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## Money Doesn't Stink. Or Does It? The Effect of Immorally Acquiring Money on Its Spending

Peter Kardos · Emanuele Castano

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**Abstract** Building on magical contagion literature, we show that the way in which money is acquired colors the perception of the money itself, and thus affect the way it is spent. In a hypothetical scenario participants who imagined acquiring money immorally (versus morally) experienced more guilt about the way in which they acquired it and spent less of it. Furthermore, in the immoral, but not the moral condition, guilt correlated significantly with spending: the greater the guilt, the less money was spent. We interpret this finding as stemming from individuals' desire not to handle what they see as "dirty" money.

**Keywords** Money · Morality · Magical contagion · Spending · Guilt

*Pecunia non olet!*—*Money doesn't stink!*—said Vespasian, the Roman emperor, to his son Titus, when the heir complained about the disgusting nature of a new tax on urine collection from public urinals (Dio Cassius, 1925). Vespasian even held a coin to Titus' nose to demonstrate that the money's dirty origin would not make it smell.

While money from a tax on urinals does not smell of urine, individuals do have a negative emotional reaction to objects associated with disgusting or immoral events. The psychological literature on magical contagion (Nemeroff and Rozin 1994; Rozin et al. 1986, 2007) shows, for example, that people would rather not wear a sweater previously worn by an evil person or drink a glass of orange juice if it was previously touched by a sterilized cockroach. By extension, an object associated with an immoral person or behavior is perceived as morally contaminated, and can in turn contaminate those who come into contact with it. Thus, individuals want to distance themselves from these objects.

The magical essence imagined to actually carry the contaminating attribute—called *mana* in archaic cultures—can be material, spiritual or linguistically

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associative and varies according to the contagious entity and the type of contamination (Hejmadi et al. 2004; Nemeroff and Rozin 2000). The deep belief in the transfer of such properties is not restricted to the ancient times or archaic cultures. It is present in Western societies (Nemeroff and Rozin 1994; Savani et al. 2011) and has been thought to serve as a heuristic in everyday judgments when people interpret causal relationships (White 2009).

In one study, American college students expressed their preference about wearing a sweater or renting an apartment. They were more reluctant to wear the sweater or rent the apartment if it had been previously worn or owned by a convicted murderer (Rozin et al. 2007). Even if people are aware that their avoidant reaction to morally contaminated objects is not rational, as Rozin and colleagues (2007) say, the heart wins over the head.

Can money too be morally contaminated? We believe Titus had a point in being disgusted by the money raised via the tax on urinals, and this could have an effect on its spending. Psychological research has shown how specific emotions affect spending behavior. Sadness, for example, even when incidentally felt, makes people willing to pay more for the same goods (Cryder et al. 2008; Lerner et al. 2004). Research has also shown that individuals tag money with positive or negative feelings deriving from the context of its acquisition, and the valence of such feelings affects spending (Levav and McGraw 2009). Here we focus on how the morality of the money acquisition affects its spending.

Building on magical contagion literature we argue that the way in which money is acquired may influence the perception of the money itself, and thus affect the way it is spent. Specifically, we argue that people might be reticent in spending immorally acquired money because that entails engaging with it. This argument extends magical contagion to cases in which the contagion is the result of people's own immoral behavior. Furthermore, if our conjecture is correct, the spending should covary with the perceived degree of moral contamination, as indicated by the level of guilt people experience as a consequence of having acquired the money immorally. Thus, the greater the guilt, the less the spending.

A competing hypothesis is that people would spend immorally acquired money more lavishly, for spending might be a quick way to get rid of it—see the representation of gangsters' and drug dealers' unrestrained spending habits. In this case, too, spending should correlate with guilt. But in the hypothesis we favor, guilt should correlate negatively with spending, and according to the latter hypothesis, the correlation should be positive.

## Method

*Participants* Eighty-eight students in a large, East Coast metropolitan university volunteered to take part in the study (48 females, 39 males, one person did not report gender. Age:  $M=21.8$ ,  $SD=5.06$ ).

*Procedure and Materials* After agreeing to participate and signing the consent form, people completed a survey allegedly investigating consumer behavior. Participants first read a hypothetical scenario about how they would acquire a sizeable sum of

money (\$18,000). They imagined either finding a winning lottery ticket on the pavement (control condition) or secretly picking it up after a person inadvertently dropped his ticket after realizing he had won (immoral condition).

