



The Pleasure of Being Nasty

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The Pleasure of Being Nasty

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Abstract

Many laboratory experiments show that people are often altruistic or care for fairness. We present data that reveal a darker side of human nature. We introduce the joy-of-destruction game. Two players each receive an endowment and simultaneously decide on how much of the other player's endowment to destroy. Subjects play this game repeatedly. In one treatment, subjects can hide their destruction behind random destruction. In this treatment, money is destroyed in almost 40% of all decisions. We attribute this behavior to a visceral pleasure of being nasty. Under full information destruction is also observed, but rare. In this treatment, acts of destruction are followed by immediate retaliation.

Keywords

Spite, nastiness, money-burning, anti-social behavior

JEL Codes

C72, C90, D82

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1. Introduction

The defining figure of neoclassical economic theory, the *homo oeconomicus*, has long been challenged by both experimental economics and social psychology. People are, as we now know from many experimental studies, not own-payoff maximizing egoists, but compassionate social beings who care about fairness and the well-being of others. They reject unfair offers in ultimatum games (Güth et al. (1982)), share their endowment in dictator games (Forsythe et al. (1994), Hoffman et al. (1994)), reciprocate in gift exchanges (Fehr et al. (1993), Berg et al. (1995)), or punish free-riders in public goods games (Fehr and Gächter (2000)), to name just a few instances of pro-social behavior.¹ The experimental evidence so far overwhelmingly suggests that human beings are of much more ethically inclined than neoclassical economists have given them credit for.

So far, so nice. But, there is a danger of overstating the kindness of human nature. Because these deviations from the orthodoxy are interesting, behavioral economists focus on environments which are conducive to altruistic behavior. This may create a selection bias, a neglect of environments in which humans can indeed be selfish, greedy, uncooperative, or even plain nasty. There can be no doubt that nastiness exists. People suffer random violence from complete strangers. Property is arbitrarily vandalized. Malicious computer viruses are circulated solely to do harm. One can argue that such anti-social behavior is an anomaly, committed by individuals from the fringes of society. But quite possibly a pleasure of being nasty is present in the mind of everybody. This question is the focus of this study.

We introduce the *joy-of-destruction game*. The basic setup of the game is simple. There are two players. Each player first earns an endowment, which is in expectation equal for both players. Both players can mutually and simultaneously destroy each other's endowments. Destruction is costless and entails no material benefit for the destroying party. Since no pecuniary, fairness, or reciprocity motives are present, destruction is most likely due to pure spite and nastiness. Note that other conventional motives to choose destruction are also removed. We also avoid the experimenter demand effect by embedding the destruction choices into a much more cumbersome task, with which the subjects earn their endowments.

We are also interested in the dynamics of play in this environment, which is why pairs of subjects play the game repeatedly. We wish to test two competing hypotheses. The opportunity to retaliate could trigger the escalation into an ongoing pointless vendetta. It could, however, also have a deterrent effect, such that subjects refrain from destroying money for fear of retaliation.

¹ The space in this paper, indeed any paper, would not suffice to list all the relevant literature in this field. So we only mention the pioneering studies and send our apologies to all other contributors.

We use two variants of the game. In one treatment (*open*), the destruction is ex-post perfectly observable. In the other setting (*hidden*), the destructive action is veiled by an additional random destruction. The targeted person can only observe the total damage, but typically cannot identify which part was due to the destroyer and which part due to nature. Thus, it is possible to hurt someone else without being recognized.

We do not know any other experimental study that examines the pleasure of being nasty in its pure form, but our study does not completely stand in isolation. Despotic behavior has been observed in public good games with punishment. Though the norm is for cooperators to punish free-riders, there is also a good deal of perverse punishment, i.e. selfish individuals punishing contributors (Anderson and Putterman (2005), Gächter et al. (2004)). Like in our study, Zizzo and Oswald (2001) set up a game in which participants can reduce others' income without gain. In their experiment, subjects indeed burn money, but they do so to equalize payoffs. So the seemingly spiteful act stems from a "good" motive, namely aversion to unfairness. In our game we have removed inequality aversion as a possible explanation for nasty behavior.

