

## **Corruption in the Context of Moral Tradeoffs**

James Dungan<sup>1</sup>, Adam Waytz<sup>2</sup>, & Liane Young<sup>1</sup>

<sup>1</sup>Boston College, Chestnut Hill, MA

<sup>2</sup>Northwestern University, Evanston, IL

Corresponding Author:

James Dungan  
Boston College  
Department of Psychology  
McGuinn 300  
140 Commonwealth Ave.  
Chestnut Hill, MA 02467  
Email: [james.dungan@bc.edu](mailto:james.dungan@bc.edu)

## **Abstract**

Moral psychology has begun to characterize the circumstances that lead people to commit moral violations. However, the decision to engage in corrupt behavior may not always reflect a choice between right and wrong. Rather, the decision may represent a tradeoff between competing moral concerns (e.g., being fair and impartial to all versus loyal to one's own group). Taking the tension between fairness and loyalty as a case study, we demonstrate that the way people make tradeoffs between competing moral norms predicts morally relevant behavior, such as decisions to blow the whistle on unethical acts. We then suggest that this tension reflects a deeper distinction within our moral psychology – namely, a distinction between group-based norms (e.g., loyalty) and norms that apply universally, independent of group membership (e.g., fairness). Finally, we discuss what factors may influence the adoption of group-based versus group-independent norms and therefore how these factors might deter or promote corruption.

**Keywords:** corruption, hypocrisy, fairness, loyalty, whistleblowing

## Corruption in the Context of Moral Tradeoffs

With each passing year, the mounting number of prominent corruption scandals reveals a sobering fact about society – corrupt acts are often committed by otherwise virtuous people. Bernie Madoff, Richard Nixon, and Kenneth Lay, for example, are not psychopaths who lack a moral sense. Researchers thus face the question of why at times ordinary people appear to disregard their moral convictions.

Answering this question has proven to be a challenge given the diversity of corrupt behavior. Examples of corruption commonly include bribery, nepotism, fraud, theft, embezzlement, and blackmail. However, at the broadest level, corruption occurs whenever people in positions of power or authority abuse their influence to violate moral norms.

Researchers have pinpointed numerous cultural, organizational, and situational factors that promote diverse forms of corruption. For example, workers who perceive their company's climate as promoting responsibility for the customer and the community are less likely to engage in unethical business practices (Barnett & Vaicys, 2000). Furthermore, adopting an honor code or other code of conduct curbs corrupt behavior (Kish-Gephart, Harrison, & Treviño, 2010; Mazar, Amir, & Ariely, 2008; Trevino, Butterfield, & McCabe, 1998). Even seemingly incidental and inconsequential factors such as the brightness of a room can promote ethical behavior (Zhong, Bohns, & Gino, 2010).

In lieu of external environmental factors, this review focuses on the internal psychological mechanisms that drive corruption. One popular view suggests that despite possessing innate moral intuitions (Haidt, 2007) that support evaluations of others' transgressions (Cushman, 2008; Greene, Sommerville, Nystrom, Darley, & Cohen, 2001; Mikhail, 2007), people are also equipped with a host of psychological mechanisms that allow

them to justify and rationalize their own immoral and unethical behavior (Bandura, 1999; Bandura, Barbaranelli, Caprara, & Pastorelli, 1996; Valdesolo & DeSteno, 2007). In other words, people are moral hypocrites – espousing moral values when judging others while actively ignoring when self-interest is at stake (Monin & Merritt, 2012; Monin, Sawyer, & Marquez, 2008; Valdesolo & DeSteno, 2007).

Yet corrupt behavior is not necessarily solely selfish; they can be other-serving toward the members of one's own group. Although investigations of the source of corruption have focused on the role of groups in shaping an individual's behavior, rarely has *loyalty* to one's group been emphasized as a moral value that can motivate unfair and unjust actions. Take, for example, a politician who is offered a bribe that will guarantee the success of his political party or a businessman who can embezzle money for his struggling family (Cf. Gino & Pierce, 2009a, 2010; Wiltermuth, 2011). Indeed, people are often faced with a choice between being loyal to one's own group and being fair and impartial to all.

Here we suggest that a powerful source of corruption arises not from a conflict between being good so to speak and being selfish but instead a tension between conflicting moral norms. Using the tension between fairness and loyalty as a case study, we illustrate how this tension can impact decisions to refrain from or engage in unethical behavior. Furthermore, we provide evidence suggesting that moral conflicts are the consequence of a deeper divide within our moral psychology between group-based norms (e.g. loyalty) and norms that operate universally, independent of group membership (e.g. fairness). Finally, we discuss how the distinction between group-based and group-independent norms informs our understanding of corruption as well as possible interventions aimed at promoting ethical behavior.

## **Moral Hypocrites**

Unfortunately, not everyone in this world seems terribly conflicted about behaving immorally. In a survey of a large community sample, 0.2% of people scored above the common research threshold for psychopathy, and the scores of an additional 1% indicated the potential for psychopathy (Neumann & Hare, 2008). Individuals with clinical or sub-clinical levels of psychopathy exhibit impulsivity and callousness, often leading to aggressive, antisocial, and even criminal behavior (Hare & Neumann, 2005; Skeem, Polaschek, Patrick, & Lilienfeld, 2011). Similarly, some individuals readily manipulate and deceive others in order to achieve power, dominance, and success – characterized as Machiavellianism (Dahling, Whitaker, & Levy, 2009). In addition to exploiting others for their own selfish gain, people with Machiavellianism, or relatedly, Social Dominance Orientation (Pratto, Sidanius, Stallworth, & Malle, 1994), are also less likely to endorse fairness and caring for others as important moral values (Niemi & Young, 2013). Finally, people who tend to believe events are beyond their control (Eisenberg, 2000), people who view moral codes as relative (as opposed to absolute; Kish-Gephart et al., 2010), and those with poor self-regulation capacities (Treviño, Weaver, & Reynolds, 2006) are particularly likely to engage in corrupt behavior.

