

Annotated Bibliography: Cognitive Distortions from Wealth and Power

1. **Title:** Higher social class predicts increased unethical behavior

Author/Year: Paul K. Piff et al., 2012 (PNAS)

Key Finding: Across seven studies, upper-class individuals were more prone to unethical acts – cutting off others in traffic, taking candy from children, cheating in games, lying in negotiations – compared to lower-class individuals ¹. A key mediator was attitude toward greed: wealthier participants were more likely to endorse the idea that “greed is good,” which in turn predicted their unethical behavior ² ³. The sense of privilege and security that comes with high social class fosters independence from others and self-focus, inclining the wealthy to break rules for personal gain ⁴. Notably, feeling high in status causally increased unethical behavior in experiments (e.g. rich-role participants took **twice** as much candy meant for children) ⁵.

SoE Connection: Supports the “Sin and Punishment Factor” hypothesis by showing that concentration of wealth can breed a feeling of being **above the law**. High social status instills a legal/moral transcendence bias – an implicit belief that one can flout ordinary rules without consequence ⁶. This research provides empirical backing that wealth and power come with a psychological cost: a greater willingness to ignore ethical norms in pursuit of self-interest, driven by a rationalization that personal gain (greed) justifies rule-breaking.

Quote: “The relative privilege and security enjoyed by upper-class individuals give rise to independence from others and a prioritization of the self... likely to cause someone to be more inclined to break the rules in his or her favor, or to perceive themselves as, in a sense, being ‘above the law.’” ⁴

2. **Title:** Wealth and the Inflated Self: Class, Entitlement, and Narcissism

Author/Year: Paul K. Piff, 2014 (Pers. Soc. Psychol. Bulletin)

Key Finding: Five studies found that higher social class is associated with heightened **psychological entitlement** and **narcissism** ⁷. Upper-class participants scored higher on entitlement scales and showed more narcissistic personality traits than lower-class peers. They even behaved more narcissistically – for example, given a choice, higher-class individuals were more likely to gaze at themselves in a mirror (Study 3). Importantly, these effects are not immutable: when upper-class participants were experimentally induced to adopt **egalitarian values**, their narcissism levels dropped to match those of lower-class participants (Study 4) ⁸. This suggests that cultural values can modulate the narcissism fueled by wealth.

SoE Connection: This work deepens the understanding of the cognitive architecture behind the “moral override” seen in elites. Elevated entitlement and self-regard among the wealthy can erode empathy and make it easier to rationalize unethical behavior (“I deserve more, rules don’t fully apply to me”). It provides a mechanism for how **success and status inflate one’s self-importance**, laying groundwork for the “law-and-morals don’t apply to me” mindset central to the Sin and Punishment Factor. Moreover, the finding that egalitarian ideals can temper elite narcissism hints at a countermeasure: instilling a sense of social responsibility (the antithesis of meritocratic hubris) can ground those at the top back to normal ethical standards.

Quote: “Five studies demonstrated that higher social class is associated with increased entitlement and narcissism. Upper-class individuals reported greater psychological entitlement... and narcissistic personality tendencies...” ⁷

3. Title: Power changes how the brain responds to others

Author/Year: Jeremy Hogeveen, Michael Inzlicht, Sukhvinder S. Obhi, 2014 (J. Exp. Psychol. General)

Key Finding: Using transcranial magnetic stimulation (TMS) to measure **motor resonance** (a proxy for mirror neuron system activity), this neuroscience experiment demonstrated that inducing a sense of power dampens the brain's empathic mirroring of others. Participants primed to feel high-power showed significantly **lower motor resonance** when observing someone else's actions than those primed with low power ⁹. In other words, the high-power brains did not "mirror" others' movements to the same extent, suggesting a reduction in spontaneous empathy or interpersonal attunement under power. This provides a neural mechanism for the well-known empathy deficit of the powerful: power literally changes the brain's response to others' experiences.

