

People care about source of money, attach less value to 'tainted' wealth

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Study suggests money obtained by immoral means is valued less.

(Phys.org) —It's no accident that money obtained through dishonest or illegal means is called "dirty money." A new study from the University of California, Berkeley, suggests that when people perceive money as morally tainted, they also view it as having less value and purchasing power.

Challenging the belief that "all money is green," and that people will cross [ethical boundaries](#) to amass it, [social scientists](#) from UC Berkeley and Stanford University have found compelling evidence that the source of wealth really does matter. In fact, some people avoid ill-gotten gains –

such as profits from unfair labor practices or [insider trading](#) – for fear of "moral contagion," according to a paper published this week in the online issue of the journal *Social Psychological and Personality Science*.

"Our work suggests morality is an important force shaping [economic decision](#)-making," said Jennifer Stellar, a doctoral student in psychology and lead author of the study. "Though we often think \$50 is \$50, these results demonstrate that when money takes on negative moral associations, its value is diminished."

The findings help explain the psychology behind such economic trends as socially responsible investing and the boycotting of sweatshop-produced goods. They also shed some light on why companies go to great lengths to avoid the perception that they are accepting money from corrupt investors or are themselves profiting from illegal or [unethical practices](#), researchers said.

"People possess powerful motivations to view themselves as fundamentally good and moral," said Robb Willer, associate professor of sociology at Stanford University and co-author of the paper. "We find this motivation is so great that it can even lead people to disassociate themselves from money that has acquired negative moral associations."

The first experiment involved 59 college-age participants who were told they could enter a raffle for a \$50 cash prize sponsored by one of two corporations. They were then split into an "immoral money" group and a "neutral money" group.

The neutral money group was told that the raffle prize money was provided by the retail giant Target. Meanwhile, the "immoral money" group was told that the source of the prize money was Walmart, and also given information on a 2005 lawsuit by the International Labor Rights Forum that alleged Walmart had failed to meet internationally mandated

labor standards. It was suggested that the raffle prize money might be tied to the profits of Walmart's labor practices.

The participants were then given 70 raffle tickets and told they could enter as many of them as they wished as long as they completed the tedious task of writing their names and contact information on each ticket. As predicted by the researchers, those in the "immoral money" group filled out fewer raffle tickets to win the Walmart [cash prize](#).

Next, to gauge the value of tainted prize money, participants were asked to estimate how many of eight food or beverage items – such as a gallon of milk, bottle of Pepsi and Snickers bar – they could purchase with the \$50. Those in the Walmart group consistently calculated that the \$50 would buy them fewer items, compared to the Target group, indicating how they felt psychologically about the money they considered tainted.

In the second study, researchers sought to explain why people devalue morally tainted money. They recruited 140 men and women ages 18-68 through a national research website and paid them a small amount to participate in the study. They also were given the option of earning extra money by completing a series of word categorization tasks and were told the extra earnings would come from Walmart. The same information about the lawsuit alleging substandard labor practices was shown to them.

This time, the researchers used "moral licensing" on half of the participants, a technique in which people are primed to feel on solid moral ground by recounting the good deeds they had done. The researchers speculated that those groomed to feel more moral would consider their standing high enough to afford a little leeway in accepting morally tainted money. They were right. Those participants did the extra work for more money.

The results suggest individuals believe that acquiring morally tainted money threatens their own moral character. But by removing those fears and making participants feel certain in their moral high ground, the researchers are able to diminish the threat of accepting morally tainted money, Willer said.

"Money is often believed to separate individuals from their moral values," Willer said. "However, our results suggest that, for most people, morality is a powerful force that shapes economic decisions and even alters how we perceive the value of [money](#) itself."

Provided by University of California - Berkeley

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