

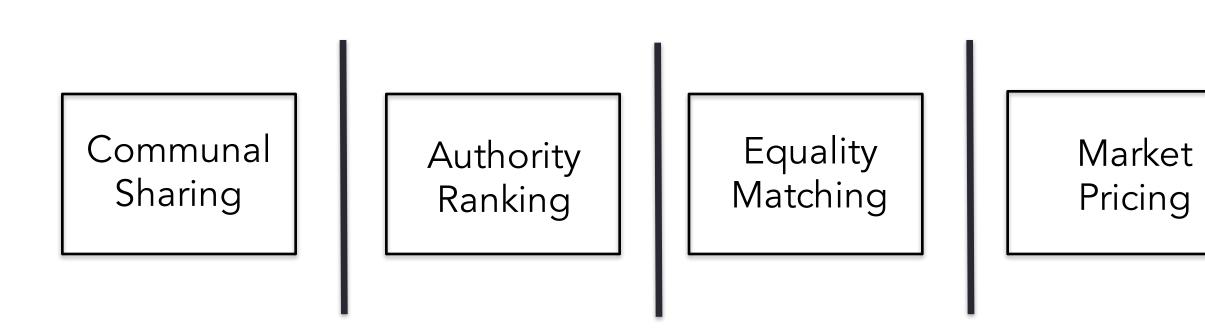
Mixing Morals with Markets

Serena Hagerty and Mike Norton Harvard Business School

Moral Limits to Money

Taboo Trade-offs

(Fiske & Tetlock, 1997)



In our society it is considered immoral, or "taboo", to monetize certain *sacred* goods. It is commonly feared that monetizing sacred goods can lead to devaluation and create a slippery slope of commercialization.

The present research aims to investigate the slippery slope of monetization, or the 'commercialization effect'. Does exposure to monetization make individuals more likely to accept market formations in sacred domains?

Experiment 1:

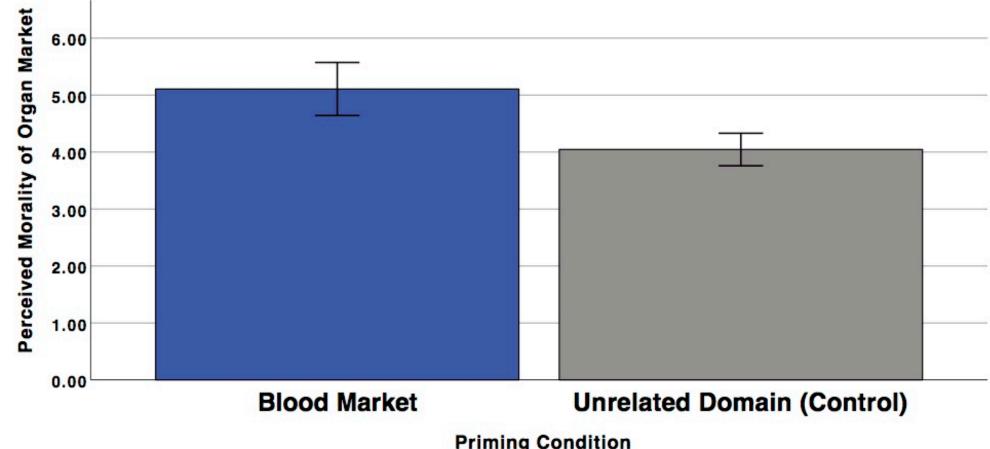
Exposure to Monetization Increases Perceived Morality of Within-Domain Markets

Priming Condition:

- Related: Monetization of blood donations.
- Unrelated: Monetization of ranching rights.

DV: AMA is considering allowing human organs to be bought and sold for medical procedures rather than relying on donations only. How morally acceptable is this?