2. The experimental design

The experiment was conducted in two pen-and-paper sessions with 40 undergraduate students at Tilburg University. Each subject was allowed to one session only and no subject had participated in similar experiments. Subjects interacted anonymously and were paid confidentially.

To avoid boredom and, more importantly, experimenter demand effects, the joy-of-destruction game was nested into a much more time-consuming evaluation task that subjects performed individually. The task was to view and evaluate advertisements from popular Dutch magazines. The questionnaire used in the evaluation task was developed in the marketing department for a PhD project. Subjects received 80c for each completed evaluation questionnaire in the open treatment, €1.20 in the hidden treatment (to account for the random destruction). Note that because subjects had to work for their endowments, we also avoid the house-money effect. The number of evaluation questionnaires that were given to a subject varied randomly between 1 and 3. After having completed all evaluation tasks of a round, subjects were asked to indicate what part of the income of the other subject they wished to destroy. Destruction choices were restricted to multiples of 10c between 0 and 80.

We aimed at playing 10 rounds of evaluation/destruction tasks. In the hidden treatment time constraints only allowed eight rounds. The matching of subjects was anonymous and random, but remained fixed in all rounds. Before the first and the sixth round, the subjects completed mood questionnaires for the marketing study.

The random destruction in the hidden treatment was between zero and €1.60, in steps of €0.10, each value equally likely. Note that the total destruction was the sum of the

destructions inflicted by Nature and the partner. Thus, hiding behind Nature was only partially possible. Very high total destruction would reveal to a subject that some of the destruction must have come from the partner.

3. Results

Figure 1 shows the frequency of destruction decisions over the rounds of the experiment. Overall frequencies in the open treatment are low (on average 8.5% of all decisions). Some destruction can be observed in the early rounds, but destruction rates quickly fade away. In the hidden treatment, however, destruction is surprisingly common. On average, 39.4% of all decisions involve the destruction of at least some of the partner’s endowment. There is no sign of a downward trend. The difference between the two treatments is significant both for all rounds and for the first round separately (Fisher’s two-sample randomization test, $\alpha = 0.05$ one-sided).

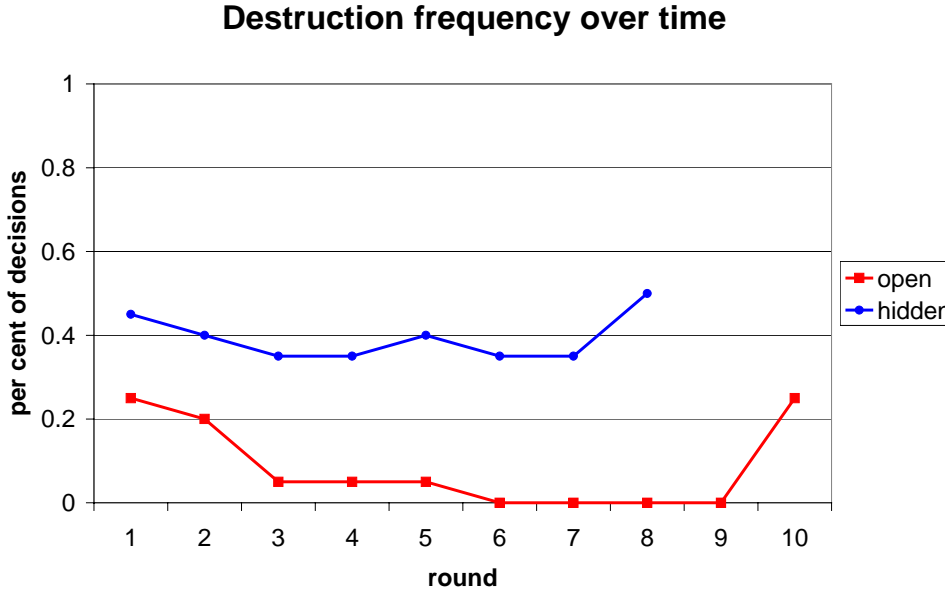


Figure 1

Both treatments show a neat end-game effect, as destruction frequencies shoot up in the final round. This is reminiscent of the breakdown of cooperation in the final round of social dilemma games. This effect is most often interpreted as a selfish act to maximize own payoff. In our game there is of course nothing to gain from burning the other player’s money.