By contrast, research has also uncovered individual differences that account for morally good behavior. Kohlberg (1969) classically posited that people showing more advanced stages of moral reasoning are also more likely to engage in ethical versus unethical behavior (Treviño & Youngblood, 1990). More recent research suggests that people internalize moral traits as important to their personal identity and self-concept are also more likely to behave morally (Aquino & Reed, 2002; Reed & Aquino, 2003). In addition, proneness to experiencing guilt motivates prosocial behavior and relates to a host of positive outcomes such as fewer unethical

business decisions, less criminal behavior, and more honesty (Bandura et al., 1996; Cohen, Panter, & Turan, 2012; Tangney & Dearing, 2003).

While there are clear exemplars at each moral extreme, good and bad, researchers disagree over the moral standing of average individuals. One popular view posits that while we outwardly endorse moral norms, we do so primarily for show – we are motivated instead by self-interest, but we wish to reap the benefits of appearing moral (Batson, 2011; Shaw et al., 2013). In one demonstration of this moral veneer, participants were recruited to assign tasks to themselves and a future participant. One of the tasks involved a chance to win money, while other task was described as dull and boring. Participants could either assign the tasks upfront, or they could assign the tasks through privately flipping a coin and reporting the result of the coin flip to the experimenter. Of participants who chose to flip the coin, an extraordinary 90% reported that the result of the coin flip was such that they got the favorable task and the future participant the boring task – a statistically improbable percentage (Batson, Kobrynowicz, Dinnerstein, Kampf, & Wilson, 1997). Thus, at least some participants chose to flip a coin to appear fair but then lied about the outcome of the coin flip. Elegant studies such as this one using the coin flip task have been used to suggest that ethical, prosocial behavior is a product of individuals' effortful exertion of self-control to overcome prepotent, selfish desires (DeWall, Baumeister, Gailliot, & Maner, 2008; Kahneman, 2011).

New work though has left open the possibility that people do possess altruistic intuitions, untainted by selfishness (Zaki & Mitchell, 2013). First, the quicker people are to make decisions to act prosocially, the less selfish their decisions are, suggesting an automatic tendency for cooperation and ethicality (Rand, Greene, & Nowak, 2012). Second, instructing people to focus on their feelings or, conversely, hindering their ability to think rationally and deliberately (by

distracting or pressuring them) also increases cooperation (Cappelletti, Goth, & Ploner, 2011; Cornelissen, Dewitte, & Warlop, 2011; Rand et al., 2012). Finally, brain regions involved in processing reward are more active when people act equitably versus inequitably, even when doing so does not benefit them directly, suggesting that cooperation is intrinsically rewarding (Zaki & Mitchell, 2011). Together, these results suggest that ethical actions may indeed be automatic and intuitive.

While this body of research paints a less pessimistic view of human nature, the fact remains that moral people often act immorally (Ariely, 2013). Why does moral hypocrisy run so rampant? Psychologists have identified many psychological mechanisms that may enable people to deceive themselves when it comes to their ethicality (Cf. Tenbrunsel & Messick, 2004). For example, people may justify their own immoral behavior by comparing it to others' worse behaviors (Bandura, 1999), people may divert the blame or responsibility to others (Tsang, 2002), and people may derogate and dehumanize the victims of their behavior (Waytz & Epley, 2012; Cf. Ashforth & Anand, 2003). Importantly, people who deploy these rationalization techniques more effectively are more likely to show aggression and delinquency and less likely to engage in helpful, cooperative behavior (Bandura et al., 1996; Bandura, Caprara, Barbaranelli, Pastorelli, & Regalia, 2001). Instead of rationalizing immoral behavior, people can also separate or decouple some specific immoral behavior from the rest of their moral character (Bhattacharjee, Berman & Reed II, 2012). For example, people may view their unethical business practices as entirely separate from their moral life outside of the office, thereby protecting their self-concept (Bhattacharjee et al., 2012). Finally, unethical behavior may arise from more general cognitive biases such as the tendency to ignore or reduce the consequences of our actions (Messick & Bazerman, 1996) and the failure to notice the gradual decline of our ethical behavior over time

(Banaji, Bazerman, & Chugh, 2003; Moore, Tetlock, Tanlu, & Bazerman, 2006). Together these aspects of our psychology help people indulge in their selfish desires by disengaging from moral standards, contributing to hypocrisy and corruption.

### **Another Source of Corruption**

Corruption and selfishness are commonly conceptualized as synonymous. This schema implies that people who engage in unethical behavior simply choose to do what is best for them rather than what is best for others. In fact, the experimental methods used to study hypocrisy often involve zero-sum designs, pitting self-interest against the interests of others (Batson, Thompson, Seufferling, Whitney, & Strongman, 1999; Valdesolo & DeSteno, 2007). But is corruption necessarily selfish?

Imagine that a new drug is one woman's only chance of overcoming an aggressive cancer. The doctor who invented the drug has made it available to the public but at ten times the cost of production. Desperate to save his wife and unable to secure enough money for the drug, Mr. Heinz breaks into the doctor's office and steals the drug to treat his cancer-stricken wife.

The classic Heinz Dilemma (Kohlberg, 1981) depicts a situation in which competing moral values are pitted against each other. On the one hand, most people would agree that stealing is wrong – even in this particular case, the doctor has a right to sell his intellectual property. On the other hand, Mr. Heinz's behavior seems morally justified insofar as he has a moral duty to care for his wife if at all possible. Critically, this scenario illustrates that unethical actions (e.g. stealing the drug) are not always motivated by selfishness – instead, ostensibly moral concerns (e.g. caring for a loved one) can sometimes lead to immoral behavior.



Although hypothetical dilemmas may seem unrepresentative of the types of conflicts people regularly encounter, recent research supports the notion that unethical behavior can be motivated by moral concerns. For example, people are more likely to lie, cheat, and steal when someone else benefits from their behavior (Willemuth, 2011). Furthermore, this “benevolent dishonesty” is especially likely to occur when the people who benefit from it evoke empathy, as in the case where a health insurance administrator approves necessary treatments for a patient not covered by the patient’s insurance policy (Gino & Pierce, 2009a). In these cases, people perceive their unethical actions as more permissible when motivated by the desire to help others, and are therefore more willing to engage in these behaviors (Gino & Pierce, 2010; Willemuth, 2011).

