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VOLUME 2 (2023)

EDITORIAL FOREWORD

I am honored to introduce this year's edition of *The Philosophy, Politics, and Economics Review*. This volume marks the second in the journal's history, and I am proud to say that through the hard work of our faculty, student editors, and especially the authors, we have curated a journal volume that serves as a worthy follow-up to the first edition. Every iteration of the PPER builds upon the last, following the academic model that produces knowledge based on a continuous chain of scholarly work that builds upon the existing canon while pushing the envelope forward. It is only through this process that new knowledge is generated.

I would like to extend my eternal gratitude to my faculty mentor, Dr. Gil Hersch, for his continuous support and guidance throughout this entire process. I would also like to thank Dr. Michael Moehler for his passion and commitment to making the journal a continued success. Additionally, I would like to thank the entire faculty and student PPER editorial team for their focused efforts in developing positive working relationships with the authors.

This journal volume consists of five papers written by authors who studied for their undergraduate degrees at Pomona College, Mount Holyoke College, Universidad San Francisco de Quito, and our own institution, Virginia Tech. We are proud of the journal's reach across different PPE Programs worldwide and believe that this volume showcases the versatility of PPE, as the papers range in topics from the application of game theory to social cooperation, lethal injection drugs, the Chinese government's regulation of reality shows, consent within the market for sex work, and corruption tolerance in Ecuador. The diverse methodologies and viewpoints contained within the journal demonstrate the value of PPE within the 21st Century as a tool of both analysis and change.

The PPER believes, at its core, that the work of undergraduate students is valuable and deserving of discussion. Selection in the journal indicates not only the author's excellence in research, but the value that the author's work has in a larger ongoing conversation on these topics. Submitting your work and allowing it to be published comes with both vulnerability and acceptance of the unknown, and the PPER appreciates the trust that the authors have placed in us.

The selection of works included in this volume demonstrates not only the wide variety of topics that the field of PPE encapsulates, but also the array of issues that current PPE students consider to be important. In this sense, readers of this volume will be drawn into the PPE classroom, experiencing both PPE's global perspective and the tight bonds that link the PPE community. I hope that readers lingering in the doorway will feel welcome enough to step into the classroom and join the conversation.

Megan L. Schaefer

DOWNLOADS

In addition to the web version, this journal volume is available for download in the following formats:

PPER Volume 2 (PDF Print).

PPER Volume 2 (Ebook). Compatible with all eBook readers except Kindle.

THE MORALITY AND PRACTICALITY OF TIT FOR TAT

Nicole Player

Economists have long argued that Game Theory provides tools for understanding human interactions using mathematical models. In his tournaments testing various repeated Prisoner Dilemma strategies against one another, Robert Axelrod found that within Game Theory, 'Tit for Tat' is the most successful strategy for optimizing one's outcome. Since the 1980s, Tit for Tat and its strict reciprocation have been referenced in thousands of literature pieces as the best policy for breeding cooperation in a self-interested Western society. However, thinking of Tit for Tat as a strategy to implement in everyday life invites moral and practical speculation regarding its retaliative nature. Thus, a more forgiving strategy, Generous Tit for Tat, and a subset of that strategy called Nice and Forgiving, are proposed to take over once Tit for Tat weeds out the 'defectors' of a society. Axelrod also proposes several ways for us to promote further cooperation in our communities today through policy and education.

1. Introduction

One of the world's first recorded law codes is the Code of Hammurabi, which dates back to 1870 BC. The code follows the principle of *lex talionis*, the law of retributive justice often associated with the modern saying 'an eye for an eye' (Arce 2010). King Hammurabi preached strict reciprocity and harsh punishment for crimes committed, and while some of this swift justice is unacceptable in Western societies today, the idea of fairness and reciprocation that came with it still remains (Devm 2021). 'An eye for an eye' is still preached as the best strategy for interacting with others and keeping the peace, perhaps most vehemently in the form of a strategy of economic game theory called 'Tit for Tat' (TFT).

TFT is a strategy option in a repeated Prisoner's Dilemma game in which a player starts by cooperating with their opponent and then does whatever the opponent did on the previous move for the rest of the game, thereby maintaining trust with those who deserve it and punishing betrayers. Political scientist Robert Axelrod hails the success of this strategy in his 1984 book, *The Evolution of Cooperation*. Axelrod exalts TFT as a method for how we should live our lives in a capitalist world based on incentives and self-prioritization in the hopes that we may optimize cooperation without exploitation. Although his findings have convinced many of TFT's efficacy, there are other experts who question its success, its practicality in the real world, and its morality. This article outlines theories and experiments regarding TFT in Prisoner's Dilemma situations and explores how it can be applied to modern Western society. It will then suggest a

potentially better strategy to live by, and additional methods for inducing cooperation in a self-interest-dominated culture.

2. A Brief Recap of Game Theory

Game theory gained prominence in the mid-1900s as a tool created by John Nash and other economists to explain, predict, and guide the behavior of rational and self-interested individuals during strategic interactions (Aldred 2019). At the most basic level, it is characterized by a defined set of players, strategies, payoffs, and information. Typically, economists will attempt to simplify a game theory model by assuming a two-player symmetric game. In this model, two players have two possible identical strategies (which usually embody a cooperate option and a defect option) and there are four different payoffs for each player depending on what they do and what their opponent does (Duersch et al. 2014). To make analysis tractable, game theorists impose simplifying assumptions such as symmetric payoffs, complete information, and simultaneous action. All of these assumptions make it difficult to apply game theory to the real world, in which interactions are a lot more fluid and varied and it is difficult to measure the payoff (or utility) a person receives from each interaction. However, even if rational players in game theory are unlike real humans, the practice of game theory can still provide us with a lot of insight into social interactions (Aldred 2019). One way in which game theory has been especially useful is through the discovery and exploration of the Prisoner's Dilemma.

The Prisoner's Dilemma, introduced first by Albert Tucker in 1950, is a situation in which defection is always individually the better option for each party involved. The Prisoner's Dilemma is usually outlined by a two-player symmetric game. It was first proposed as a model in the context of two gang members, Alf and Betty, who are asked to rat each other out for their crimes. Both are told that if they confess and implicate their fellow member, they will receive immunity from prosecution while their former partner will get a ten-year sentence. If they both stay silent, they will each be given a two-year sentence for a minor crime. If both confess, however, the immunity deal is off and they will both be sentenced to eight years (Gaus 2008). This and every Prisoner's Dilemma is structured so that no matter what Alf does, Betty will be slightly better off if she chooses to defect and betray Alf's trust rather than keep it. The same is true for Alf, and so in a one-shot game, if both are rational and self-interested both will choose to defect. This defection will leave both players worse off (for the gang example, with eight years of prison rather than two) than if they had cooperated.