SoE Connection: This study directly addresses the question of whether power suppresses the brain's "empathy center." The answer is yes – power can biologically inhibit components of empathy (e.g. the mirror neuron system). This neural suppression contributes to a cognitive bias of impunity: if those in power are less able to instinctively feel others' pain or perspective, it becomes easier for them to treat others as mere instruments and to brush aside the **"cost" (harm) of their unethical actions**. In the accounting metaphor of SoE, power impairs the ability to register moral costs on the ledger, tilting the internal cost–benefit calculus toward one's own benefit. The result is a brain predisposed to **disinhibition** – less restrained by concern for others, and thus more willing to break rules.

Quote: "High-power participants demonstrated **lower levels of [motor] resonance** than low-power participants, suggesting **reduced mirroring** of other people in those with power." ⁹

4. Title: Hubris Syndrome: The intoxication of power

Author/Year: David Owen, 2008 (Clinical Medicine)

Key Finding: Owen (a former UK Foreign Secretary) identified **Hubris Syndrome** as an acquired personality disorder arising in people wielding power. It is characterized by grandiosity, overconfidence, recklessness, and contempt for others – essentially, the pathology of power. Crucially, Owen observed that **the longer and greater the power one wields, the more likely they are to develop Hubris Syndrome** ¹⁰. Symptoms often include an identification of the self with the nation or organization, unshakable belief in one's own rightness, and a feeling of omnipotence. While not everyone in power succumbs, those lacking humility or checks and balances are most at risk. Notably, the syndrome tends to **abate once the person leaves power**, indicating it is the **context of power** that warps cognition and behavior ¹¹. Owen illustrated the concept with real leaders (e.g. Lloyd George, Thatcher, Bush, Blair) who, in his analysis, exhibited hubristic behavior leading to misjudgments.

SoE Connection: Hubris Syndrome offers a medicalized framework for the Sin and Punishment Factor – it posits that **power itself can "damage" the psyche**, fostering a belief of exceptionalism ("rules don't apply to me"). In SoE terms, this maps to a kind of "**moral intoxication**": the more power (or wealth) accumulates, the more one's moral books go askew – liabilities (sins) are no longer recognized, only assets. This syndrome helps explain why the powerful come to feel **legally and morally untouchable** (Owen explicitly notes hubris is "associated with power, more likely to manifest itself the longer... and the greater the power" ¹⁰). It underscores that the Sin and Punishment Factor may not just be a deliberate logical calculation, but sometimes a loss of reality induced by power's neuropsychological effects.

Quote: "**Hubris syndrome is associated with power**, more likely to manifest itself the longer the person exercises power and the greater the power they exercise... Usually symptoms abate when the person no longer exercises power." ¹⁰

5. Title: The Tyranny of Merit: What's Become of the Common Good?

Author/Year: Michael Sandel, 2020 (philosophy/political theory book)

Key Finding: While not an experiment, Sandel's work diagnoses a “**meritocratic hubris**” rampant among elites. In a merit-driven society, winners come to believe their success is entirely their own doing – the fruit of their talent and hard work – and by extension that they **deserve** all the rewards (wealth, power) that accrue ¹². This breeds a toxic **entitlement and moral self-licensing**: the successful “**inhale too deeply of their success, forget the luck and good fortune** that helped them, and look down on those less fortunate” ¹³. Sandel argues this hubris isn’t just individual arrogance; it’s a cultural logic that justifies inequality and dulls elites’ sense of obligation to others. The flip side is the humiliation of those left behind, but importantly for our purposes, the winners’ hubris results in **moral disengagement** – a belief that “I earned my place, so I’m entitled to bend the rules or claim extra privileges.”

SoE Connection: Sandel’s analysis provides a narrative backbone for the Sin and Punishment Factor. It explains **how elites rewrite “sin” into “virtue” via meritocratic logic**. If one believes their wealth and status are proof of superior merit, any action that preserves or extends that success can be rationalized as justified, even **righteous** (“I’m creating value, I’ve proven my worth, so my transgressions are trivial or deserved”). This is essentially a moral accounting trick: past “good” (meritocratic success) is used to offset present “bad” (rule-breaking), akin to **moral licensing**. Moreover, Sandel highlights that this mindset erodes empathy: the prosperous feel morally superior and thus exempt from the rules binding ordinary people. His work thereby links the psychological (“I deserve it, I’m above reproach”) with the structural (a society that validates these beliefs), offering a deep context for why the wealthy and powerful might genuinely believe their “**balances**” justify “**creative accounting**” of sin.