Notably, in many real world examples, people who have been caught engaging in corruption do not actually view themselves as corrupt (Ashforth & Anand, 2003; Benson, 1985). While denying guilt may seem characteristic of moral hypocrisy and post hoc rationalization, perhaps this assumption isn’t entirely accurate. In many cases people may be caught between competing moral norms and are therefore forced to prioritize one moral norm over another. Unethical behavior, then, may not necessarily be the result of selfish or immoral motives.

### **Loyalty vs. Fairness (or The Whistleblower’s Dilemma)**

As a society, Americans place a premium on fairness as a moral value. Equality and rights are fundamental to the government’s foundation, legal system, and the millions of everyday social and business interactions (Haidt & Graham, 2007). Concurrently, researchers have suggested that concerns for justice and fairness are at the core of all morally relevant judgments and behaviors (Baumard, Andre, & Sperber, 2013; Kohlberg, 1969, 1981).

Norms of fairness appear surprisingly early in human development. Five-month-old infants show a positivity bias, preferring agents who always help others; however, by eight months, infants prefer agents who act negatively toward antisocial others (Hamlin, Wynn, Bloom, & Mahajen, 2011). In other words, at eight months old, infants already show evidence of endorsing third-party punishment – justice being served. Similarly, toddlers report violations of fairness (such as refusing to share or stealing another child’s toy) to their caregivers more frequently than conventional violations (e.g. not hanging their bag up) – suggesting that fairness is an important norm worth enforcing (Ingram & Bering, 2010). Other research suggests that by the age of two, children endorse distributive justice as well (Sloane, Baillargeon, & Premack, 2012). In general, children expect resources to be divided equally among two people; however, when two people work together on a task, infants expect rewards to be divided in proportion to each individual’s contribution (Sloane, et al., 2012) – the person who worked harder should earn more. Moral norms of fairness may have deep-seated evolutionary origins as even monkeys and apes show preferences for fairness (Brosnan, Schiff, & de Waal, 2005; Cf., Hamann, Warneken, Greenberg, & Tomasello, 2011).

The early emergence of fairness values may be surprising given the importance of ingroups – and even ingroup favoritism – in social life. From birth, we are dependent on the kindness of our family and friends. It seems natural then that many of our moral inclinations developed specifically to motivate preferential protection and care for the people closest to us (Bloom, 2011). Indeed, evolutionary theory suggests that prosocial and altruistic behavior arose because showing favoritism to the people who benefitted us, especially our relatives, accrued success and reproductive benefits (Trivers, 1971).

The importance of favoring close others manifests in the moral valuation of loyalty. Loyalty is endorsed by people across cultures (Shweder, Much, Mahapatra, & Park, 1997) and may be an innate building block of our moral psychology (Haidt, 2007). Consequently, loyalty concerns can potentially overcome fairness concerns. Young children choose to disproportionately share resources with their family and friends over strangers (Olson & Spelke, 2008). In contrast to toddlers, adolescents who assign greater value to group membership often ostracize peers who report violations of fairness (Friman et al., 2004). This preference for loyalty versus fairness is especially strong in competitive contexts (Shaw, DeScioli, & Olson, 2012) or when expectations for friendship are made especially salient (Smetana, Killen, & Turiel, 1991). Notably, tendencies to view one's own group more positively than outgroups are present in non-human primates as well, suggesting that, like fairness, loyalty has strong evolutionary origins (Mahajan et al., 2011).

People are thus faced with a dilemma – while both fairness and loyalty are fundamental moral values (Haidt, 2007; Cf., Walker & Hennig, 2004), they are also at odds. Fairness demands that people across all groups be treated equally, whereas loyalty demands that one's own group is given special treatment. Importantly, past research has attempted to determine which moral norms in isolation are predictive of moral behavior. However, given the complexity of everyday moral dilemmas, moral behavior may be best predicted by investigating how individuals make tradeoffs between conflicting moral norms.

We investigated this possibility in the context of whistleblowing (Waytz, Dungan, & Young, 2013). Whistleblowing can be defined as reporting unethical behavior within one's own group to a third party, often an outside authority (Cf., Near & Miceli, 1985). Although whistleblowers are often celebrated and viewed as moral exemplars by third-party observers in

the larger community, the vast majority face negative, often violent, backlash from their own group: reassignment, firing, and ostracism (Dyck et al., 2010; Minson & Monin, 2012; Parks & Stone, 2010). Thus, potential whistleblowers are faced with the difficult choice between 1) exposing their own group's unethical behavior in the name of fairness and justice and 2) not reporting the violation, thereby protecting their group's interests in the name of loyalty. We expected that decisions to engage in whistleblowing would be predicted by how individuals made tradeoffs between fairness and loyalty.

To test this prediction, we first confirmed that concerns about fairness and loyalty drive whistleblowing decisions. We asked participants to recall a time they witnessed unethical behavior and decided either to report the crime or to keep quiet. When describing the reasons behind their decision, participants who decided to blow the whistle used ten times as many words related to fairness and justice, whereas participants who decided not to report the crime used twice as many words related to loyalty (Waytz et al., 2013).

Having established the importance of fairness and loyalty in explaining whistleblowing decisions, we next determined how explicit endorsements of fairness and loyalty as important moral values predicted willingness to blow the whistle. Participants responded to two brief questionnaires. The first asked a series of questions gauging concern for each moral value, allowing us to compute a fairness score and a loyalty score for each participant. The second questionnaire asked participants to report the likelihood of their reporting a series of hypothetical crimes varying in severity (from spraying graffiti to murder). We found that neither fairness scores nor loyalty scores alone predicted willingness to blow the whistle. Critically, predictive power was linked to the *difference* between fairness and loyalty scores. Participants who valued fairness more than loyalty were more willing to blow the whistle, compared to participants who

valued loyalty more than fairness. In other words, the way participants made moral tradeoffs predicted their whistleblowing behavior (Waytz et al., 2013).