		BETTY	
		Keep quiet	Confess
ALF	Keep quiet	2	0
	Confess	12	10

Prisoner's Dilemma

We see the Prisoner's Dilemma show up on a broader scale everywhere in our capitalist, democratic society, and it does not have to be limited to two players. Economist Amartya Sen (1970) references the Prisoner's Dilemma as a contributor to a "liberal paradox" in which letting humans exercise more freedom of choice may lead to suboptimal outcomes. For example, if five smokers

in a room have the choice to smoke or not smoke, the outcome of no one smoking is far better than the outcome of everyone smoking up the place, but everyone will still smoke because they think about what is individually better for them; hence, a Prisoner's Dilemma takes place when there are no incentives against it (De Bruin 2005). Importantly, though, the Prisoner's Dilemma is far more likely to end poorly in a one-shot game. When the game is played multiple times between the same people, a much wider sequence of strategies comes into play. One might choose to defect every time or cooperate every time. One might cooperate until the other player defects and then defect for the rest of the rounds out of revenge. There are many ways to play a repeat-interaction Prisoner's Dilemma game. Robert Axelrod set out to find which one is the most successful in getting a player the most utility.

3. Axelrod's Findings

In the early 1980s, Axelrod invited fourteen experts in game theory to submit programs for his Computer Prisoner's Dilemma Tournament, each encoding and implementing their own strategies. He used a round-robin tournament style that put each strategy against all the other strategies, against itself, and against a random program (one with equal probabilities of cooperating and defecting), with each game consisting of exactly 200 moves. The payoff matrix gave both players 3 points for mutual cooperation and 1 point for mutual defection. If one player defected while the other player cooperated, the defecting player received 5 points and the cooperating player received 0 points (Axelrod 1984, 30-31).

To Axelrod's surprise, the winning strategy was not one that exploited cooperators, but the strategy of pure reciprocation submitted by Professor Anatol Rapoport of the University of Toronto: Tit for Tat. In a game of 200 moves, a score of 600 would have been very good, meaning that the two players always cooperated, and a score of 200 would have meant that they always defected. TFT averaged 504 points per game (Axelrod 1984, 33). To ensure that the strategy's success was not a fluke, Axelrod redid the experiment and this time had sixty-two entries from six countries, all of whom were well aware that TFT was the strategy to beat. Incredibly, TFT came out as the most effective strategy once again. Axelrod (1984, 48) then created six variants of the rules of the tournaments to test the robustness of TFT, and it placed first in five out of six of them.

4. The Advantages and Limits to TFT's Success

Since Axelrod's findings on TFT were published in 1984, they have been cited thousands of times in the fields of economics, politics, psychology, philosophy, and even evolutionary biology (Kramer et al. 2001). TFT was even claimed to be used by a winner of the reality TV show *Survivor*, Yul Kwon, as a strategy to get to the end while still fostering trust (Levitt 2021). Many written pieces take Axelrod's experiments as proof that direct reciprocity beats all other communication strategies, while other authors are more skeptical of his findings. This raises the question: how successful and practical is TFT really in Prisoner's Dilemma situations and beyond?

Axelrod gives his own initial reasoning for the efficacy of direct reciprocation. In *The Evolution of Cooperation*, he reasons that "what accounts for *Tit for Tat's* robust success is its combination of being nice, retaliatory, forgiving, and clear," which we can further break down to explain the efficacy of this particular strategy (Axelrod 1984, 54). TFT always starts with cooperation. When pitted against any strategy that also prefers cooperation (a 'nice' strategy), it has no incentive to defect and can earn many points thanks to the cooperation of the two strategies for the entire game. When playing with an opponent that initiates defection (a 'mean' strategy), its immediate retaliation discourages the other side from persisting whenever defection is attempted. If said

player returns to cooperating, TFT's forgiveness thereafter helps restore mutual cooperation with the player. And lastly, TFT's simplicity makes it reliable and trustworthy to others, allowing for long-term cooperation (Axelrod 1984, 54).

All of this makes TFT a very sturdy strategy over time, but there is one critical limitation that often goes ignored: it never actually wins against another player. Since TFT gains the same points as its opponent for every cooperation, the opponent gains the upper hand on the first defection, and TFT can never get back on top (Kopelman 2020). Therefore it is doomed in every individual interaction to either elicit a draw with eternal mutual cooperation or to lose. Amnon Rapoport, Darryl Seale, and Andrew Colman (2015) argue that TFT would not have had any success if not for Axelrod's 'round-robin tournament' style, which Axelrod maintained even for his additional tournament simulations. If Axelrod had chosen a 'knockout tournament' style in which participants were kicked off every time they lost to an opponent, TFT would have had no shot. Even if he had used a 'chess tournament' style in which participants receive 1 point for each win, half a point for each draw, and no points for each loss, TFT would have been at the bottom of the pack. TFT only worked consistently due to Axelrod's method: everyone plays everyone, and points are given for each round rather than for each 200-round game.

While this conclusion may call into question TFT's practicality in one-time interactions, it is important to note that it was not designed for these instances. Anatol Rapoport began experimenting with the Prisoner's Dilemma in 1962 and had a deep understanding of non-zero-sum games. He entered TFT into Axelrod's tournament with the round-robin style in mind, knowing that while TFT was individually weak, it was strong against the masses (Kopelman 2020). Rapoport reasoned that other strategies may be individually strong against the strategies they are specifically designed to expose and defeat. But when pitted against each other, these strategies severely reduce each other's scores. TFT, on the other hand, can never lose by more than one play, and so it gains many points when it competes with nice strategies and it is not as badly beaten down against mean strategies (Kopelman 2020).

Axelrod had similar revelations to Rapoport and notes that TFT had to work with a sufficiently large cluster of nice strategies in order to be successful in his tournament. If TFT goes against a mean strategy that only defects, it will lose the battle, but when paired with enough nicer strategies it will gain more points than this defector and win the war. Axelrod (1984, 64) applies this to everyday human interaction to say that a group of people who value reciprocity can easily weed out greedy exploiters to develop a society based on trust and cooperation. He also simulated the ecological success that TFT could have; when its rules are passed down for generations, it will continue to proliferate through natural selection until the entire community follows its simple philosophy of retaliation and forgiveness (Axelrod 1984, 51).

Axelrod's conclusions are very hopeful, but they tend to leave out the necessary transition of TFT from use in game theory to real-world use. We live in a mistake-ridden world, and TFT could be an impractical strategy due to misinformation (Kramer et al. 2001). It is often possible that real-life people will defect by mistake, such as if a friend ignores your calls and you consider this a betrayal when, actually, that person's phone was dead. When a person who defects has true cooperative tendencies but there is a miscommunication, a defection by someone with a TFT strategy could signal to the accidental defector that the TFT-using person is not interested in maintaining cooperation, and trust is lost. Moreover, when both people are TFT users, one defection will create a snowball of defections that can't be escaped, creating a never-ending feud between players (Axelrod 1984, 138). Therefore, TFT has a greater risk of fostering distrust and failing its initial goal of cooperation in a noise-filled real world than it would in a carefully constructed game.