Quote: “The **meritocratic hubris** of elites is the conviction by those who land on top that **their success is their own doing**, that they have risen through a fair competition, and that they therefore deserve the benefits... It is the tendency of the successful to inhale too deeply of their success, to **forget the luck** and good fortune that helped them on their way. It goes along with the tendency to **look down on those less fortunate**...” ¹²

6. Title: Techniques of Neutralization: A Theory of Delinquency

Author/Year: Gresham Sykes & David Matza, 1957 (Am. Soc. Review)

Key Finding: Sykes and Matza identified five “**techniques of neutralization**” – cognitive strategies that law-breakers use to justify immoral acts while preserving an image of themselves as decent people ¹⁴ ¹⁵. These classic techniques are: (1) **Denial of Responsibility** (“It wasn’t my fault, circumstances forced my hand”); (2) **Denial of Injury** (“No one was really hurt by my actions”); (3) **Denial of the Victim** (“The victim deserved it – this is retaliation or justice”); (4) **Condemnation of the Condemners** (“Authorities are corrupt/hypocritical, so who are they to judge me?”); and (5) **Appeal to Higher Loyalties** (“I did it for a greater good or for my team/family/company”) ¹⁶ ¹⁷. These rationalizations allow offenders to **neutralize guilt** and conflict, enabling them to transgress norms without fundamentally seeing themselves as “bad people.” In essence, they momentarily suspend or rewrite the usual moral rules in their own case ¹⁸ ¹⁹. This theory has been widely applied not only to street criminals but to **white-collar and corporate offenders** as well, who often use the same justifications (e.g., “I fudged the numbers to protect my employees and shareholders” – an Appeal to Higher Loyalty).

SoE Connection: The Sin and Punishment Factor asks how elites convert their “sins” into something they can live with. Neutralization techniques are exactly those **mental algorithms for moral accounting**. For example, a CEO might deny responsibility (“Market conditions left us no choice but to cut corners”) and injury (“No real harm done, it’s a victimless crime”) or appeal to a higher cause (“I did what I did to save the company”) – thereby writing off ethical “debts” against claimed “credits.” These techniques illuminate the **cognitive architecture of rationalization**: even as they violate laws or ethics, elites often convince themselves that their actions are

justifiable, necessary, or not truly wrong. In SoE's accounting metaphor, neutralizations are the journal entries that **erase or transfer the “liability” of guilt** off the balance sheet. By leveraging narratives of greater good, lack of harm, or unfair persecutors, the powerful can maintain an internal moral credit **balance** even as they engage in corrupt practices ²⁰ ¹⁶. Understanding these specific techniques gives us concrete hooks to describe how “sin” gets reframed as “virtue” or at least excusable lapse in the minds of the elite.

Quote: “Techniques of Neutralization explain how offenders **justify or rationalize their deviant behavior**, allowing them to violate social norms while maintaining a self-image as essentially moral individuals.” ¹⁴

7. **Title:** High-status individuals are held to higher ethical standards

Author/Year: Stefan T. Trautmann et al., 2023 (Scientific Reports)

Key Finding: This recent cross-cultural study offers a **counterpoint**: it examined **societal expectations** and actual generosity of high-status people. Through surveys and behavioral games in the U.S. and China, the researchers found that **people expect the wealthy to be more moral and generous (“noblesse oblige”)**, and judge their misdeeds more harshly than identical actions by the poor ²¹ ²². For instance, participants deemed an unethical act significantly more unacceptable if done by a rich person than by someone poor ²³. In dictator game scenarios, respondents said a rich giver should give much more to a recipient than a poor giver should ²⁴. Interestingly, participants tended to **underestimate how generous wealthy people actually are** – many assumed millionaires would give less than their fair share, when in an experiment nearly half of millionaires gave everything to help a poorer partner ²⁵. The upshot is a nuanced picture: while outrageous cases of elite immorality grab attention, on average elites may not be more unethical than others. The lead author concludes, “elites are, as a whole, not more unethical or selfish than the average person” ²⁶.