To extend this finding, we tested whether directly manipulating the tradeoff between fairness and loyalty would alter participants' decisions to blow the whistle. Before responding to the same questionnaire items concerning whistleblowing decisions in the case of hypothetical crimes, participants wrote a series of three short essays. One group of participants wrote essays about the importance of fairness over loyalty, while the other group wrote essays about the importance of loyalty over fairness. As expected, when comparing the two groups, we found that participants who wrote in favor of fairness over loyalty were more willing to blow the whistle (Waytz et al., 2013).

A final study revealed this same manipulation to influence participants' decisions to blow the whistle in a non-hypothetical situation. In an online community where people participate in small online jobs for money, participants witnessed another worker taking money for a job inadequately done. Participants who wrote about the importance of fairness versus loyalty were more likely to report this person and recommend that the person be banned from the community (Waytz et al., 2013). Taken together, these studies demonstrate that understanding the way people make tradeoffs between competing moral norms will inform a psychological account of how and why people engage in ethical or unethical behavior.

### **Group-independent vs. Group-based Morality**

The tension between fairness and loyalty observed in the case of whistleblowing decisions may represent a much deeper distinction within human moral psychology. Consistent with this hypothesis are recent pilot data from our lab. We conducted a study in which

participants read descriptions of two different people: one person who is loyal and faithful to his family and friends, regardless of the impact on outsiders, and a second person who is fair and impartial, regardless of the impact on those close to him. When we asked participants which person is morally better, a majority of participants identified the fair and impartial person. However, when we asked participants which person they would rather be friends with, the opposite pattern emerged – a majority of participants indicated they would rather be friends with the loyal person. Importantly, this choice reversal occurred regardless of the order in which participants answered the questions. Participants appeared perfectly willing to say that ideal friends possess different moral qualities from generally moral individuals. We suggest this reversal occurs because two distinct sets of moral concerns have evolved to facilitate two distinct motivations.

*Group-independent* morals enable the *formation* of collaborative groups. Moral concerns such as caring and fairness dictate how individuals should treat others (Haidt & Graham, 2007). Endorsing these morals help individuals identify who will be cooperative, and who threatens to take advantage of them (Cf. André & Baumard, 2011). People can readily detect the cooperative impulses of others (Brosig, 2002; Verplaestse, Vanneste, & Braeckman, 2007), which leads to future association with cooperative others and the exclusion of uncooperative others (Barclay & Willer, 2007; Chiang, 2010; Sylwester & Roberts, 2010). Importantly, since group-independent morals condemn differential treatment across individuals, they may motivate cooperative behavior across group boundaries (Niemi & Young, 2013). Indeed, the endorsement of caring and fairness values is positively associated with empathy and the fair treatment of outgroups, thereby incorporating new people into one's group (Graham et al., 2011; Niemi & Young, 2013).

By contrast, *group-based* morals may enable the *protection* of pre-established groups. People are fundamentally motivated by the need to maintain strong social bonds and social connectedness (Baumeister & Leary, 1995). Group-based morals such as loyalty and respect for authority foster social connection by binding individuals into cohesive groups (Haidt, 2007). Importantly, these morals emphasize group-membership, motivating positive judgments of people within the group and negative judgments of people who upset the group dynamic.

Recent findings support the distinction between group-independent and group-based morals. In one study, participants evaluated hypothetical political mavericks who vote according to their personal moral beliefs regardless of their political party's opinions (Ditto & Mastrorarde, 2009). Participants judged political mavericks more positively when imagining them in the abstract than when they imagined them as belonging to their own political party (Ditto & Mastrorarde, 2009). Similarly, adopting an abstract mindset (as opposed to a concrete mindset) decreased prejudice toward people perceived as deviating from the ingroup's moral values, and this effect was mediated by an increase in the valuation of fairness (Luguri, Napier, & Dovidio, 2012). Even simply priming participants to think abstractly increased their valuation of fairness and caring for others while decreasing their valuation of binding foundations (Napier & Luguri, 2013). Children have also been shown to endorse fairness over favoritism in third-party contexts, but children are more conflicted when they are personally involved (Shaw et al., 2012). Finally, children's preference for those who favor them becomes even stronger when they are placed in a competitive context (Shaw et al., 2012).

Thus, human moral psychology may be divided between identifying moral individuals and concerns for protecting one's own group. By understanding the motivation to satisfy both these concerns, psychologists may be more successful in predicting behavior in complex ethical

dilemmas. How people emphasize these competing concerns will have powerful implications for how corruption is deterred or promoted.

### **Implications for Corruption**

Organizational leaders are at a disadvantage when trying to manage a successful business while maintaining a moral work environment. First, people consider morality as sacred and are highly averse to equating moral concerns with business and market concerns (Fiske & Tetlock, 1997). Accordingly, people use a lower stage of moral reasoning (Kohlberg, 1969) when reasoning about work-related versus nonwork-related problems (Weber & Wasieleski, 2001). Furthermore, the competitive and hierarchical nature of businesses generate feelings of inequity and envy which can lead to unethical acts for the sake of monetary payoffs (Gino & Pierce, 2009b). Indeed, even briefly presenting pictures of money increases self-interested and self-serving behavior (Vohs, Mead, & Goode, 2006, 2008). Businesses are thus prone to evoking corruption.

One typical way of combating competitive and unethical behavior amongst employees is to emphasize group-based concerns such as loyalty. By instilling incentives for group performance as opposed to individual performance (Cf. Anik, Aknin, Norton, Dunn, & Quoidbach, 2013), managers encourage cooperation and strengthen the relational bonds among group members (Cohen & Bailey, 1997; Grant, 2007; Hamman, Rick, & Weber, 2007). Strengthening group cohesion in turn has many positive benefits for individuals within the group, increasing group commitment (Bishop & Scott, 2000), job satisfaction (Chiaburu & Harrison, 2008; Morrison, 2004), and overall happiness and health (Cacioppo & Partick, 2008; Diener & Seligman, 2002).



