

DOES UNCERTAINTY BREED GREED?



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Introduction

Uncertainty plays a prominent role in decision-making. Krekels (2015) speculates that greed ultimately is rooted in uncertainty about access to future resources and that being greedy might have been evolutionary beneficial. Dispositional greed has been shown to predict economic behavior (Seuntjens et. al., 2015). This study examines the question:

Does uncertainty make people rely more on their greedy inclinations when making economic decisions?

Method

- Amazon's Mechanical Turk ($N = 450$)
- Dispositional Greed Scale (Seuntjens et. al., 2015)
- Dictators in a 10-token dictator game
- Three conditions:



1. Certainty: \$1 per token



2. Certainty: \$2 per token



3. Uncertainty: \$1 or \$2 per token

- 10 dyads were paid accordingly

Results

1. The more greedy individuals were, the more tokens they kept ($\beta = 0.25$, $t(449) = 2.42$, $p = 0.016$).
2. There was no significant effect of uncertainty on tokens kept by the dictator ($\beta = -0.02$, $t(449) = -0.08$ and $p = 0.934$).
3. There was no significant interaction effect of uncertainty and dispositional greed on tokens kept by the dictator ($\beta = -0.18$, $t(449) = -0.7$ and $p = 0.482$).

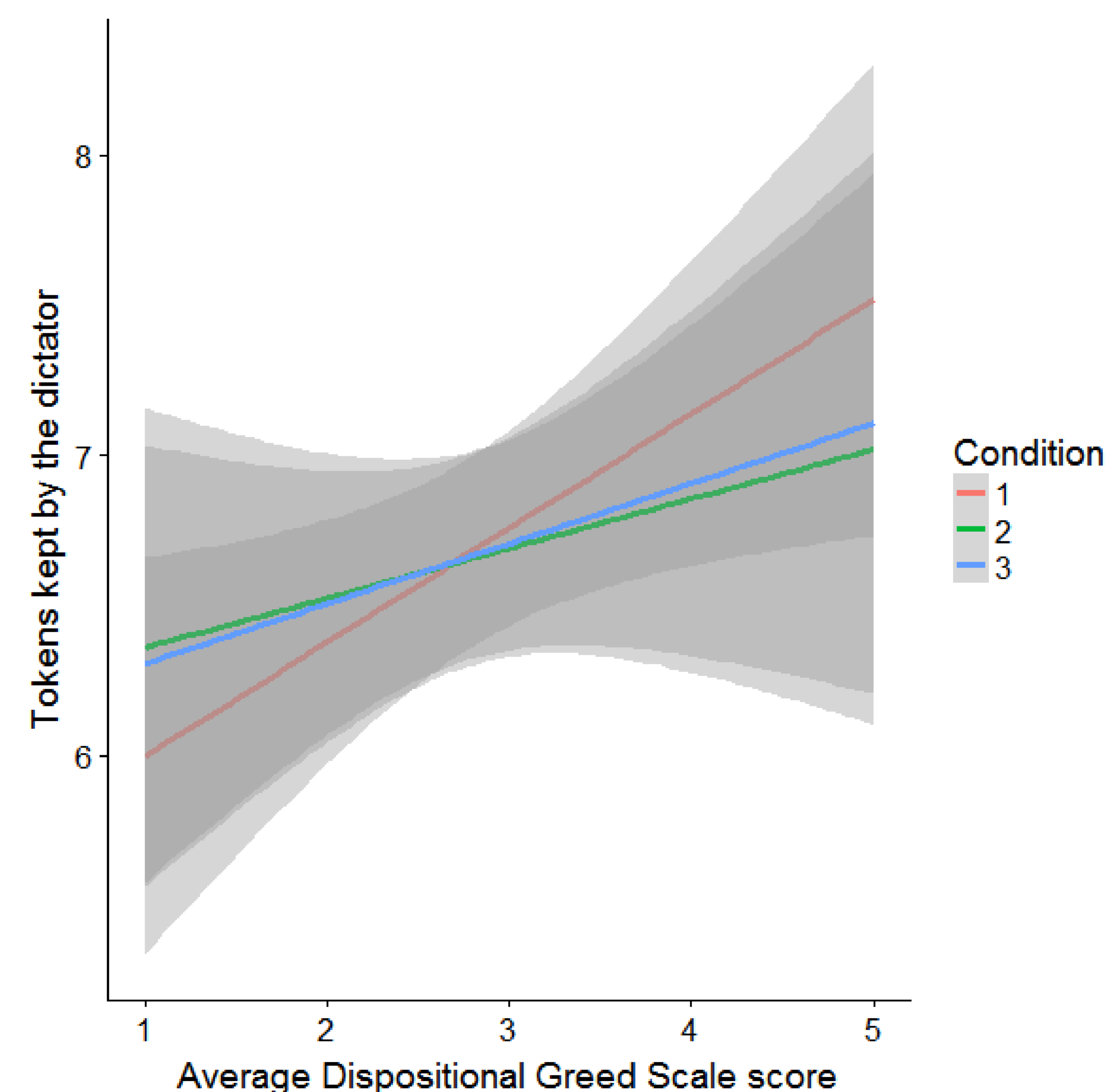


Figure 1: Tokens kept by the dictator regressed on average dispositional greed scale score and condition (1 = \$1 per token, 2 = \$2 per token, 3 = \$1 or \$2 per token).

Discussion

In sum, replicating Seuntjens et. al. (2015), one's level of dispositional greed predicts one's economic behavior. Introducing uncertainty, on the other hand, does not seem to effect people's financial choices and does not make people rely more on their natural tendencies to behave greedy.

In hindsight, the difference between receiving \$1 per token or \$2 per token might not have been big enough to induce a feeling of uncertainty. Future research should make this difference more salient and check the effect of the uncertainty manipulation.

References

- Krekels, G. (2015). *Essays on dispositional greed*. Ghent University.
- Seuntjens, T. G., Zeelenberg, M., van de Ven, N., & Breugelmans, S. M. (2015). Dispositional greed. *Journal of Personality and Social Psychology*, 108(6), 917–933. <https://doi.org/10.1037/pspp0000031>