

1. Why are we doing this research?

Money is a concept that many people spontaneously associate with economics or finance. The main economic functions of money are purely instrumental; money expresses the value of products and is inextricably involved in trade. However, the question arises as to whether this approach to money sufficiently explains the role it plays in people's lives. Several theories from psychology suggest that money, in addition to its economic functions, also has emotional and social meanings. For example, money can evoke positive and negative feelings, activate innate proclivities and motivations, compensate for self-esteem and change the norms within interpersonal relations. Recent research in social psychology also suggests that money might be connected to ethics and moral behaviors. In the present project we investigate this specific psychological function of money.

When thinking about money, people often associate it with greed, distrust, selfishness, suspiciousness, or evil. Proverbs show the dark side of money, for example, "Too much prosperity makes most men fools". In contrast to the idea that money impairs ethicality is the notion that the socio-economic system only works if people override unethical desires and follow moral rules. In short, humans benefit from engaging in fair and reciprocal trade (with money). In this sense, money propels self-sufficiency and effectiveness and supports sentiments such as fairness, reciprocity or honesty.

These two lines of reasoning suggest that, on a psychological level, money can produce a tension between taking more than is fair and upholding codes of fairness, honesty, and trust. Recent experiments have indicated that money can stimulate ethical or unethical behaviors, however, the determinants of these two opposite behaviors are, as yet, unclear. The main goal of the present project is to fill this gap and to investigate conditions under which being exposed to money evokes either obeying or violating ethical standards.

2. What are the goals of the present project?

On the basis on previous research in social psychology, we assume that, when people are exposed to money, they interpret interpersonal relationships in terms of business exchanges on the market (for example, they care about how much they get out after having invested something and whether the repayment is of a comparable value). In other words, they tend to treat other people as partners in transactions, rather than as colleagues or friends. If this were the case, their proneness to behave in either fair or unfair fashion would depend on which characteristics of the situation they face. Therefore, one of the goals of our research project is to study how the characteristics of the market associated with social norms, the understanding of rules governing the market and fairness of the distribution of resources influence ethical or unethical behaviors of people who are in the market-oriented state of mind evoked by money. Our second goal is to investigate how people exposed to money and operating in the market-oriented mindset make moral judgments and choices. Our assumption is that they tend to make such judgments using the so-called proportional thinking (for example, "How much could I gain if I behaved in an immoral fashion?"). We also study the degree to which the intensity of proportional thinking and focus on emotions are involved in the relationship between being exposed to money and making moral judgments/choices. The third goal is to examine whether the possibility of being punished has an effect on the willingness to violate ethical standards among people who are exposed to money and interpret the reality through the market-oriented state of mind. Are such, one can question whether people are sensitive to financial fines to the same degree as to social punishments (for example, the danger of being excluded from the social group). To find answers to these intriguing questions, we conduct experimental research.

3. How are we doing our research?

All studies in the present project are conducted using the experimental approach that allows for making causal conclusions about the relations between different factors. In all experiments people are randomly divided into several groups, depending on the type of the study. What is common for all experiments, is that, in one of the groups, people are exposed to money and then their behaviors are compared with those who are exposed to either neutral stimuli or values that are important in the sense of community. In the first series of experiments, participants would have a chance to cheat in order to gain more for themselves. We predict that those who are exposed to money cheat more when social norms are weak, rules governing the market are unclear, and resources are unfairly distributed on the market. In the second set of experiments people make moral judgments and choices. Our assumption is that those exposed to money (being in the market-oriented state of mind) use proportional thinking in this case, whereas participants exposed to community values behave in accordance with social norms and avoid calculating possible gains and losses. In the final series of experiments, we investigate the assumption that punishments diminish the violation of ethical standards. However, we propose that financial fines better demotivate unethical behaviors when people use the market-oriented mindset, whereas social punishments are more effective when people are oriented on community.