However, as noted, emphasizing group-based morals could come at a cost to the group's ethical behavior toward those outside the group. For instance, group loyalty is positively related to intergroup conflict – as ingroup loyalty increases, endorsement of violence toward outgroups also increases (Cohen, Montoya, & Insko, 2006). Similarly, intergroup interactions often become more competitive and aggressive than interactions between individuals (Meier & Hinsz, 2004; Wildschut, Pinter, Vevea, Insko, & Schopler, 2003). Unethical business practices (e.g. bribery) have also been found to occur more often in collectivist versus individualist cultures where individuals identify as an interdependent part of the group (Mazar & Aggarwal, 2011). Finally, feelings of social connectedness can also increase the tendency for individuals to denigrate and dehumanize outgroups (Waytz & Epley, 2011). Group-based morals may therefore benefit the group, while being detrimental to intergroup relations (Cf. Waytz & Epley, 2011).

In addition to impairing intergroup relations, group-based morals may also encourage individuals to condone corrupt behavior. When group concerns are made salient, people align their personal views with group consensus (Asch, 1956; Ledgerwood, Trope, & Chaiken, 2010). Moral hypocrisy has also been shown to extend to an individual's ingroup – people rationalize and justify immoral deeds committed by people in their group (Valdesolo & DeSteno, 2007). This effect emerges even for arbitrary groups (such as people randomly assigned red shirts versus blue shirts), showing the power impact of group-based concerns on an individual's moral judgment.

If the goal is to decrease corruption, business owners may do well to endorse group-independent morals. For example, companies that deemphasize the duties employees have to their own business, and instead focus on their responsibility to the larger community, are less susceptible to misconduct (Cf. Garriga & Melé, 2004). Furthermore, the perception of fairness in

an organization's practices and structure increases public support (Barry & Oliver, 1996) and satisfaction (Hegtvedt & Killian, 1999; Ordonez, Connolly, & Coughlan, 2000). Also, decreasing the inequality between individuals within and between businesses will alleviate feelings of envy and schadenfreude (Cikara, Bruneau, & Saxe, 2011; Cikara & Fiske, 2012) that often lead to negative actions among groups. Finally, as interactions between individuals from different groups become increasingly frequent in a global economy, endorsing group-independent morals may reflect a larger moral responsibility to all people (Cf. Rorty, 1997).

Endorsing group-independent norms such as fairness may have practical benefits, in addition to their ethical benefits. Fairness is universally endorsed to a great extent, whereas people within and across cultures tend to show greater disagreement over the moral importance of loyalty (Graham, Haidt, & Nosek, 2007). Furthermore, research suggests that endorsing norms of caring and fairness may be less cognitively demanding than endorsing loyalty (Wright & Baril, 2011). Thus, when resolving the conflict between fairness and loyalty, there are multiple reasons for pushing the tradeoff in favor of fairness.

## **Conclusion**

The problem of corruption is intensifying. In the 2013 Corruption Perceptions Index, 60% of people sampled in the US reported thinking that the prevalence of corruption has increased in the past 2 years (only 10% reported thinking it has decreased). This isn't peculiar to the US – of all 114,000 people surveyed from 107 countries only 18% of people thought corruption decreased at all. Naturally, addressing a problem of this magnitude will take combined efforts from many different lines of research.

In this review, we've focused on the psychological mechanisms that may influence corruption. In particular, we've suggested that the popular and perhaps intuitive depiction of unethical action as the triumph of selfish desires over moral concerns is incomplete – distinct moral concerns often come into conflict, leading to immoral actions and bad outcomes. While we certainly do not mean to suggest that corrupt behavior is justified, we do suggest that corruption may be driven by powerful group-based moral concerns. A complete characterization of the complex tensions within human moral psychology should lead to better accounts of when and why corruption occurs as well as how to promote ethical practices in the workplace and beyond.

## References

- André, J. B. & Baumard, N. (2011b) The evolution of fairness in a biological market. *Evolution*, 65(5), 1447–56.
- Anik, L., Aknin, L. B., Norton, M. I., Dunn, E. W., & Quoidbach, J. (2013). Prosocial Bonuses Increase Employee Satisfaction and Team Performance. *Harvard Business School Working Paper*, 13–095.
- Aquino, K., & Reed II, A. (2002). The self-importance of moral identity. *Journal of personality and social psychology*, 83(6), 1423.
- Ariely, D. (2013). *The Honest Truth about Dishonesty: How We Lie to Everyone--Especially Ourselves*. Harper.
- Asch, S. E. (1956). Studies of independence and conformity: I. A minority of one against a unanimous majority. *Psychological Monographs: General and Applied*, 70(9), 1-70.
- Ashforth, B. E., & Anand, V. (2003). The normalization of corruption in organizations. *Research in organizational behavior*, 25, 1-52.
- Banaji, M. R., Bazerman, M. H., & Chugh, D. (2003). How (un) ethical are you?. *Harvard business review*, 81(12), 56-64.
- Bandura, A. (1999). Moral disengagement in the perpetration of inhumanities. *Personality and social psychology review*, 3(3), 193-209.

- Bandura, A., Barbaranelli, C., Caprara, G. V., & Pastorelli, C. (1996). Mechanisms of moral disengagement in the exercise of moral agency. *Journal of personality and social psychology*, 71(2), 364.
- Bandura, A., Caprara, G. V., Barbaranelli, C., Pastorelli, C., & Regalia, C. (2001). Sociocognitive self-regulatory mechanisms governing transgressive behavior. *Journal of personality and social psychology*, 80(1), 125.
- Barclay, P. & Willer, R. (2007) Partner choice creates competitive altruism in humans. *Proceedings of the Royal Society of London B: Biological Sciences*, 274(1610), 749–53.
- Barnett, T., & Vaicys, C. (2000). The moderating effect of individuals' perceptions of ethical work climate on ethical judgments and behavioral intentions. *Journal of Business Ethics*, 27(4), 351-362.
- Barry, B. & Oliver, R. (1996). Affect in Dyadic Negotiation: A Model and Propositions. *Organizational Behavior and Human Decision Processes*, 67, 127–143.
- Batson, C. D. (2011). What's Wrong with Morality?. *Emotion Review*, 3(3), 230-236.
- Batson, C. D., Kobrynowicz, D., Dinnerstein, J. L., Kampf, H. C., & Wilson, A. D. (1997). In a very different voice: unmasking moral hypocrisy. *Journal of personality and social psychology*, 72(6), 1335.
- Batson, C. D., Thompson, E. R., Seufferling, G., Whitney, H., & Strongman, J. A. (1999). Moral hypocrisy: appearing moral to oneself without being so. *Journal of personality and social psychology*, 77(3), 525.
- Baumard, N., André, J. B., & Sperber, D. (2013). A mutualistic approach to morality: The evolution of fairness by partner choice. *Behavioral and Brain Sciences*, 36(1), 59-122.
- Baumeister, R. F., & Leary, M. R. (1995). The need to belong: desire for interpersonal attachments as a fundamental human motivation. *Psychological bulletin*, 117(3), 497.
- Benson, M. L. (1985). Denying the guilty mind: Accounting for involvement in a white-collar crime. *Criminology*, 23(4), 583-607.
- Bhattacharjee, A., Berman, J. Z., & Reed, A. (2013). Tip of the Hat, Wag of the Finger: How Moral Decoupling Enables Consumers to Admire and Admonish. *Journal of Consumer Research*, 39(6), 1167-1184.
- Bishop JW, Scott K (2000) An examination of organizational and team commitment in a self-directed team environment. *Journal of Applied Psychology*, 85, 439–450.
- Bloom, P. (2011). Family, community, trolley problems, and the crisis in moral psychology. *The Yale Review*, 99(2), 26-43.