Rapoport's TFT has potential as a reliable approach to personal and global interactions, but

it may need to be tweaked to account for miscommunications. We also need to limit TFT's proven success to only apply to scenarios where many people are interacting every day. Fortunately—when we are thinking about communities and bigger companies as a collective—repeated interaction is certainly the case, and TFT's rule of reciprocity should prove very effective in these environments even with the occasional slip-up. Whether this rule is the most ethical option, however, is more questionable.

5. The Moral Dilemma of TFT

Interestingly, Axelrod's main example of the effective use of TFT is not even an example of civil life, but an example of warfare. In *The Evolution of Cooperation*, he extensively references the situation of trench warfare during World War I. During this bitter conflict, it was common for one side to refrain from shooting the other with the goal of killing, provided that the other side reciprocated. Axelrod hypothesizes that the prolonged interactions between the two soldiers allowed for empathy between them as well as a desire to collaborate and preserve lives, even when this meant going against higher orders (Axelrod 1984, 129). He calls this the "live and let live" scenario and claims it "demonstrates that friendship is hardly necessary for the development of cooperation" (Axelrod 1984, 21-22). The trench warfare example is an appropriate situation for the 'an eye for an eye' mentality to take place, but morality is valued higher in the modern civilized world compared to this exception state.

Immanuel Kant proposed that the supreme principle of morality is a principle of practical rationality; he dubbed this the Categorical Imperative. The Categorical Imperative says that one should act only in accordance with a maxim through which one can at the same time will it to become a universal law. In other words, you should always only treat a person how you would wish everyone to be treated, including yourself (Jankowiak). The Categorical Imperative shares some features with what is commonly called the Golden Rule: Treat others as you'd want to be treated. This rule is the baseline for what many Western parents teach their children, and it implies a general egalitarian view of people as moral equals. Using the Golden Rule in a repeat Prisoner's Dilemma game would seem to imply that we should always cooperate without the added aspect of revenge. We are always better off if the other player cooperates, so by Kant's Categorical Imperative and the Golden Rule, it makes moral sense for us to reciprocate this cooperation and maintain trust and community.

Hannah Arendt also weighs in on cooperation in political life. A prominent German 20th-century political philosopher, Arendt emphasizes fostering a community of 'togetherness' to allow for positive human activity and political discourse. She specifically cites forgiveness "in its power to free and to release men and women from the insolvable chaos of vengeance, so that they may reconstitute a community for living together on an entirely new basis" (Chiba 1995). In believing that forgiveness is key to a strong community, Arendt would also likely believe that consistent cooperation is the most moral and also most beneficial strategy to live by.

TFT implements some of these moral principles, but it also brings along with them the element of quick retaliation. This has led it to be comparable to a mafia strategy; the Mafia will cooperate with others but administers swift punishment to those who cross it. Just as the Mafia can operate without written statutes and law, a community of people practicing pure reciprocity "need not rely on external pressures such as law, coercion or social convention to sustain cooperation" (Aldred 2019). But then again, most people would not consider the Mafia to be moral. Axelrod acknowledges the moral dilemma of TFT himself in his book, saying, "*Tit for Tat* does well by promoting the mutual interest rather than by exploiting the other's weakness. A moral person couldn't do much better. What gives *Tit for Tat* its slightly unsavory taste is its insistence on

an eye for an eye. This is rough justice indeed” (Axelrod 1984, 137). While TFT does eventually forgive, it does not do so without an initial punishment. In a perfect world, therefore, TFT would not measure up morally to the simple strategy of constant cooperation.

Granted, we do not live in a perfect world. We live in a society where self-interest is often rational because it is awarded monetarily, and thus we face many defectors that will exploit our kindness if we never defend ourselves. Axelrod is right in saying that rough justice is necessary to show defectors that you cannot be exploited, in a game setting and in real life. Therefore, a compromise between efficiency and morality is necessary.

6. An Alternative: Making TFT More Generous

To make up for the pitfalls of TFT’s unyielding retaliation, a modified version that leans more on the side of forgiveness is warranted. The general format for this modified version is called ‘Generous Tit for Tat’ (GTFT), in which a player begins with forgiveness and, once defected against, only defects back a certain percentage of the time, giving the defector a better chance to redeem themselves (Kay 2013). The TFT strategy often devolves into mutual defection for the rest of the game, but GTFT opens the door to pull the game out of this uncooperative cycle. GTFT not only helps to make up for misinformation in the real world, but also is kinder and closer to the moral standard to which most people wish to hold themselves. That being said, it still comes with an element of justice being exacted; a person practicing GTFT will not be taken advantage of once defectors are made aware that he or she is still capable of retaliation. Axelrod (1984, 138) himself sees GTFT as a potentially better strategy, saying “It is still rough justice, but in a world of egoists without central authority, it does have the virtue of promoting not only its own welfare, but the welfare of others as well.” The world today does indeed have many egoists, but laws and customs also place value on kindness and forgiveness, so GTFT should work quite well as a general basic strategy to adopt.

There are many forms of GTFT that could have varying levels of success. Axelrod proposes a harsh version that reciprocates a defection nine-tenths of the time. ‘Tit for Two Tats,’ submitted to Axelrod’s second tournament by evolutionary biologist John Maynard Smith, is a far more generous strategy that defects only after having been defected against twice in a row. The strategy I focus the most on, however, is ‘Nice and Forgiving.’

‘Nice and Forgiving’ continues to cooperate as long as their opponent’s cooperation rate stays above 80%. If the rate dips below this threshold, ‘Nice and Forgiving’ retaliates with a defection, but reverts back to cooperation as soon as its opponent gets back above the threshold. An experiment conducted at Stanford University in 1991 found that ‘Nice and Forgiving’ came out on top in a round-robin style tournament that intended to simulate a “noisy world” (Kramer et al. 2001). The tournament added noise by asking each participant their desired level of cooperation, from 0 to 100%, and then adding or subtracting a randomized error term to this level. In this tournament, the 13 participants had prior knowledge of TFT’s success, so most of their strategies were variants of TFT with modifications that attempted to adjust for the added noise. Because of this, most strategies were ‘nice’ by Axelrod’s terms, but only 7 were considered ‘generous’ (meaning forgiving). TFT placed only 8th out of 13 in this tournament. As expected, when the error term was added to make a nice player’s cooperation less than 100% of the time, in any instance that TFT played a strategy like itself the first ‘accidental’ defection created a cycle of mutual punishment (Kramer et al. 2001).