Priming Effect on Perceived Morality



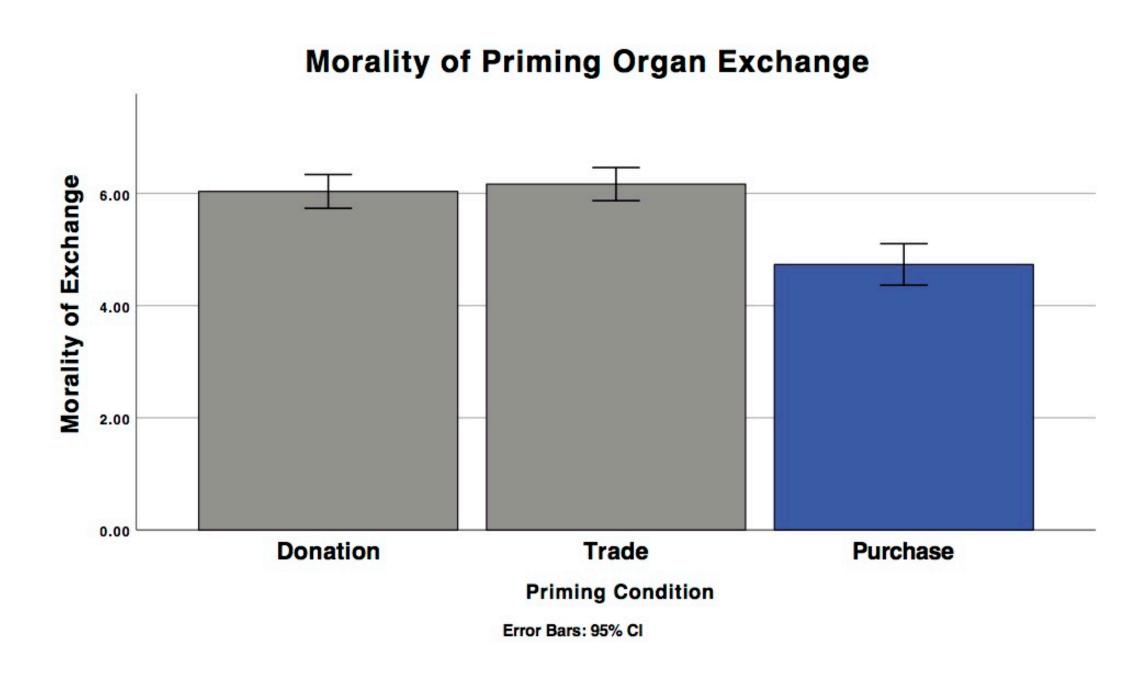
<u>Fig.</u> 1 Effect of market exposure (Related Domain vs. Unrelated Domain) on perceived morality of an organ market. Error bars represent 95% Confidence Interval. Blood Market vs Control[M=5.11, SD=2.4 vs. M=4.12, SD=2.5, t(202)=-2.399, p =0.017]

Experiment 2: Evaluation of Monetary Exchange Increases Perceived Morality

Priming Conditions:

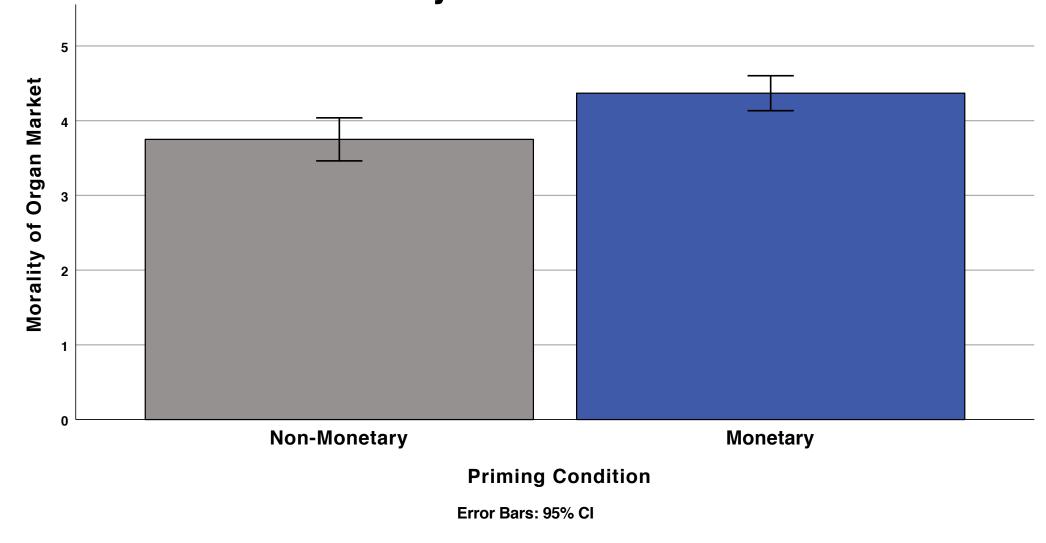
- Participants read a vignette about two patients in the need of kidney transplants. The vignette involved either Donation, Trade, or Purchase.
- Participants evaluated the morality of the exchange.

DV: Morality of Organ Market



<u>Fig 2</u> Unsurprisingly, participants rated an interaction in which organs were purchased (M=4.7) as significantly less moral than exchanges involving a donation [M=6.03, t(171)=5.43, p=0.00] or trade [M=6.16, t(169)=6.00, p=0.00].