Brosig, J. (2002) Identifying cooperative behavior: Some experimental results in a prisoner's dilemma game. *Journal of Economic Behavior and Organization*, 47(3), 275–90.

Brosnan, S. F., Schiff, H. C., & de Waal, F. B. M. (2005). Tolerance for inequity may increase with social closeness in chimpanzees. *Proceedings of the Royal Society: Biological Sciences*, 272, 253–258.

Cacioppo, J. T., & Patrick, W. (2008). *Loneliness: Human nature and the need for social connection*. WW Norton & Company.

Cappelletti, D., Goth, W., & Ploner, M. (2011). Being of two minds: Ultimatum offers under cognitive constraints. *Journal of Economic Psychology*, 32, 940–950.

Chiaburu D, Harrison D (2008) Do peers make the place? Conceptual synthesis and meta-analysis of coworker effects on perceptions, attitudes, OCBs, and performance. *Journal of Applied Psychology*, 93, 1082–1103.

Chiang, Y. (2010) Self-interested partner selection can lead to the emergence of fairness. *Evolution and Human Behavior*, 31(4), 265–70.

Cikara, M., Bruneau, E. G., & Saxe, R. R. (2011). Us and Them Intergroup Failures of Empathy. *Current Directions in Psychological Science*, 20(3), 149-153.

Cikara, M., & Fiske, S. T. (2012). Stereotypes and Schadenfreude Affective and Physiological Markers of Pleasure at Outgroup Misfortunes. *Social Psychological and Personality Science*, 3(1), 63-71.

Cohen SG, Bailey DE (1997) What makes teams work: Group effectiveness research from the shop floor to the executive suite. *Journal of Management*, 23, 239–290.

Cohen, T. R., Montoya, R. M., & Insko, C. A. (2006). Group morality and intergroup relations: Cross-cultural and experimental evidence. *Personality and Social Psychology Bulletin*, 32(11), 1559-1572.

Cohen, T. R., Panter, A. T., & Turan, N. (2012). Guilt Proneness and moral character. *Current Directions in Psychological Science*, 21(5), 355-359.

Cornelissen, G., Dewitte, S., & Warlop, L. (2011). Are social value orientations expressed automatically? Decision making in the dictator game. *Personality and Social Psychology Bulletin*, 37, 1080–1090.

Cushman, F.A. (2008). Crime and Punishment: Distinguishing the roles of causal and intentional analyses in moral judgment. *Cognition*, 108(2), 353 – 380.

Dahling JJ, Whitaker BG, & Levy PE (2009). The development and validation of a new

Machiavellianism scale. *Journal of Management*, 35, 219–257.

DeWall, C. N., Baumeister, R. F., Gailliot, M. T., & Maner, J. K. (2008). Depletion makes the heart grow less helpful: Helping as a function of self-regulatory energy and genetic relatedness. *Personality and Social Psychology Bulletin*, 34(12), 1653-1662.

Diener, E., & Seligman, M. E. (2002). Very happy people. *Psychological science*, 13(1), 81-84.

Ditto, P. H., & Mastrorarde, A. J. (2009). The paradox of the political maverick. *Journal of Experimental Social Psychology*, 45(1), 295-298.

Dyck, A., Adair, M., & Zingales, L. (2010). Who blows the whistle on corporate fraud? *Journal of Finance*, 65, 2213–2254.

Eisenberg, A. P. (2000). *The search for integrity: A leadership impact study*. Doctoral dissertation, ProQuest Information & Learning.

Friman, P. C., Woods, D. W., Freeman, K. A., Gilman, R., Short, M., McGrath, A. M., et al. (2004). Relationships between tattling, likeability, and social classification: A preliminary investigation of adolescents in residential care. *Behavior Modification*, 28, 331–348.

Garriga, E., & Melé, D. (2004). Corporate social responsibility theories: mapping the territory. *Journal of business ethics*, 53(1-2), 51-71.

Gino, F., & Pierce, L. (2009a). Dishonesty in the name of equity. *Psychological Science*, 20(9), 1153-1160.

Gino, F., & Pierce, L. (2009b). The abundance effect: Unethical behavior in the presence of wealth. *Organizational Behavior and Human Decision Processes*, 109(2), 142-155.

Gino, F., & Pierce, L. (2010). Lying to level the playing field: Why people may dishonestly help or hurt others to create equity. *Journal of Business Ethics*, 95(1), 89-103.

Graham, J., Haidt, J., & Nosek, B. A. (2009). Liberals and conservatives rely on different sets of moral foundations. *Journal of personality and social psychology*, 96(5), 1029.

Graham, J., Nosek, B. A., Haidt, J., Iyer, R., Koleva, S., & Ditto, P. H. (2011). Mapping the moral domain. *Journal of personality and social psychology*, 101(2), 366.

Grant AM (2007) Relational job design and the motivation to make a prosocial difference. *Academy of Management Review*, 32, 393–417.