So long as they return to a certain level of cooperation, ‘Nice and Forgiving’ allows strategies that intend kindness but make the occasional mistake to have redemption. Its generosity tends to dampen cycles of unintended and costly vendettas. That being said, ‘Nice and Forgiving’ is a

unique GTFT strategy in that it knows a lost cause when it sees one, and continues to defect after cooperation dips below 80% so that it is not exploited too badly. The Stanford experiment shows that when we try to simulate the real world, being generous to a point actually can be the most effective strategy so long as there are many other nice strategies there to support that generosity.

7. Transitioning from TFT to GTFT in a Selfish World

In the capitalist domain that many societies find themselves in today, an ‘every person for themselves’ mentality is easily fostered. The strategy of GTFT in these “kill or be killed” situations would be considered a strategy for “suckers” that would warrant a loss of self-respect (Schedler 2020). There are many egoist personalities that would be more than willing to exploit overly generous players to come out on top. That being said, there are also many people who are inclined to always cooperate. This inclination may boil down to a need for a good reputation, ingrained altruistic values from factors like religion and parenting, or plain old sympathy.

Of course, it was still TFT, not GTFT, that won Axelrod’s tournaments and proved itself the most effective. The GTFT variant ‘Tit for Two Tats’ placed only 24th in his second tournament, which had many more exploiting players than the first one. However, Axelrod (1984, 46-47) calculated that ‘Tit for Two Tats’ would have won the first tournament if it had been a strategy played because the first tournament had far more forgiving players. In the Stanford experiment, they also found that ‘Nice and Forgiving’ came out on top because most of the competing strategies favored cooperation (Kramer et al 2001). This gives us insight into the dynamics between TFT and GTFT in the real world. As discussed in Section 4, TFT still needs a substantial number of nice strategies to work with in order to defeat meaner strategies. But with this cooperative bolster, it can be a secret weapon for taking out mean strategies over time with its swift retaliation.

TFT may therefore be the most effective strategy if we start from a point where morality is less valued and there are many defectors, but once it weeds out those defectors, we can slowly switch over to GTFT, putting more trust in each other to cooperate. To quote Nowak and Sigmund (1992) in their paper on evolutionary game theory:

An evolution twisted away from defection (and hence due to *TFT*) leads not to the prevalence of *TFT*, but towards more generosity. *TFT*’s strictness is salutary for the community, but harms its own. *TFT* acts as a catalyser. It is essential for starting the reaction towards cooperation. It needs to be present, initially, only in a tiny amount; in the intermediate phase, its concentration is high; but in the end, only a trace remains.

We can thus appreciate TFT’s quick, unfailing justice when our society is untrustworthy and needs tough love, such as in the earlier example of trench warfare, but GTFT is what we can evolve into in order to cultivate the trust that TFT mobilizes.

8. Axelrod’s Strategies for the Promotion of Cooperation

Axelrod’s findings regarding the efficacy and robustness of TFT fuel his belief that it would be an invaluable principle for the world to go by on both a microeconomic and macroeconomic scale. However, knowing Rapoport et al.’s (2015) critique, it must be clarified that this is only when there are repeated interactions between multiple people. The practicality of TFT, and even of GTFT, lessens with one-on-one single interactions where one person can easily exploit another without being held accountable. In addition to this, we have to remember that humans are not the rational agents studied in game theory. We do not fully weigh our options, we make mistakes, and we are raised with a plethora of biases and stereotypes that we must stumble through.

Being aware of the situations that foster generosity and the situations that do not, Axelrod outlines a few strategies to promote cooperation without exploitation in our society, and he

tries to do this without putting the task squarely on our irrational shoulders. These strategies include enlarging the shadow of the future, changing payoffs, and teaching reciprocity and altruism early.

8.1 Enlarging the Importance of the Future

A key argument of Axelrod's is that mutual cooperation is only sustainable if the future is sufficiently important relative to the present. If we are not sure that interactions will continue to take place between two players, TFT's threat of retaliation will not be taken as seriously and players with defective tendencies will feel less pressure to cooperate in the present. Thus, the more importance we place on the future (in economic terms, the higher the discount factor w) the more possible it is for cooperation to persist (Axelrod 1984, 126). One way to increase the shadow of the future is by making interactions more durable. Trench warfare is a clear example of this durability. The troops in World War I knew they were not going to be going anywhere for a while. With any shooting would come an easy retaliation, and this made it easier to form an agreement and work together (Axelrod 1984, 129). Another way to make the future more certain is to make interactions between players more frequent, with interactions occurring more often and closer together. This can happen when two companies are big players in an oligopoly and can keep others out of the competition. When they are the only two players in the market, their interactions with each other become more isolated and more frequent, so they can find it easier to work together to keep them both on top. It is also useful to decompose interactions by breaking down issues into smaller pieces and thus meeting more often to discuss these issues. The more interactions between people, the more each move made matters and is considered in light of future interactions (Axelrod 1984, 129-130). When we make it clear that interactions will continue for a long time and many times in the future, whether it be in warfare or through a friendship, we are encouraged to keep cooperation going indefinitely.

8.2 Changing the Payoffs

A second strategy proposed by Axelrod involves making the Prisoner's Dilemma less of a dilemma by changing the payoffs of each outcome. The key problem of the Prisoner's Dilemma is how appealing defection is to the rational agent. However, if the government passes laws and mandates to punish such defection, it lowers its appeal (Axelrod 1984, 133). Some current examples of this are the masking, testing, and vaccination policies decreed by governments over the last three years of the Covid-19 pandemic. Without government intervention, the public Prisoner's Dilemma causes the incentive to vaccinate and test to be very low. While none of us want to get Covid and we know that vaccinating would contribute to public health, the costs of doing so add up. Vaccination is difficult to schedule, can be expensive, and takes time out of our days, and there have been many conspiracies around it saying it could make us very sick or even inject some sort of tracker in us. This makes it easy for people to fall into the tragedy of the commons and then think they can free-ride off of the herd immunity generated when everyone else gets vaccinated, which of course leads to no one getting vaccinated (Roberts 2020). But when the government mandates vaccines and testing as a requirement to go into public places and events, and also makes these vaccinations free and as accessible as possible, both explicit and implicit costs of vaccination start to go down, and the Prisoner's Dilemma weakens. More people 'cooperate' and get vaccinated, and if others are using GTFT-related strategies they do the same. With over 81% of the American population now having received at least one Covid-19 vaccination dose by February 2023, we can see that the pandemic is a great example of how changing the payoffs can lead to more cooperation in a society of public domains (CDC 2023).

