Compensation and punishment: 'Justice' depends on whether or not we're a victim

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We're more likely to punish wrongdoing as a third party to a non-violent offense than when we're victimized by it, according to a new study by New York University psychology researchers. The findings, which appear in the journal *Nature Communications*, may offer insights into how juries differ from plaintiffs in seeking to restore justice.

Their study, conducted in the laboratory of NYU Professor Elizabeth Phelps, also shows that victims, rather than seeking to punish an offender, instead seek to restore what they've lost. "In our legal system, individuals are presented with the option to punish the transgressor or not, but such a narrow choice set may fail to capture alternative preferences for restoring justice," observes Oriel FeldmanHall, the study's lead author and a post-doctoral fellow in NYU's Department of Psychology. "In this study we show that victims actually prefer other forms of justice restoration, such as compensation to the victim, rather than punishment of the transgressor."

"These results differ from the majority of findings on social punishment," adds co-author Jay Van Bavel, a professor in NYU's Department of Psychology. "Notably, they show that third parties make decisions on justice that are at odds with the wishes of victims."

The study was based on a series of experiments that employed a variation of "the Ultimatum Game," a common method used in psychology and economic research that gauges how people respond to unfair monetary offers. In the first set of experiments, composed of more than 100 subjects, Player A proposes a division of a $10 pie with Player B, who can respond to the proposition in one of the following ways: accepting the proposal; punishing Player A by reducing that player's amount in a counteroffer; equally splitting the pie so that both players get half; compensating Player B so that Player B's payout matches Player A's payout; or reversing the proposed split—the severest form of punishment if Player A has originally proposed an unfair division.

The results from this experiment showed that Player B was most likely to choose the "compensate" option—rather than either of the "punishment" choices (punish or reverse)—even when Player A offered a highly unfair split of $9/$1. These findings showed that when given a choice people actually prefer compensation to punishment when they think they have been wronged.

An additional experiment, however, yielded notably different outcomes. In it, a third party, Player C, observed the game waged by Players A and B. These participants were asked to make decisions on behalf of another player such that payoffs would be paid to Players A and B and not to themselves. In this experiment, Player C, when responding to unfair offers, selected "reverse"—the option that both compensates Player B and punishes Player A—significantly more often than Player Bs did for themselves. In other words, participants did not show preferences for punishing Player A when directly affected by a fairness violation (i.e., as a second party), but when observing a fairness violation targeted at another (i.e., as a third party), participants significantly increased their retributive responding.

The researchers conducted a final series of experiments involving more than 500 participants who adopted, at various times, both the Player B role (personally affected) and the Player C role (acting on behalf of another player). As before, when subjects were in the Player B role, they showed strong preferences to "compensate"—even when Player A's offers became increasingly unfair (e.g., a 9/1 split).

Yet, when adopting the Player C role, participants changed their response, choosing to apply the
harshest form of punishment to the transgressor, demonstrating that people respond differently depending on whether they have been directly affected by a fairness violation, or are observing another person. People show little desire to punish the transgressor when directly affected, however, when deciding to restore justice on behalf of another people become highly punitive, applying the harshest form of punishment.

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