Greene, J.D., Sommerville, R.B., Nystrom, L.E., Darley, J.M., & Cohen, J.D. (2001). An fMRI investigation of emotional engagement in moral Judgment. *Science*, 293, 2105 – 2108.

Haidt, J. (2007). The new synthesis in moral psychology. *Science*, 316(5827), 998-1002.

- Haidt, J., & Graham, J. (2007). When morality opposes justice: Conservatives have moral intuitions that liberals may not recognize. *Social Justice Research, 20*(1), 98-116.
- Hamann, K., Warneken, F., Greenberg, J. R., & Tomasello, M. (2011). Collaboration encourages equal sharing in children but not in chimpanzees. *Nature, 476*(7360), 328-331.
- Hamlin, J. K., Wynn, K., Bloom, P., & Mahajan, N. (2011). How infants and toddlers react to antisocial others. *Proceedings of the National Academy of Sciences of the United States of America, 108*, 19931-19936.
- Hamman, J., Rick, S., & Weber, R. A. (2007). Solving coordination failure with “all-or-none” group-level incentives. *Experimental Economics, 10*(3), 285-303.
- Hare, R.D. & Neumann, C.S. (2005). "The PCL-R Assessment of Psychopathy: Development, Structural Properties, and New Directions". In Patrick, C.J. (Ed.) *Handbook of Psychopathy*. New York: Guilford. pp. 58-88.
- Hegtvedt, K. A., & Killian, C. (1999). Fairness and emotions: Reactions to the process and outcomes of negotiations. *Social Forces, 78*(1), 269-302.
- Ingram, G. P. D., & Bering, J. M. (2010). Children's tattling: The reporting of everyday norm violations in preschool settings. *Child Development, 81*, 945-957.
- Kahneman, D. (2011). *Thinking, fast and slow*. Macmillan.
- Kish-Gephart, J. J., Harrison, D. A., & Treviño, L. K. (2010). Bad apples, bad cases, and bad barrels: meta-analytic evidence about sources of unethical decisions at work. *Journal of Applied Psychology, 95*(1), 1.
- Kohlberg, L. (1969). “Stage and sequence: The cognitive-developmental approach to socialization,” in D.A. Goslin (Ed.) *Handbook of socialization theory and research* (151-235). New York: Academic Press.
- Kohlberg, L. (1981). *Essays on Moral Development, Volume 1: The Philosophy of Moral Development*. New York: Harper Row.
- Ledgerwood, A., Trope, Y., & Chaiken, S. (2010). Flexibility now, consistency later: psychological distance and construal shape evaluative responding. *Journal of personality and social psychology, 99*(1), 32.
- Luguri, J. B., Napier, J. L., & Dovidio, J. F. (2012). Reconstructing Intolerance Abstract Thinking Reduces Conservatives' Prejudice Against Nonnormative Groups. *Psychological science, 23*(7), 756-763.
- Mahajan, N., Martinez, M. A., Gutierrez, N. L., Diesendruck, G., Banaji, M. R., & Santos, L.

(2011). The evolution of intergroup bias: Perceptions and attitudes in rhesus macaques. *Journal of Personality and Social Psychology*, *100*, 387–405.

Mazar, N., & Aggarwal, P. (2011). Greasing the Palm Can Collectivism Promote Bribery?. *Psychological Science*, *22*(7), 843-848.

Mazar, N., Amir, O., & Ariely, D. (2008). The dishonesty of honest people: A theory of self-concept maintenance. *Journal of marketing research*, *45*(6), 633-644.

Meier, B. P., & Hinsz, V. B. (2004). A comparison of human aggression committed by groups and individuals: An interindividual–intergroup discontinuity. *Journal of Experimental Social Psychology*, *40*(4), 551-559.

Messick, D. M., & Bazerman, M. H. (1996). Ethical leadership and the psychology of decision making. *Sloan Management Review*, *37*, 9-22.

Mikhail, J. (2007). Universal Moral Grammar: Theory, Evidence, and the Future. *Trends in Cognitive Sciences*, *11*(4), 143 – 152.

Minson, J. A., & Monin, B. (2012). Do-gooder derogation: Putting down morally-motivated others to defuse implicit moral reproach. *Social Psychological and Personality Science*, *3*, 200–207.

Monin, B., & Merritt, A. (2012). Moral hypocrisy, moral inconsistency, and the struggle for moral integrity. In A. Merritt, M., Mikulincer, & P.R. Shaver (Eds.) *The Social Psychology of Morality: Exploring the causes of good and evil* (167-184). Washington, DC: American Psychological Association.

Monin, B., Sawyer, P. J., & Marquez, M. J. (2008). The rejection of moral rebels: resenting those who do the right thing. *Journal of personality and social psychology*, *95*(1), 76.

Moore, D. A., Tetlock, P. E., Tanlu, L., & Bazerman, M. H. (2006). Conflicts of interest and the case of auditor independence: Moral seduction and strategic issue cycling. *Academy of Management Review*, *31*(1), 10-29.

Morrison, R. (2004). Information relationships in the workplace, Association with job satisfaction, organizational commitment and turnover intentions. *New Zealand Journal of Psychology*, *33*, 114–128.

Napier, J. L., & Luguri, J. B. (2013). Moral Mind-Sets Abstract Thinking Increases a Preference for “Individualizing” Over “Binding” Moral Foundations. *Social Psychological and Personality Science*.

Near, J. P., & Miceli, M. P. (1985). Organizational dissidence: The case of whistle-blowing. *Journal of Business Ethics*, *4*, 1–16.