8.3 Teaching Altruism and Reciprocity Early

A final way to promote cooperation that Axelrod proposes is by teaching children altruism and reciprocity as key values from a young age. Parents should lead by example and teach kindness and compassion to their children when they are most impressionable, and the same values should be taught to some extent in school (Axelrod 1984, 134). They should also make their children aware that there is always the possibility they will come across an egoist defector (a liar, cheater, etc.) and that they should be inclined to forgive this person for their faults but be willing to retaliate if necessary so as to not to be exploited (for example, to tell a teacher if another child is unkind to others) (Axelrod 1984, 136). As discussed in Section 7, the role of reputation in society also encourages an inclination to be altruistic. Whether it is on social media or within our close circle of friends, we want to be seen as good people that others can trust, so we are naturally inclined to be cooperative and reciprocating with everyone we meet. We have a tendency to want to fit in with society, and so a strategy like GTFT naturally manifests itself because we cooperate when others cooperate and defect (unless we worry too much about our reputation) when others defect. There are many ways in which altruism and reciprocity are ingrained in our culture already, but the increased teachings of these subjects by parents to their children can only help rather than hurt.

9. Conclusion

In a one-shot Prisoner's Dilemma game, we can see how rationality and morality always clash. The rational action would be to defect, while the moral action (most people can agree) would be to cooperate. But when the game is played continuously, it may become more possible for rational decisions to be more and more cooperative. TFT has proven itself in game theory, maintaining trust with the nice while weeding out the mean to promote an overall more cooperative society. That being said, TFT may have worked in an unforgiving environment such as trench warfare, but in the real world, it is both a difficult and harsh mentality to operate with. Once this strategy of cooperation with unflinching retaliation has done its job, we can start easing up our behavior to fit more with many philosophical and religious views of morality using variants of 'Generous Tit for Tat,' such as 'Nice and Forgiving.' We can also promote a more altruistic and reciprocating society by using prolonged, frequent, and familiar interactions, implementing laws and norms to change payoffs, and teaching selfless values early on. As a rational economic model, game theory can only do so much to advise us on real-world policies and social interactions. And yet, the theories that experts from a dozen disciplines deduce from it do seem to have produced great insights and have shown the potential to make our polarized, capitalist nation's future less bleak.

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PHARMACEUTICAL FIRMS AGAINST LETHAL INJECTION AND THE RAMIFICATIONS

Hana Mir

The United States Department of Corrections faces a lethal injection drug shortage caused by a decreased supply of domestic producers and international legislation making it nearly impossible to import the drugs. Although this drug shortage is what political activists have been demanding for years, the shortage has led to a number of horrifying deaths for prisoners in the U.S. due to states using unregulated, contaminated, or even untested methods in place of Big Pharma's (the collective of major, multinational pharmaceutical companies) drugs. The artificial shortage has also caused a dramatic increase in the speed and price of executions. Although it may seem controversial at first glance, this article will discuss how it is morally impermissible for Big Pharma to deny the State, and hence its prisoners, access to lethal injection drugs.

1. Introduction

More and more pharmaceutical companies, both domestic and international, have been refusing states in the U.S. the right to use their drugs for lethal injection. The execution drug shortage in the U.S. began in 2010 when Hospira, the only domestic manufacturer of the drug, decided to leave the market (Alper 2014, 30). Hospira, as well as the other drug companies that soon followed in their steps, claimed it was morally wrong for them to sell drugs that would be used for executions, as their drugs were made to help people by providing therapies and treatments to improve individuals' overall quality of life (Barry 2014). However, by prohibiting states from using their drugs, the conditions of those on death row became drastically and measurably worse due to the lack of reliable FDA-approved execution drugs. The shortage caused states to use less humane methods of execution, such as the shooting squad, the electric chair, and even hanging (Wade 2021). Some states decided they would proceed with planned executions using lethal injection, but had to secure the drugs from unreliable or even illegal sources, which lead to grim and distressing executions for several prisoners.

In this article, I will examine the motivations that 'Big Pharma' may have had to leave the market and the impacts that its decision has had on the United States Department of Corrections. First, I establish why lethal injection is the most humane method for execution. Second, I examine possible motivations for why Big Pharma made such a choice through a political and economic lens. Finally, I discuss the ramifications of Big Pharma's choices and how Big Pharma may have predicted some of the second-order effects of their decision that created an opportunity for increased market profit.

Although Big Pharma cites moral obligations for their refusal to sell their drugs, I argue that it is morally impermissible for them to withhold the means of lethal injection, the most humane method of execution, from the State, and more importantly, from the prisoners. For my argument, I will make no assumption about the moral permissibility of capital punishment. This question is irrelevant to my argument and readers are free to choose whether they side with or against the act of capital punishment.

2. Why Lethal Injection is the Most Humane Method of Capital Punishment

A humane execution is one in which the prisoner is treated with dignity and humanity, and hence the pain and suffering they feel both physically and mentally, as well as the humiliation of the prisoner and their loved ones, should be minimized. In the U.S., the Supreme Court has ruled the following methods of execution to be constitutional: hanging, electrocution, gas chamber, firing squad, and lethal injection. Three of these five methods—hanging, electrocution, and firing squad—visibly alter, distort, or harm the prisoner's body, causing excess pain to loved ones and taking dignity away from the prisoner. Hence, they are ruled out as the most humane methods.

This leaves two remaining options: lethal injection and gas chambers. The latter has a very prominent negative connotation associated with it for many people today because of the use of gas chambers by Hitler during the Holocaust. Therefore, by using the gas chamber to perform executions, the State could be bringing forth very painful memories for some, resulting in excessive mental anguish. As such, lethal injection seems to be the most humane method of capital punishment because it minimizes body mutilation, bleeding, unpleasant smells, sounds, and sights, and does not cause involuntary defecation or urination (Philipott 2014; Salk 2015, 287).

Opponents of lethal injection argue that, although other methods of execution may be more gruesome to watch, they are more humane due to their higher success rates. Lethal injection is the most botched method of execution, with a failure rate of 7% (Gibson and Lain 2015). It is performed in three steps, the first of which is injecting the prisoner with sodium thiopental, an anesthetic that, if administered properly, should make the prisoner unconscious for the entirety of the operation (Philipott 2014, 1; Gibson and Lain 2015; Alper 2015, 28). The second is to paralyze the prisoners' muscles by injecting them with pancuronium bromide, which should be painless, assuming the first step was done correctly. Lastly, the prisoner is paralyzed and can be injected with potassium chloride, which stops their heart and ultimately kills them.

When done properly, lethal injection takes only a matter of minutes—about seven on average—most of which should be painless for the prisoner because they are under anesthetic. This method is less disturbing to watch for loved ones because the body is paralyzed (Philipott 2014, 1; Gibson and Lain 2015; Alper 2015, 28). However, if the first injection is not performed correctly or dosed accurately, the prisoner will be able to feel their heart pounding as it is going through cardiac arrest and, because of the paralysis, will be left helpless and unable to communicate their pain to others.