SoE Connection: This serves as a **critical counter-narrative**. It reminds us not to overgeneralize “wealth = immorality.” There may be selection bias in what we observe; many high-status individuals **do** act pro-socially or abide by higher standards (philanthropy, public service) consistent with Noblesse Oblige. For SoE theory development, this means the “Sin and Punishment Factor” is not a universal indictment of all wealthy/powerful people, but a risk factor or tendency that can be moderated by personal values or accountability. Trautmann et al. show that society demands more of elites ethically – a standard some elites actually meet. This suggests investigating conditions under which wealth/power **enhances** sense of duty rather than corrupting (e.g. cultural norms, upbringing in service-oriented values). Incorporating this nuance will strengthen SoE by acknowledging that **under certain narratives** (e.g. *Noblesse Oblige*), wealth can increase responsible behavior, providing a potential antidote to the excesses of hubris.

Quote: “We should be aware that **elites are, as a whole, not more unethical or selfish than the average person.**” ²⁶

Additional Note – Societal Impact (“Trickle-Down” Norm Erosion): While not a single source, multiple studies suggest that when elite actors flout rules with impunity, it can erode the rule adherence of the broader public. For example, evidence from taxation research shows **perceived high-level corruption undermines ordinary people’s compliance** with laws: “even perceptions of ‘grand’ corruption... seriously undermine taxpayers’ morale” ²⁷. In organizational behavior, leaders serve as role models – unethical behavior at the top can permeate through social learning, tacitly signaling that cheating or cutting corners is acceptable. This trickle-down effect has been observed in companies (if executives engage in fraud, lower-level employees may also justify unethical practices as the norm). Thus, the “Sin and Punishment Factor” at the summit might cascade into a broader culture of norm violation. Identifying literature on this (e.g. studies of corruption contagion or norm cascades) would further bolster the SoE hypothesis by linking elite cognitive distortions to societal-wide consequences. In

counterpoint, strong legal and ethical accountability at the top can have positive trickle-down effects – reinforcing a culture of integrity throughout the social hierarchy.

① ③ Higher social class predicts increased unethical behavior - PubMed

<https://pubmed.ncbi.nlm.nih.gov/22371585/>

② How Wealth Reduces Compassion | Scientific American

<https://www.scientificamerican.com/article/how-wealth-reduces-compassion/>

④ ⑤ ⑥ Upper class people more likely to behave unethically | ScienceDaily

<https://www.sciencedaily.com/releases/2012/03/120307145432.htm>

⑦ ⑧ Wealth and the inflated self: class, entitlement, and narcissism - PubMed

<https://pubmed.ncbi.nlm.nih.gov/23963971/>

⑨ Power changes how the brain responds to others - PubMed

<https://pubmed.ncbi.nlm.nih.gov/23815455/>

⑩ ⑪ Hubris syndrome - PubMed

<https://pubmed.ncbi.nlm.nih.gov/18724614/>

⑫ ⑬ The Insufferable Hubris of the Well-Credentialed

<https://www.chronicle.com/article/the-insufferable-hubris-of-the-well-credentialed>

⑭ ⑮ ⑯ ⑰ ⑱ ⑲ ⑳ Techniques of neutralization: How to rationalize deviant behavior - SozTheo

<https://soztheo.com/theories-of-crime/learning-and-career/techniques-of-neutralization-sykes-und-matza/>

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<https://www.psypost.org/study-finds-high-status-individuals-are-held-to-stricter-ethical-standards/>

㉗ View of Tax and Corruption: A Global Perspective

<https://jota.website/jota/article/view/110/99>