- Neumann, C. S., & Hare, R. D. (2008). Psychopathic traits in a large community sample: Links to violence, alcohol use, and intelligence. *Journal of Consulting and Clinical Psychology, 76*, 893–899.
- Niemi, L., & Young, L. (2013). Caring across Boundaries versus Keeping Boundaries Intact: Links between Moral Values and Interpersonal Orientations. *PloS one, 8*(12), e81605.
- Olson, K. R., & Spelke, E. S. (2008). Foundations of cooperation in young children. *Cognition, 108*, 222–231.
- Ordonez, L., Connolly, T., & Coughlan, R. (2000). Multiple Reference Points in Satisfaction and Fairness Assessment. *Journal of Behavioral Decision Making, 13*, 329–344.
- Parks, C. D., & Stone, A. B. (2010). The desire to expel unselfish members from the group. *Journal of Personality and Social Psychology, 99*, 303–310.
- Pratto F, Sidanius J, Stallworth LM, Malle BF (1994). Social dominance orientation: A personality variable predicting social and political attitudes. *Journal of Personality and Social Psychology, 67*, 741–763.
- Rand, D. G., Greene, J. D., & Nowak, M. A. (2012). Spontaneous giving and calculated greed. *Nature, 489*(7416), 427-430.
- Reed II, A., & Aquino, K. F. (2003). Moral identity and the expanding circle of moral regard toward out-groups. *Journal of personality and social psychology, 84*(6), 1270.
- Rorty, R. (1997). Justice as a larger loyalty. In R. Bonketoe, & M. Stepaniants (Eds.), *Justice and democracy: Cross-cultural perspectives* (9–22). Hawaii: University of Hawaii Press.
- Shaw, A., DeScioli, P., & Olson, K. R. (2012). Fairness versus favoritism in children. *Evolution and Human Behavior, 33*, 736–745.
- Shaw, A., Montinari, N., Piovesan, M., Olson, K. R., Gino, F., & Norton, M. I. (2013). Children Develop a Veil of Fairness. *Journal of Experimental Psychology: General, 143*(1), 363-375.
- Shweder, R. A., Much, N. C., Mahapatra, M., & Park, L. (1997). The “big three” of morality (autonomy, community, divinity) and the “big three” explanations of suffering. *Morality and health, 119-169*.
- Skeem, J. L., Polaschek, D. L., Patrick, C. J., & Lilienfeld, S. O. (2011). Psychopathic personality bridging the gap between scientific evidence and public policy. *Psychological Science in the Public Interest, 12*(3), 95-162.
- Sloane, S., Baillargeon, R., & Premack, D. (2012). Do infants have a sense of fairness? *Psychological Science, 23*, 196–204.

- Smetana, J. G., Killen, M., & Turiel, E. (1991). Children's reasoning about interpersonal and moral conflicts. *Child Development*, *62*, 629–644.
- Sylwester, K. & Roberts, G. (2010) Cooperators benefit through reputation-based partner choice in economic games. *Biology Letters*, *6*(5), 659–62
- Tangney, J. P., & Dearing, R. L. (2003). *Shame and guilt*. Guilford Press.
- Tenbrunsel, A. E., & Messick, D. M. (2004). Ethical fading: The role of self-deception in unethical behavior. *Social Justice Research*, *17*(2), 223-236.
- Treviño, L. K., Butterfield, K. D., & McCabe, D. L. (1998). The ethical context in organizations: Influences on employee attitudes and behaviors. *Business Ethics Quarterly*, 447-476.
- Treviño, L. K., Weaver, G. R., & Reynolds, S. J. (2006). Behavioral ethics in organizations: A review. *Journal of management*, *32*(6), 951-990.
- Trevino, L. K., & Youngblood, S. A. (1990). Bad apples in bad barrels: A causal analysis of ethical decision-making behavior. *Journal of Applied psychology*, *75*(4), 378.
- Trivers, R. L. (1971). The evolution of reciprocal altruism. *Quarterly review of biology*, 35-57.
- Tsang, J. A. (2002). Moral rationalization and the integration of situational factors and psychological processes in immoral behavior. *Review of General Psychology*, *6*(1), 25.
- Valdesolo, P., & DeSteno, D. (2007). Moral Hypocrisy Social Groups and the Flexibility of Virtue. *Psychological Science*, *18*(8), 689-690.
- Verplaetse, J., Vanneste, S., & Braeckman, J. (2007). You can judge a book by its cover: the sequel.: A kernel of truth in predictive cheating detection. *Evolution and Human Behavior*, *28*(4), 260-271.
- Vohs, K. D., Mead, N. L., & Goode, M. R. (2006). The psychological consequences of money. *Science*, *314*, 1154–1156.
- Vohs, K. D., Mead, N. L., & Goode, M. R. (2008). Merely activating the concept of money changes personal and interpersonal behavior. *Current Directions in Psychological Science*.
- Walker, L. J., & Hennig, K. H. (2004). Differing conceptions of moral exemplarity: Just, brave, and caring. *Journal of Personality and Social Psychology*, *86*, 629–647.
- Waytz, A., Dungan, J., & Young, L. (2013). The whistleblower's dilemma and the fairness–loyalty tradeoff. *Journal of Experimental Social Psychology*, *49*(6), 1027-1033.
- Waytz, A., & Epley, N. (2012). Social connection enables dehumanization. *Journal of Experimental Social Psychology*, *48*(1), 70-76.

Weber, J., & Wasieleski, D. (2001). Investigating Influences on Managers' Moral Reasoning The Impact of Context and Personal and Organizational Factors. *Business & Society*, 40(1), 79-110.

Wildschut, T., Pinter, B., Vevea, J. L., Insko, C. A., & Schopler, J. (2003). Beyond the group mind: a quantitative review of the interindividual-intergroup discontinuity effect. *Psychological bulletin*, 129(5), 698.

Willemuth, S. S. (2011). Cheating more when the spoils are split. *Organizational Behavior and Human Decision Processes*, 115(2), 157-168.

Wright, J. C., & Baril, G. (2011). The role of cognitive resources in determining our moral intuitions: Are we all liberals at heart?. *Journal of Experimental Social Psychology*, 47(5), 1007-1012.

Zaki, J., & Mitchell, J. P. (2011). Equitable decision making is associated with neural markers of intrinsic value. *Proceedings of the National Academy of Sciences*, 108(49), 19761-19766.

Zaki, J., & Mitchell, J. P. (2013). Intuitive Prosociality. *Current Directions in Psychological Science*, 22(6), 466-470.

Zhong, C. B., Bohns, V. K., & Gino, F. (2010). Good Lamps Are the Best Police Darkness Increases Dishonesty and Self-Interested Behavior. *Psychological science*, 21(3), 311-314.