Even ignoring the longer time frame it would take for the drug to kill the prisoner if the dosage were incorrect, the pain and suffering experienced by the prisoner if their lethal injection procedure was ill-performed seems to be enough to reconsider lethal injection as the most humane method. However, 93% of the time lethal injection is done correctly, resulting in a quick and painless death for the prisoner and a less horrific sight for loved ones. Lethal injection is also the most recently developed form of capital punishment, so it does not have the same long history of trial-and-error other methods may have that lead to a higher success rate (Philipott 2014, 1; Gibson and Lain 2015). Although its success is not always guaranteed, lethal injection is currently the most humane method for executing prisoners, as it allows for a quick, painless, and digni-

fied death when done correctly, and even in the case when it is botched, the pain, suffering, and humiliation placed on loved ones is minimized and the dignity of the prisoner is still left intact.

It is worth noting that part of the reason lethal injection has such a low success rate is that medical doctors are not allowed to administer lethal drugs due to the restrictions placed on them by the Hippocratic Oath that requires them to “do no harm.” However, one might wonder whether a doctor really would be doing harm by making sure such a procedure goes as smoothly and painlessly as possible if it is, one way or the other, the ultimate fate of the patient. Nevertheless, whether or not doctors should be allowed to perform, or at least proctor, lethal injections for either capital punishment or euthanasia is a separate, complicated topic that lies outside the scope of this article (Silver 2003, 1-7).

3. Motivations Behind Drug Company’s Resistance to Sell Drugs for Lethal Injection

I now discuss why the lethal injection drug shortage is an ongoing problem, and the reasons drug companies have stopped producing and selling their drugs to the Department of Corrections in the U.S. First, I cover a brief history of the drug shortage and how states quickly lost all reliable sources of sodium thiopental available to them. Then, I discuss the political and economic motivations behind pharmaceutical companies’ decision to stop selling drugs used for executions.

3.1 History of the Drug Shortage

Capital punishment is banned throughout the European Union and is culturally seen as a barbaric form of punishment, although it is still performed in the U.S. (Alper 2014, 28). European nations and political activists have been trying to stop the practice of capital punishment in the U.S. for years, as it is the only western country for the past thirteen years to continue the execution of prisoners. However, despite international pharmaceutical companies urging U.S. prisons to stop using their drugs for executions, not much progress was made to stop capital punishment from occurring for years.

The drug shortage began in 2010 when Hospira, the only U.S. manufacturer of sodium thiopental—the anesthetic used in the first step of lethal injection—was forced to stop manufacturing the drug due to a production problem (Alper 2014, 30). To proceed with planned executions, the U.S. Department of Corrections started procuring non-FDA-approved sodium thiopental from a small wholesaler in the U.K. by the name of Dream Pharma, which was running out of the backroom of a driving school located in London at the time (Alper 2014, 30; Gibson and Lain 2015). Within a matter of months, the U.K., which banned capital punishment over 50 years ago, placed restrictions on the exportation of thiopental, a measure soon copied by the European Union.

In 2011, an amendment was made to the European Commission Regulation 1236/2005, also known as the “Torture Regulation,” to prohibit the trade of “goods which could be used for capital punishment, torture, or other cruel, inhumane or degrading treatment or punishment” (Alper 2014, 28). During the same year, Hospira decided to leave the thiopental market completely to stop its association with capital punishment while also avoiding problems with authorities at one of its major plants, which resided in Italy (Alper 2014, 30; Gibson and Lain 2015; Hospira 2011). Because of the new trade legislation and Hospira’s decision to leave the market, the Department of Corrections was left with no reliable or FDA-approved source of thiopental.

3.2 Political Motivations

Part of the reason that new legislation was passed to stop the trade of drugs used in lethal injection was because of political activists both in the U.S. and internationally (Alper 2014, 28). Some states publicly declared they were actively searching for new drugs to use because of the

shortage, which only caused activists to put more pressure on pharmaceutical companies to disallow states from using their drugs for capital punishment. The media portrayed these activists, such as Maya Foa—a political activist working to help vulnerable individuals from oppressive governments—as the sole reason for the drug shortage. CBS News described Maya as “the woman behind the drug shortage [in the U.S.]” (Foa 2021). However, the activists’ attempts to stop the sale of these drugs were not novel. Activists had been pushing drug companies to acknowledge their role in executions since as early as 2001, but the drug shortage did not actually begin until 2011, ten years after their initial attempts (Alper 2014, 32).

Although political activists may have played a small role in stopping the sale of drugs for state executions, virtue signaling was a huge factor for companies to consider. Virtue signaling can be thought of as moral grandstanding where an individual, or in this case, a multinational company, tries to ostentatiously promote a view that helps them gain ‘brownie points’ with other individuals or the media, whether they believe in this view or not. The idea behind firms using virtue signaling is to make the public and media see the company as ‘politically correct’ or ‘morally superior’ to gain their support. In this case, drug companies wanted to promote the viewpoint that they were against capital punishment and the use of their drugs for causing pain or death.

A number of companies that stopped selling execution drugs put out a statement to the public stating they were strongly opposed to their drugs being used for legal injection as their company was created to provide therapy and treatment to individuals, not to put them to death (Alper 2014, 29; Gibson and Lain 2015). The question now becomes whether these companies believe capital punishment is wrong and should stop in the U.S., or whether they were simply virtue signaling to gain the support of the public.

Pharmaceutical companies are known to make large donations to political representatives and parties to gain influence within the government. Some studies have shown that pharmaceutical companies spend the highest amount on federal lobbying of any industry (Wouters 2020). During the 2020 presidential election alone, Big Pharma spent about \$92 million on lobbying tactics, with Pfizer being the largest individual spender at \$3.7 million (Pharmaceuticals 2017). More than two-thirds of Congressional members, 356 to be exact, cashed in a check given to them by Big Pharma before the 2020 election even began, showcasing the strong influence the Pharma industry has on our country’s lawmakers (Facher and Bartley 2021).

Traditionally, Big Pharma tends to support the Republican Party due to their stance on issues about public health insurance and their lax attitude towards lowering drug costs. Since 1990, republican candidates have received about 64% of the Pharma industry’s donations, and still received most of the funding during the 2020 election despite the effects of the Coronavirus (Pharmaceuticals 2017). The Republican Party is also known for being a strong advocate of the death penalty. Since 2016, the party’s platform states: “The constitutionality of the death penalty is firmly settled by its explicit mention in the Fifth Amendment. With the murder rate soaring in our great cities, we condemn the Supreme Court’s erosion of the right of the people to enact capital punishment in their states” (Political Party Platforms and the Death Penalty). Although this view is explicitly clear in their platform, pharmaceutical companies who are allegedly strongly opposed to the death penalty are still giving millions of dollars to the Republican Party and its candidates.