Figure 2 shows the evolution of destruction in euros. The general tendencies are the same. There is very little destruction in the open treatment, while in the hidden treatment substantial amounts are burned (in total 20.4% of the maximum allowed).

In each round, each individual’s endowment was determined by the number of ads the subject had to evaluate. The question arises whether destructive acts vary with the endowment a

participant receives. A subject receiving a low endowment can expect to be poorer than the partner (with a two-third probability), so the subject may wish to destroy to establish (expected) equity (like in Zizzo and Oswald (2001)). Figure 3 shows that there is no noticeable connection. In the hidden treatment, destruction is even highest when the own endowment is the same as the opponent's expected endowment, though no difference is significant. This result thus refutes the possible explanation of expected inequality aversion.

Destruction over time

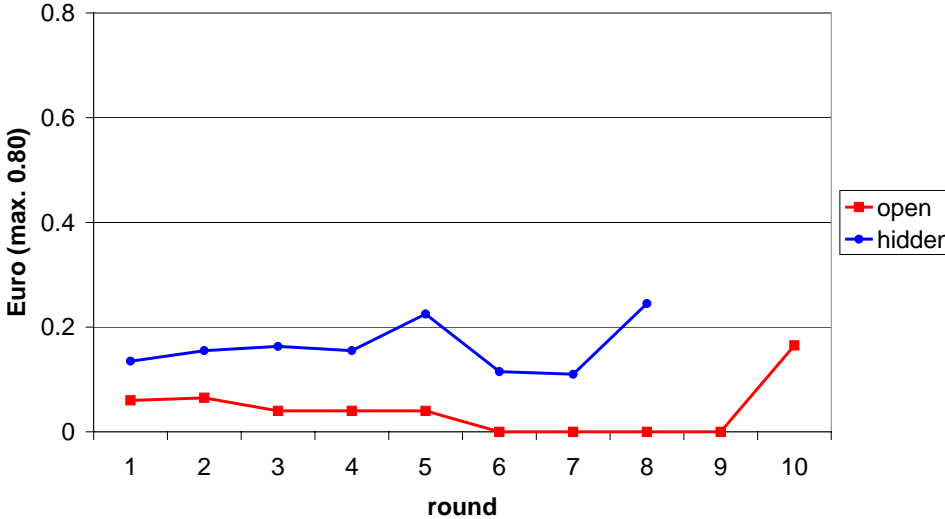


Figure 2

Destruction as a function of endowment

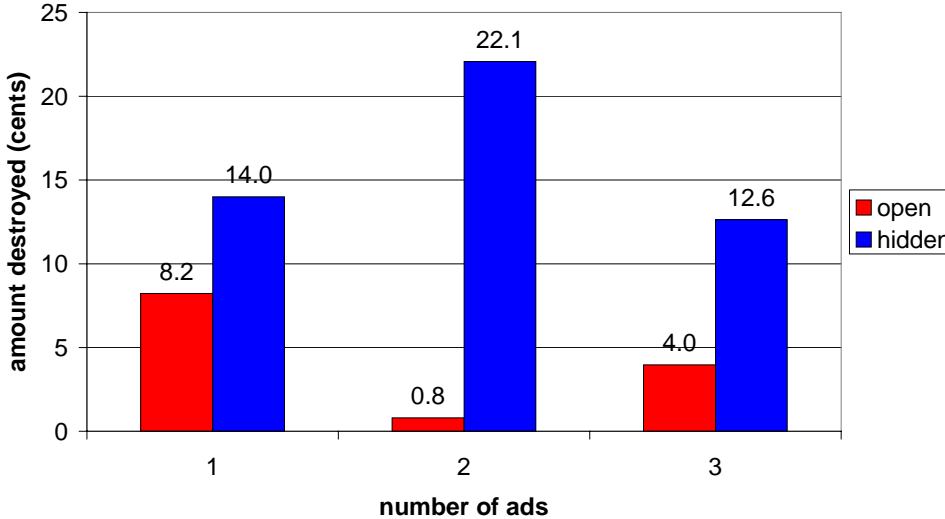


Figure 3

Finally, we check whether destruction choices depend on the total destruction a subject has observed in the previous round. Recall that in the hidden treatment high levels of total