Evaluating Monetary Exchange Increases Perceived Morality of Similar Market

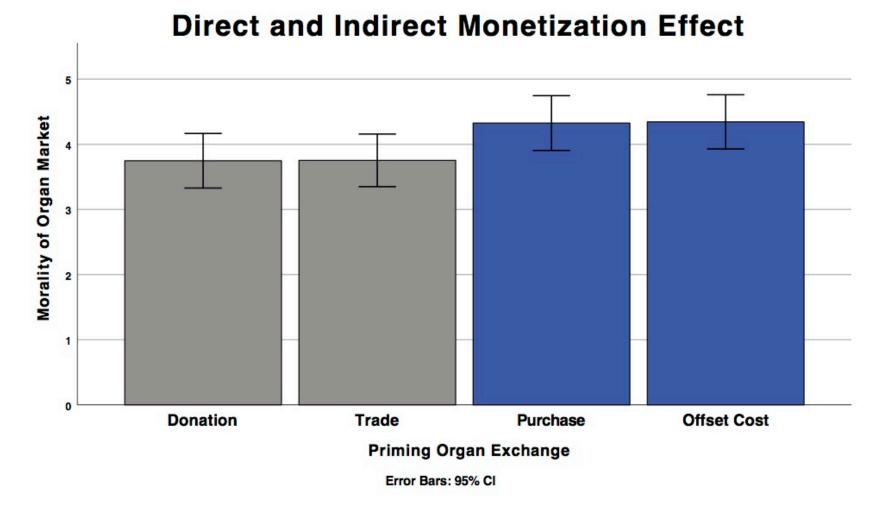


<u>Fig 3</u> Despite initial moral reactions, participants who evaluated a monetary organ exchange (purchase), subsequently perceived the proposal for a full organ market as more morally acceptable than participants who evaluated a non-monetary organ exchange [M= 4.37, SD=1.92 vs. M=3.75, SD=1.91, t(2,431)=3.280, p=0.001].

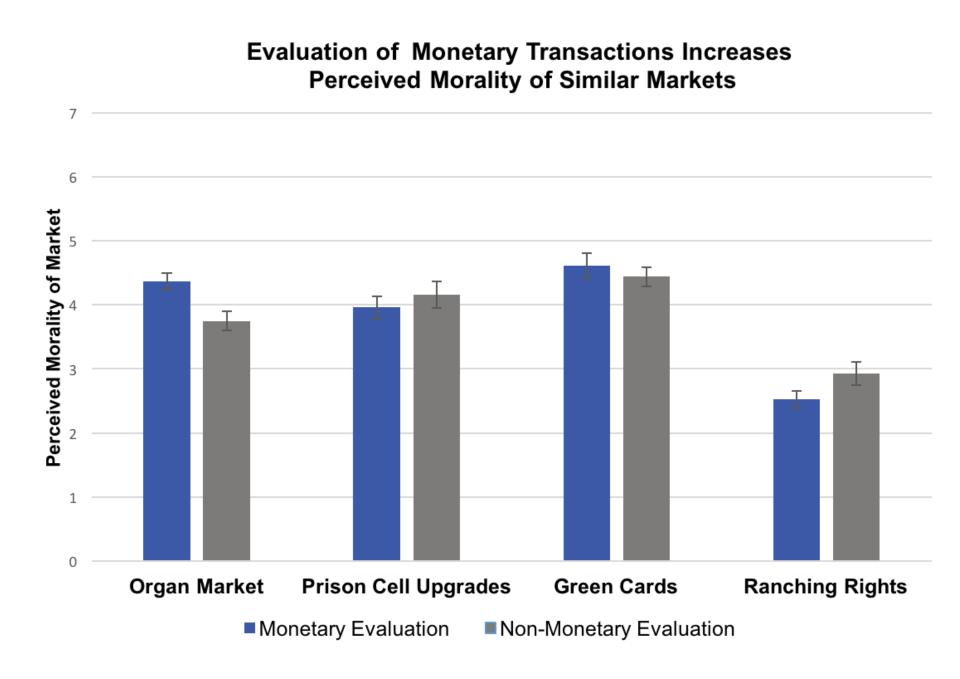
❖ Even when controlling for initial moral evaluation of the priming exchange, participants asked to evaluate a monetary exchange perceived a full organ market as more morally acceptable [F(1,432)=49.81, p<0.001)]. This effect also holds when controlling for political ideology [F(1,432)=9.56, p=0.002)].

Experiment 3: Indirect Monetization

Exposure to monetization of organs, even indirectly through offsetting costs, increases perceived morality of formal organ market



<u>Fig 4</u> Participants primed with an indirect (offsetting cost) transaction perceived a regular market to be significantly more morally acceptable than non-monetary conditions [$M_{offset=4.34}$, SD=1.96 vs $M_{donation}=3.75$, SD=2.02, t(178)=2.01, p=.046]



<u>Fig. 5</u> Replicates finding that, while the priming condition had a significant effect on moral perceptions of an organ market [F(2,327)=6.67, p<0.01)], there was no significant effect on moral perceptions of new unrelated markets

Conclusions

We demonstrate that while individuals have an initial moral aversion to monetization of sacred goods, exposure to such transactions increases perceived morality of the monetization of similar goods, suggesting a slippery slope when mixing morals and markets.

References

Fiske, A.P. and P. Tetlock (1997). Taboo Trade-Offs: Reaction to Transactions That Transgress the Spheres of Justice. *Political Psychology (18, 2*). pp.255-297.

Roth, A. E. (2007). Repugnance as a Constraint on Markets. *The Journal of Economic Perspectives*, *21*(3), 37-58. Tetlock, P. E., Kristel, O. V., Elson, S. B., Green, M. C., & Lerner, J. S. (2000). The psychology of the unthinkable:

taboo trade-offs, forbidden base rates, and heretical counterfactuals. Journal of personality and social psychology, 78(5), 853.

Sandel, M. J. (2012). What money can't buy: the moral limits of markets. Macmillan.