One may argue that the pharmaceutical companies only support republicans due to other aspects of their platform, and simply choose to ignore their view on the death penalty. However, with the significant amount of influence that Big Pharma has bought from the party, Big Pharma would probably be able to use financial incentives to persuade the Republican Party to change their platform on capital punishment, or at the very least to adopt a more liberal viewpoint on

the matter (Wouters 2020). Despite this consideration, the Republican Party's stance on capital punishment has only become more supportive over time. In 1990, the party stated that they support capital punishment "when appropriate" and "done humanely," which is much milder than their 2020 platform statement, which "condemns the Supreme Court" for trying to limit the use of the death penalty (Political Party Platforms and the Death Penalty). Because Big Pharma continues to liberally fund the Republican Party and has made no clear attempt to sway their opinion on capital punishment, it seems clear that Big Pharma is merely virtue signaling to gain the support of the public and media. Big Pharma aims to convince the public and media that they are against the death penalty, while also refusing to use the full extent of their influence to abolish the practice.

3.3 Economic Motivations

Another strong motivation for drug companies to stop the sale of execution drugs is the money lost by being associated with lethal injection. Before the drug shortage occurred, the U.S. was procuring most of its supply from Hospira, a subsidiary of Pfizer, which is a multi-national pharmaceutical industry company. Other than Hospira, many execution drugs that are imported were made by other multinational corporations in Europe, similar to Pfizer. These Big Pharma companies are worth billions of dollars and have a vast number of investors, all of whom have different backgrounds and viewpoints. However, because the U.S. was importing drugs from European companies, there was a commonality amongst most investors' mindsets that concurred with E.U. law—capital punishment is wrong. Because of this anti-capital punishment stance, if corporations were associated in any way with capital punishment, investors began to withdraw and millions of dollars were lost (Alper 2014, 36; Gibson and Lain 2015). In one case, a German investing firm, DJE Kapital, divested 70 million dollars from pharmaceutical company Mylan when it found out the company was producing pancuronium bromide, which is the paralyzing agent used in the second step of lethal injection (Alper 2014, 36; Alper 2015).

Some may say there is still a niche market for execution drugs that companies could fill, which would counteract the loss of money from being associated with the death penalty. However, capital punishment was originally made to make executions more humane and cheaper. Each execution was estimated to cost only about \$10 (Pilkington 2021). Companies associated with capital punishment found that they were only making a couple of hundred dollars from selling their drugs while simultaneously losing hundreds of thousands of dollars due to investors leaving (Alper 2014, 36; Gibson and Lain 2015). Because of this difference, there was a much stronger financial incentive for companies to leave the lethal injection drug market than to stay and fill the niche.

4. The Ramifications of Drug Companies' Decision to Stop the Sale of Execution Drugs

Pharmaceutical companies claim they stopped selling execution drugs to U.S. states because it went against their companies' moral code—the drugs were created to provide therapy and treatment to improve individuals' quality of life, not to execute prisoners. However, despite their intentions, pharmaceutical companies are acting immorally by taking away execution drugs because doing so has led to much worse outcomes for prisoners. I first discuss the effects of pharmaceutical companies' actions, namely the increased speed in executions, the cruel deaths faced by prisoners on death row because of the lack of regulated drugs, and less transparency regarding how states acquire drugs to perform executions. I then discuss some additional economic effects and how Big Pharma may have used the situation as a political and social stunt that has helped them to increase their profits.

As soon as it became clear that there was no longer a direct source for thiopental, states began scrambling to use their current supply of execution drugs before they expired (Gibson and Lain 2015; Barry 2014). Although this may not seem like an intrinsically negative effect, the number and speed of executions soon reached levels never seen before in the 21st century. For example, Arizona executed two prisoners during the same month—which it had only done previously once in 1999—Missouri executed three prisoners within three months, even though one of those prisoners had a petition in the Eighth Circuit that was still under consideration, and Kentucky, despite only having executed three prisoners in the last three-plus decades, considered executing three prisoners within the same day when it realized its supply of thiopental was expiring (Gibson and Lain 2015). Even when a new drug supply was secured, states were still rushing to execute those on death row. As soon as Oklahoma got the court's approval for a new drug, the state scheduled two executions for the same day, which had not occurred there since 1937 (Gibson and Lain 2015).

Not only was there a newfound rush of states performing executions, but because there was no longer a supply of the federally-approved three-drug cocktail, all but three capital punishment states were also experimenting with a slew of new drugs, which led to a sharp increase in the number of botched executions. Some were attempting to make a new three-drug cocktail, while others were using a singular drug to cause an overdose to execute the prisoner. Oklahoma approved the use of Midazolam, which was used in 2014 on Clayton Lockett (Gibson and Lain 2015; Neilson 2019). His execution took a total of 43 minutes, more than six times longer than usual, and caused his vein to explode. When Ohio used a three-drug cocktail, including never-before-tested benzodiazepine, to execute Dennis McGuire in 2019, it took him twenty-five minutes to die, during which he was struggling, grunting, and gasping for air (Barry 2014).

Part of the reason for the increase in botched executions was due to a new, unreliable source for drugs: small, local compounding pharmacies. Compounding pharmacies create drugs for individuals who have adverse reactions to typical drugs supplied by Big Pharma and need custom-made medication. Correctional officers sought out these local pharmacies, or “Small Pharma,” to create the drugs needed for executions, thereby avoiding the problems of importing drugs. However, unlike Big Pharma, compounding pharmacies are highly unregulated, leading to less reliable and potent drugs that could be contaminated (Alper 2014, 31; Gibson and Lain 2015).

In October 2012, South Dakota unknowingly purchased contaminated drugs to use for Eric Roberts' execution, during which, he snorted, gasped for air, and kept his eyes open the entire time (Gibson and Lain 2015). One of Texas' sources for lethal injection drugs, Greenpark Compounding Pharmacy, has racked up several safety violations in the past few years and has been on probation since it sent a child to the emergency room after giving three children the wrong medication (McDaniel 2018). Five of the eleven prisoners put to death in Texas in 2018 complained about a burning sensation running through them, and one prisoner, Anthony Shore, even yelled out: “I can feel it burning my insides” (McDaniel 2018). Despite this, Texas continued to execute two more prisoners that year.

At first, compounding pharmacies were not receiving much attention from the media despite the number of botched executions they were causing, and they enjoyed the few thousand dollars they would receive as cash payment for making the socially taboo drugs. However, as soon as the media would get wind of a new supplier, the pharmacy would often find a candlelit vigil outside their front door and promptly be hounded by lawsuits from inmates, family members, or activists (Gibson and Lain 2015). Soon, it became difficult for states to find Small Pharma firms to make execution drugs, and so came the newfound secrecy aspect of lethal injection.