destruction indicate a higher probability (or even certainty) that some part of the destruction was induced by the other player. Figure 4, however, shows that subjects did not noticeably respond to the observed level of destruction. There is no correlation between the observed suffered destruction and the destruction inflicted on the partner.

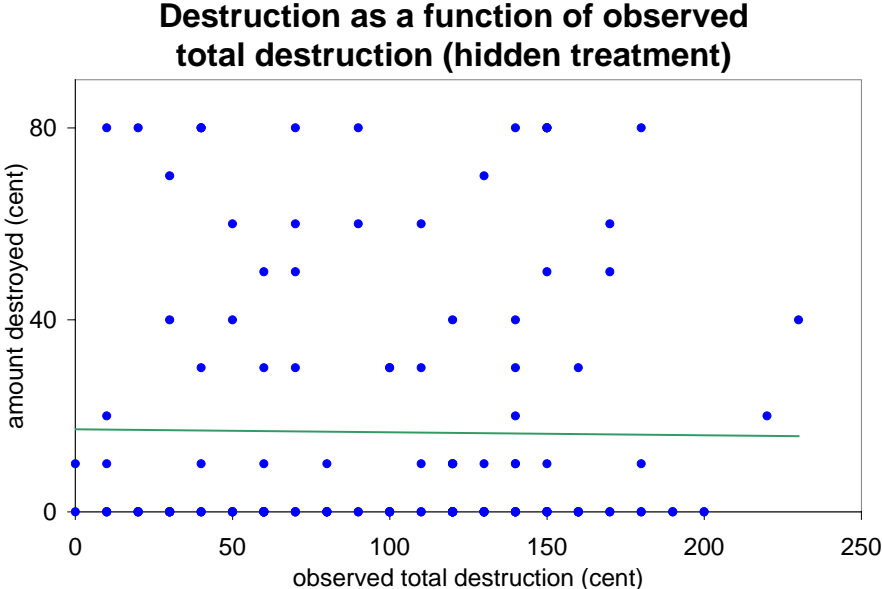


Figure 4

4. Discussion

In the joy-of-destruction game that we introduce, players can burn each other’s money, but we have removed all conventional reasons to do so. No material gain is achieved, no wrongdoing is punished, no inequality is reduced. Nevertheless, we observe a substantial incidence of nasty behavior in our hidden treatment, where spiteful actions could be covered by random destruction. When destruction is open, it rapidly goes away, but the treatment difference shows that this decline is due to fear of retaliation, not due to kindness.

We interpret the high destruction rates in the hidden treatment as indication of an emotional pleasure of being nasty. Other explanations are of course possible. Individuals could be motivated by comparative payoffs, wishing to increase their relative standing compared to the opponent. However, proponents of fairness utility models (e.g. Fehr and Schmidt (1999), Bolton and Ockenfels (2000)) usually find that people dislike unfavorable as well as favorable inequity. We also observe no effect of the own endowment, which renders this explanation incomplete.

Subjects destroying money might be driven by a motive of “pre-emptive retaliation”. They may expect the partner to destroy money and “respond” by doing so themselves. This would

imply that individuals may expect a pleasure of being nasty in others, even if they do not have this inclination themselves.

Perhaps our results raise more questions than they answer. The most pressing one, though beyond the scope of this paper: How can we reconcile our results with the abundance of phenomena that prove the “good” side of human nature? Do the same people, who cooperate in dilemma games, hurt others in our game? Or are there “good” and “bad” people among our subjects, such that the good people cooperate in other games and just do not destroy in our game, while the bad people hurt others in our game and just behave selfishly in other games? Or are social preferences context dependent? To answer these questions more obviously work on the pleasure of being nasty is needed.

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