

Dodging High Impact Behaviors with Motivated Beliefs?

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*This is a placeholder document for my job market paper.
The full paper will soon be published here instead.*

Abstract

The aim of this project is to understand better why so few people engage in high-impact other-regarding behaviors. Using an online experiment, I test the explanatory power of two potential cognitive mechanisms. First, I propose that motivated impact beliefs might serve as a justification to only adopt low impact behaviors. In particular, I hypothesize that people over-estimate impact of low cost behaviors, while under-estimating the impact of high cost behaviors. Second, I test whether complexity in incorporating noisy cost and impact information could explain the frequency of high-impact behaviors. In line with a self-serving interpretation, I find that subjects on average slightly over-estimate the impact of low-cost donations and under-estimate the impact of high-cost donations. Neither higher incentives for accuracy nor forcing subjects to think about impact before donating affects beliefs. Forcing people to think about impact first does change donation patterns though, making it more likely that subjects maximize impact by donating to both projects. This suggests that besides motivated beliefs, difficulty in integrating impact and cost information drives the low adoption levels of high impact behaviors.