

Teaching *Current Directions in Psychological Science*

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Teaching *Current Directions in Psychological Science* offers advice and guidance about teaching a particular area of research or topic covered in this peer-reviewed APS bimonthly journal, which features reviews covering all of scientific psychology and its applications.

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What to Do With Dirty Money?

By C. Nathan DeWall

[Tasimi, A., & Gross, J. J. \(2020\). The dilemma of dirty money. *Current Directions in Psychological Science*, 29, 41-46. <https://doi.org/10.1177/0963721419884315>](#)

Money is symbolic, wielding its influence largely through the power that others give it. On its own, money is meaningless, representing paper, coins, and spreadsheet information with little inherent value. When national and global economic systems imbue money with meaning, people can spend, save, invest, and donate. But, according to Arber Tasimi and APS Fellow James Gross (2020), people also perform a moral background check on their money to make sure it isn't dirty before spending, even if they don't remember it.

People prefer having money that did not harm anyone before it takes up residence in their bank account. They work harder at jobs that generate "clean money" than "dirty money" (Stellar & Willer, 2012). Money that harms people directly or indirectly becomes morally infected (Tasimi & Gelman, 2017). Just as people avoid sneezed-on money, they keep a distance from morally dirty money (Flusberg & LaPlace, 2019).

Dirty money creates a self-control dilemma because it produces a valuation conflict: Money is good, but money earned by harming others is bad. Drawing on the process model of self-control (Duckworth, Gendler, & Gross, 2014), Tasimi and Gross argue that people encountering dirty money often strengthen one valuation (e.g. "The company's morals are awful!"), weaken another (e.g. "Having lots of money isn't that important to me"), or strengthen one *and* weaken another valuation. This mental balancing act helps people maintain their moral compass.

To bring this cutting-edge research into the classroom, ask students to complete one or both of the following activities. The first activity demonstrates how dirty money — money obtained through immoral actions — can influence spending. The second activity shows how standards shift whether money

is viewed as dirty or clean. In my experience, students love discussing money and should have no problem discussing these topics. At the same time, the topics deal with morally questionable actions. Remind students that the activities are voluntary.

Activity 1

Ask students to imagine the following scenario:

You are purchasing a car. Your goal is to acquire a vehicle that is reliable, safe, and fuel-efficient. Without a car, you will not be able to attend school. The downside is that you only have \$2,500 saved.

Two family members agree to help. The first family member offers \$5,000 from the proceeds of his payday lending business, which offers loans primarily to low-income households at the national payday loan average interest rate of 391% (InCharge, 2019). The second family member offers \$3,000 from his savings as a public school teacher in a high-crime section of his city. You can choose to accept one, both, or neither gift, but the money can only be used for the vehicle purchase.

Which of the following three cars would you choose?

Option A: 2010 Toyota Prius

Price: \$4,995

Mileage: 188,465

Option B: 2011 Toyota Prius

Price: \$7,250

Mileage: 63,000

Option C: 2008 Toyota Prius

Price: \$2,491

Mileage: 341,141

With a partner, ask students to discuss which option they chose and why. According to Tasimi and Gross (2020), people should choose option B the least because that purchase would have relied on dirty money. How much did students' responses support this line of reasoning related to dirty money? How might their responses have differed if they had received the money without knowing the source of the money? If they had unknowingly purchased the car with dirty money, how much would they want to return the car if they could do so? Instructors can help lead a short class discussion on how students used self-control to manage competing impulses between the positive aspect of having more money from a gift and the negative aspect of having more money for a gift linked to dirty money.

Activity 2

Instructors can ask students to imagine a fictional scenario, in which they have a 5-year-old daughter who needs a lung transplant. The child will die if she does not receive the transplant within 1 year. After 11 months, three companies reach out with offers to help the child.

Company: Helping Children Survive

Mission: Giving children on organ-transplant lists opportunities to survive through providing private medical care and access to global transplant list.

Offer: Immediate access to lung and transplant services

Cost: \$100,000, interest-free 10-year loan

Company: Tobacco Smokers of America

Mission: Selling tobacco products but also helping people in health crises.

Offer: Immediate access to lung and transplant services

Cost: \$100,000, interest-free 10-year loan

Company: Big Tobacco Conglomerate

Mission: Selling tobacco products but also committed to reducing future smoking.

Offer: Immediate access to lung and transplant services

Cost: Free

Using a 7-point scale (1 = *not at all likely*, 7 = *extremely likely*), ask students to report how likely they would be to:

Choose the option from Helping Children Survive?

Choose the option from Tobacco Smokers of America?

Choose the option from Big Tobacco Conglomerate?

Choose to wait and see if a better option comes along?

According to Tasimi and Gross (2020), students will likely show the lowest levels of willingness to accept offers from tobacco companies because doing so would insinuate accepting dirty money. Instructors can guide the class to discuss different aspects of this imaginary scenario, such as whether

the need to avoid accepting dirty money is rational or irrational. Would students be willing to pay \$100,000 rather than accept dirty money? Finally, how might responses to this scenario have differed if these questions were asked of American students in 1953, when 47% of American adults smoked cigarettes, including half of physicians (Roper & Roper, 1953)?