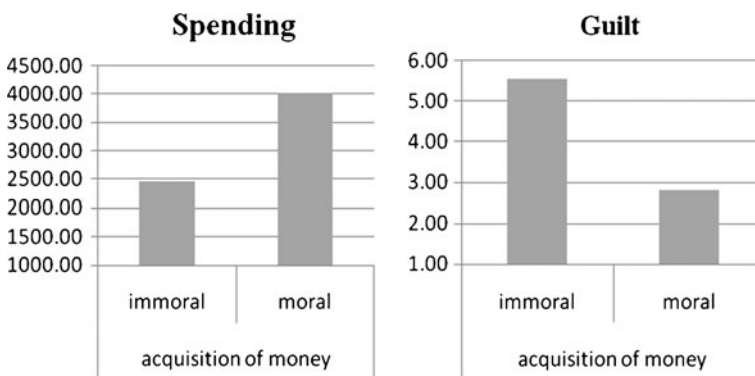
Participants then reported how they felt about the way they had acquired the money by indicating their agreement with five statements tapping five different negative emotions (for example guilt, remorse) on 7-point scales with the verbal anchors of ‘*Not at all*’ and ‘*Very much so*’ ( $\alpha=.87$ ,  $M=4.19$ ,  $SD=1.89$ ). They then indicated how much money they would spend on a vacation from the newly acquired money by circling their choice on a 7-point scale ranging from zero to \$18,000 in \$3000 increments ( $M=3,239$ ,  $SD=3,223$ ).

## Results

A *t*-test revealed that less money was spent in the immoral ( $M=\$2,454$ ) compared to the control condition ( $M=\$4,023$ ),  $t(86)=-2.34$ ,  $p<.05$ . Also, significantly more guilt was experienced when people acquired the money immorally ( $M=5.56$ ) compared to the control condition ( $M=2.82$ ),  $t(86)=9.9$ ,  $p<.0001$  (see Fig. 1). Results hold when controlling for age or biological difference in sex. Correlational analyses showed that in the immoral condition, guilt and spending showed a significant negative correlation,  $r=-.33$ ,  $p<.05$ , while in the moral condition, guilt and spending did not correlate,  $r=.17$ ,  $p=.28$ .

## Conclusion

In a hypothetical scenario, participants who imagined acquiring a sizeable sum of money immorally (versus morally) experienced more guilt about the way in which they acquired it and spent less of it on a hypothetical vacation. Furthermore, in the immoral, but not the moral condition, guilt correlated significantly with spending: the greater the guilt, the less money was spent. We interpret this finding as the first



**Fig. 1** Level of spending and guilt, as a function of the experimental condition. People spend less from the immorally acquired money (*left*) and felt more guilt after acquiring the money immorally (*right*). Guilt correlated significantly with spending in the immoral, but not the moral condition

demonstration that people do not want to handle what they see as “dirty” money. Money seems to be valued morally as well and people do care about its origin. We believe this is an intriguing step in exploring the relationship between money and morality, a relation we deem worthy of investigation given the symbolic and actual importance of money and its spending in our society.

While we did not test whether feelings of guilt attach to money itself or to a situation—and, in turn, whether people avoid spending the actual money which is acquired immorally or whether they shift their spending behaviors around that time in general—previous research suggests the first, direct effect. Levav and McGraw (2009) found that individuals tend to spend money they received as a gift less when the negative mood is associated with the person providing the gift, but not when the same mood is present, but not associated with that person.

Of course, this study is just a first step and future studies should investigate the questions that are left open. Research should investigate whether the immoral origin of money affects different types of spending differently. An example is donating to a charity in contrast to spending on a vacation. Would people be motivated by the guilt over “dirty” money to donate more to socially-conscious causes compared to hedonic pleasures, as a way to clean their conscience?

As it is often the case in social psychological studies, our results are based on a hypothetical scenario. Research on decision making shows that hypothetical and real decisions bring similar or identical results (Simonson and Tversky 1992; Camerer 1995), however, future studies should test our hypothesis using real money, with regard to both acquisition and spending.

It is also of importance to assess whether acquiring money illegally would lead to a different result than simply acquiring it immorally. It could be argued that illegal acquisition would lead to more lavish spending, for one may be worried the money might be recovered by the authorities. Of course, this latter tendency is likely to be moderated by expectations about being caught, as well as by risk aversion: high risk-averse individuals may prefer to hold on to it—lest they be required to refund money they do not have anymore. From a psychological standpoint, however, these considerations are of less interest than the effect of immorality and the relation between guilt and spending.

Interestingly, inside the realm of magical thinking people are rational: since they think about moral dirt just like a real physical stain, they behave as if they could get rid of the immorality through a parallel physical removal. In fact, physical cleansing has been shown as an automatic response for immoral thoughts or actions (Nemeroff and Rozin 1994; Zhong and Liljenquist 2006; Elliott and Radomsky 2009). Accordingly, it is possible the decision to spend less of the dirty money is driven by the motivation to clean it first, for example in the form of exchanging, investing, or simply letting it rest in an account. Maybe moral motivation, and not just practical motivation, might drive at least some criminals to hide the origin of corrupted money. They may hide it from their own eyes as well as from authorities. Future research should investigate this hypothesis, as it could inform us about the practical issue of money laundering, as well as provide further evidence for the effect found here, in different contexts.

Consistent with the literature on magical contamination, we found that immorally acquired money is spent more sparsely, and such a tendency correlates with the guilt the

individual experiences. Money, it would seem, can stink. And it does so because of its association with its immoral origin. Speaking about associations, guess what is the word for urinal in roman languages such as Italian or French? Vespasiano, or vespasienne.

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