only help. For one thing, one could imagine that imposing an economic tax would provide a further signal that the action is

socially disapproved of. Indeed, the expressive theory of law (Dharmapala & McAdams, 2003; McAdams, 1997) explicitly assumes that an important function of making an action illegal is that it signals consensual disapproval of the act. For these reasons one can predict that adding economic penalties to failed moral tests will diminish their frequency, and we suspect that they generally do.

But attempts to reinforce moral tests by adding economic taxes can also backfire. An instructive example is provided by an intervention study conducted in 10 private Israeli daycare centers (Gneezy & Rustichini, 2000). The targeted group was not the children but their parents, many of whom were routinely tardy to pick up their children. The intervention strategy was one of traditional deterrence: The investigators fined latecoming behavior. At 6 of the daycare centers, parents were informed that they would pay a fine (approximately \$4) every time they picked their child up after 4:15.The remaining 4 daycare centers served as a control group.

The results were striking. The number of late pick-ups *increased* significantly with the imposition of a fine and remained at the increased level even after the fine was removed. One interpretation is that before the fine, tardy parents were failing a moral test as their behavior was inflicting costs on the other parents and on the day-care-center staff – they were being free riders. Some parents obviously were willing to fail this test but many were not. With the introduction of the fine what had been a moral test became a commercial transaction. Now, late-comers were no longer free riding; they were simply paying a material price for their lateness.

Yet further evidence that specifying economic taxes for socially disapproved behavior can actually license that behavior is provided by Wilkinson-Ryan's (2010) experiments on the impact of economic sanctions on breach of legal contracts. In a series of experiments she finds that people are less likely to perform their contractual obligations when the contract includes a liquidated damage clause specifying the penalty for non-performance than when it does not. It appears that without specifying the penalty people see their nonperformance of a contract as reflecting negatively on their moral identity (a failed moral test), which is not the case when there is an economic price associated with nonperformance (see also Holmas, Kjerstad, Luraas, & Straume, 2010).

An economic tax is most likely to undermine the psychological tax associated with a failed moral test when it is perceived to be an equity-based fine and not a deterrence-based fine (Brickman, 1977). Equity-based fines have two properties. First, they must be easily tied to the undesirable action – that is, the fine must be imposed every time the action is performed. This was the case in the daycare center, where the failure of parents to pick up their kids at the scheduled end of the day automatically resulted in them being charged a late fee. In the case of deterrence-based fines (e.g., the so-called "pooper scooper" law) the connection between the fine and the infraction is far from automatic and requires the violator to be "caught," often a low probability event. Furthermore, the amount of the fine is prorated to the likelihood of catching perpetrators, in the hope that the resulting expected disutility will deter them. Second, in the case of equity-based fines there exists the perception that the fine will be used to compensate those who bear the burden of the target's problematic behavior (e.g., the day care staff who have to stay late in the case of late pickups). This condition, is not met when it is

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difficult to identify who bears the burden. Fines will only undermine moral tests, then, when they are seen as equitable compensation for the infraction and not as a deterrent.

What if people are fined for failing to undertake what previously had been perceived as a moral opportunity? This will surely undermine the behavior's status as a moral opportunity but is unlikely to decrease its supply. When fines are imposed on people for not recycling, those who previously recycled and derived moral satisfaction from doing so are unlikely to slacken off in their recycling efforts. It will still seem the right thing to do (and the wrong thing not to do) and for this reason they will likely continue to do it, though they are not likely to continue to experience a warm glow when they do it – in other words it will become a moral test, but one that the individuals who were eager to take advantage of the moral opportunity should also be eager not to fail.

Conclusion

Maintaining a moral self-image requires regulating one's behavior. In particular it involves strategically seizing moral opportunities to enhance one's moral image and avoiding moral tests. It is not enough to say that a person took or did not take the moral action in a situation to know whether he or she enhanced or diminished his or her moral image. The distinction between moral opportunities and moral tests deepens our understanding moral self-regulation and social behavior more broadly.

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