The next time your students consider a new job, ask them to consider that the salary might not matter as much as they think. Encourage students to consider how they would manage receiving a high salary working for a company that harmed others directly or indirectly. By encouraging students to engage in this type of moral reasoning, they can avoid the dilemma of dirty money.

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Human Strengths Amid the Challenges of Poverty

By David G. Myers

[Frankenhuis, W. E., & Nettle, D. \(2020\). The strengths of people in poverty. Current Directions in Psychological Science, 29, 16–21. doi:10.1177/0963721419881154](#)

Two questions for your students' reflection — perhaps with private note-taking on opposite sides of a page, followed by class sharing and ideas summarized on the whiteboard:

1. *In what ways do you believe poverty is socially toxic?* What *problems* are associated with home or neighborhood poverty?
2. *Are there any upsides of poverty?* What compensating *strengths* might be associated with the experience of poverty?

Psychological science has abundant evidence of the price of poverty. Poverty-related stressors impede cognitive performance (Heberle & Carter, 2015; Mani, Mullainathan, Shafir, & Zhao, 2013). Poverty, often in association with extreme inequality, also predicts an increased risk of

- mental disorders, such as depression (Cree et al., 2018; Pratt & Brody, 2014);
- school failure and suspension (Wilson-Simmons, Jiang, & Aratani, 2017); and
- crime, obesity, and anxiety (Payne, 2017; Wilkinson & Pickett, 2019).

Poverty also predicts lower life expectancy and less happiness. In a recent Gallup survey, 87% of people earning more than \$100,000 rated their “physical health and mental health” as excellent, in contrast to only 54% of those earning less than \$40,000 (Saad, 2019). Although people vary and many thrive, poverty predicts problems.

Nevertheless, life’s challenges and adversities can have a silver lining. For example, attention-deficit/hyperactivity disorder (ADHD) can entail spontaneity, passion, and energy. Autism spectrum disorder may come with exceptional skills or talents. And those who grow up under adversity — even surviving the Holocaust — may mature into resilient, well-adjusted adults (Helmreich, 1992; Masten, 2001). Short of trauma, hardship can boost mental toughness (Seery, 2011). It can also connect people. In a Child Trends survey of more than 100,000 families, 63% of parents in poor families reported eating together as a family 6 or more days in the previous week, as did only 47% of higher income families (Valladares & Moore, 2009). (This suggests a clicker question: Who do you think eats dinner together more often?)

Moreover, although enduring poverty puts children at risk for some social pathologies, growing up with wealth increases individualism and can put people at risk for substance abuse, eating disorders, anxiety, and depression (Lund & Dearing, 2012; Luthar, Barkin, & Crossman, 2013). Thus, there is a comparative upside of poverty: For many people, coping with adversity diminishes fragility and strengthens resilience (Rutter, 2013).

In addition to these familiar lessons, Willem Frankenhuis (Radboud University) and Daniel Nettle (Newcastle University) noted the wisdom of other psychological responses to poverty.

Consider, for example:

- *Time preferences.* Life choices that may seem “negative,” such as not delaying gratification for greater long-term rewards, may, in the context of poverty, be reasonable. “If current need is high and the future is uncertain,” noted Frankenhuis and Nettle, “it can be beneficial to spend money now rather than save for the future.” What to others may seem self-defeating or pathological — focusing on current threats and opportunities and discounting the future — may be adaptive for someone living in poverty. Food or shelter, as a bird in the hand, beats an uncertain investment in the bush of future education or savings. As one impoverished young offender said, “I’m the smart one because I know that life is short. . . so it’s smart to get yours now” (Brezina, Tekin, & Topalli, 2009).
- *Reproductive decisions.* Frankenhuis and Nettle noted that for affluent people, it pays to accumulate cultural capital, such as an education, before reproducing — but less so for women whose bodies are enduring the stresses of poverty, and who benefit from having the support of

younger and healthier family and friends, including elders who do not yet need their care. By Nettle's calculation, the most biologically reasonable time for women to begin childbearing is the latest age that she "can, on average, expect to be in good health until [her] oldest grandchild is five." In the poorest neighborhoods, that age is 8 years younger than in the richest.

- *Hidden talents*. Faced with harsh and unpredictable environments, people may become skilled at detecting dangers, shifting between tasks, tracking a rapidly changing environment, and coping with others' negative affect, recent evidence suggests. As the Nobel laureate economist Abhijit Banerjee and his colleagues (2017) found, children raised in poverty who have difficulty with classroom math problems may easily handle equally complex problems while selling goods on the street. Moreover, "social transitioners," who move from poverty into affluence, often benefit from skill sets and communication abilities that bridge the economic strata (Martin & Côté, 2019). An experience of adversity, whether from poverty, discrimination, or a mental disorder, can produce the gift of greater empathy for others who now walk the same journey.

Frankenhuis and Nettle concluded that the behavioral sciences need "a balanced approach" to poverty that integrates both deficits and strengths. Barbara Rogoff and her colleagues (2017) agreed: "A challenge for future research is looking for strengths in all populations and designing learning situations and assessments in ways that build on and build toward the strengths of all."

And to conclude the class discussion, instructors might return to the opening two questions. How closely did students' expectations match what researchers have gleaned?

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