Prosocial Risk

When Trying To Be Moral Prevents Doing Good

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Research Question

How do people's choice patterns differ in self-interested vs. prosocial risk decisions?

Overview

Participants are asked to choose between a safe option (with a sure gain) and a risky option (with the possibility of a non-gain or loss).

Prosocial Beneficiary	Self Beneficiary
Payout will go to charity of their choice	Payout will go to the participant

Hypothesis: Because prosocial decisions implicate moral self-identity, people will display greater risk aversion for a prosocial beneficiary than for the self.

Studies 1a-c

Are people more risk averse in the prosocial domain?

- 704 total participants
- Establishing the robustness of the effect across money and time expended

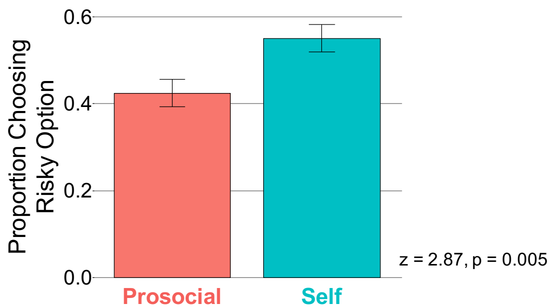
People displayed greater risk aversion when benfitting a prosocial cause than when benefitting the self.

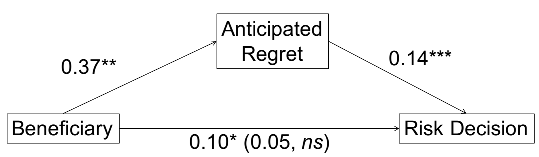
Study 1a (N = 201) Money: Hypothetical		**Study 1b** (N = 203) Time: Hypothetical		**Study 1c** (N = 300) Money: Incentive-Compatible	
Safe Option: $200 for sure	Risky Option: $275, 25% chance of $0	Safe Option: Work 3 hours on task that makes $50 for sure	Risky Option: Work 3 hours with 65% chance of gaining $80, 35% chance of losing $50	Safe Option: $0.25 for sure	Risky Option: 75% chance of $0.45, 25% chance of 0
Results: (% choosing risky option) Prosocial Beneficiary: 7.7% Self Beneficiary: 25.7% p = 0.001		**Results:** (% choosing risky option) Prosocial Beneficiary: 1.8% Self Beneficiary: 9.1% p = 0.029		**Results:** (% choosing risky option) Prosocial Beneficiary: 32.7% Self Beneficiary: 50.6% p = 0.001	

Study 2

Do people anticipate stronger regret for foregoing money to charity than money to the self?

- 494 participants
- Prediction: People will feel stronger anticipated regret at the potential for not doing good than at the potential for not receiving money.



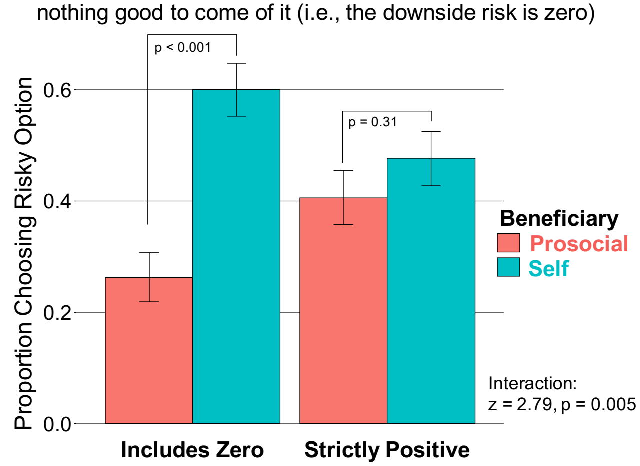


Anticipated regret mediated the effect of beneficiary type on risk preferences.

Study 3

Is the effect driven by the desire to guarantee the charity receives something?

- 398 participants
- 2 (Beneficiary: Prosocial vs. Self) x 2 (Risk Outcome: Includes Zero vs. Strictly Positive) factorial design
- Prediction: People should be particularly susceptible to prosocial risk aversion when there is the potential for nothing good to come of it (i.e., the downside risk is zero)

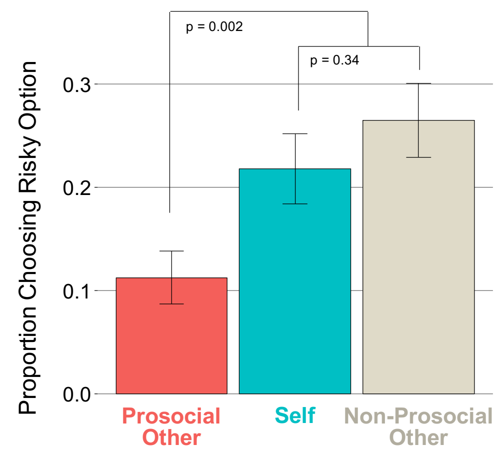


The difference in risk preferences disappeared when the downside risk was strictly positive.

Study 4

Is the effect unique to prosocial beneficiaries (as opposed to other people in general)?

- 449 participants
- 3 conditions: Prosocial Other vs. Self vs. Non-Prosocial Other
- Prediction: If prosocial risk aversion occurs because the decision implicates moral identity, then this effect should be unique to prosocial others (i.e., those in need).



People were more risk averse for prosocial others, but not for non-prosocial others.

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