At first, the secrecy was limited to within the prisons, including confidentiality agreements,

“under the table” cash payments, and redacted or even missing records (Gibson and Lain 2015; Alper 2015). Correctional officers were also partaking in hidden, backdoor transactions that would sometimes occur outside of state jurisdiction. Secret transactions made it possible for prisons to get the drugs they needed to perform executions while leaving their sources anonymous so they would not face any lawsuits or harassment. Eventually, the State legitimized the practice by creating new legislature and laws that kept information such as drug protocols and sources hidden from the public eye (Gibson and Lain 2015; Alper 2015). Although the State had good reason to hide this information, prisoners felt it was their right to know where the drugs used for their executions were coming from, especially considering that the Supreme Court case *Baze v. Rees* determined that the legality of lethal injection was based on the drugs used (Gibson and Lain 2015).

The last major effect the drug shortage had was on market prices. Since the drug shortage began, there has been a 1000% increase in the cost of drugs used for lethal injection (Pilkington 2021). As stated earlier, lethal injection was first used due to its significantly cheaper cost of only \$10 per execution. However, after the shortage occurred and states began using whatever means necessary to obtain execution drugs, the price per execution increased dramatically. Because of this, Small Pharma firms were able to make a few thousand dollars by selling their drugs, rather than the few hundred dollars Big Pharma was previously making. According to the Guardian, Missouri purchased \$160,000 worth of lethal injection drugs, and executed ten prisoners within a five-year gap, placing a hefty fee of \$16,000 per execution on taxpayers (Pilkington 2021). In Tennessee, the price per execution averaged \$100,000, and Arizona, despite having more than one million of its citizens struggling to feed themselves, decided to spend \$1.5 million dollars on lethal injection drugs during the Covid-19 pandemic (Pilkington 2021). Because of new lethal injection procedures, states also faced unwieldy lawsuits and attorneys’ bills. For example, Nevada spent more than \$100,000 defending itself in court against lawsuits in a two-year span (Pilkington 2021). Ultimately, the artificial drug shortage led to a massive financial burden on taxpayers due to the increased cost per execution and hefty fees from lawsuits.

Lastly, Big Pharma, by pulling out of the market, created an ideal situation to maximize profits and minimize loss. Second-order effects of the artificial drug shortage include the increased secrecy around states’ sources and a massive 1000% increase in the market cost of execution drugs. Theoretically, Big Pharma could now be providing states with drugs while taking none of the social rebound and making millions of dollars compared to the hundreds they were making before. Pharmaceutical giants, like Pfizer, have billions of dollars to spend on experts and market analysts who would be able to predict these secondary effects. Did Big Pharma really pull out of the market to take the moral high ground, or was this just one in a series of calculated steps to increase their profit margins? Either way, the current state of affairs sows seeds of doubt about the true intentions behind Big Pharma leaving the industry.

5. Conclusion

Big Pharma has stopped selling their execution drugs to states on the moral grounds that their companies were founded on the principles of providing therapies and improving the quality of their patients’ lives. Hence, it is morally wrong for them to let their drugs be used for lethal injection. By shaming the firms that sell these drugs, political activists also played a small role in companies’ decisions to leave the market. Big Pharma could also be using their stance against lethal injection to virtue signal, and thus convince the media and the public that they are politically correct. However, the same billion-dollar companies give most of their lobbying funds to the Republican Party, which ostentatiously promotes the death penalty. This clearly raises questions

as to whether Big Pharma really opposes the death penalty, or if they have other motives for their actions. Pharmaceutical companies also have a financial incentive to leave the market to retain investors and their funds.

Big Pharma's abandonment of the lethal injection drug market led to a number of negative second-order effects. First, states started to speed up their executions to use the drugs they had before they expired, leading to several states executing at rates never before seen in the 21st century. Because states lost practically any access to reliable, FDA-approved drugs and had to acquire drugs from unregulated compounding pharmacies, the number of botched executions increased dramatically due to less potent or contaminated drugs. The trial and error of new lethal injection procedures lead to several lawsuits against some states and a depressingly large number of cruel deaths faced by prisoners.

Some may question why it is the pharmaceutical companies' moral responsibility to tend to the deaths of these prisoners since states are the ones performing the executions. The state is responsible for keeping its citizens safe, while pharmaceutical companies claim themselves responsible for the well-being and therapy of their patients. To enforce safety, United States federal law deems the death penalty a constitutional punishment. Whether this is morally permissible or not, this is the current reality.

I draw an analogy from this situation to the infamous trolley problem. In this case, the train tracks are the laws that allow for capital punishment, the trolley is the prison system filled with guards and wardens who must perform their jobs to survive and provide for their families, and Big Pharma is at the lever, deciding whether to get their hands dirty and provide humane deaths for prisoners or act as a bystander and watch states perform inhumane, horrific, and ultimately preventable executions. Although the State may be wrong for executing prisoners, Big Pharma is also wrong for denying prisoners access to a quick and humane death. They have the power to minimize the harm done by the State and are actively deciding not to do so, which is morally impermissible. Since the drug shortage began, the State has proceeded with death sentences as planned and has given no indication of banning capital punishment because of the lack of means, and hence Big Pharma should do the morally correct thing and supply states with the drugs they need to provide inmates with quick and humane executions.

When Big Pharma initially left the market, it did so under the cover of moral grounds. However, I have shown that their political actions call into question their real beliefs. Because Big Pharma stopped supplying the State with execution drugs, the number and inhumanity of the executions only seemed to increase. If drug companies are really founded on the principle of providing therapy, why are they refusing to do so for their patients on death row? It is morally impermissible for pharmaceutical companies to deny prisoners access to drugs that would lead to a humane death.

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'FAREWELL' TO FOSTERED IDOL REALITY SHOWS: IDOL FAN CONSUMPTION AND GOVERNMENT REGULATION IN CHINA

Xingzhi Jing and Jiayue Sheng

In recent years, fostered idol reality shows in China demonstrated the incredible consumption power of fans. However, in 2021, the Chinese government suspended this type of show as part of an intervention in idol fan culture. Drawing from existing literature, public and private media articles, and the authors' observations of online fan communities, this study explores the incentives for fan consumption in the shows as well as the rationale and impacts of the regulation. We argue that fans' seemingly irrational consumption behavior can be understood generally in the models of personal identity formation and consumer devotion. The market, legal, and social issues could have all motivated the regulation. After a normative analysis, we conclude that the extent to which the regulation can be justified in the framework of welfarist consequentialism remains unclear. Less ambiguous, however, is that the regulation would have improved overall social welfare more if it was a gentle nudge rather than a hard ban.

1. Introduction

The term “fostered idols,” or *yangchengxi oushi* in Chinese, refers to entertainment celebrities who began their career as “blank slates” (Zhao and Wu 2020). Compared to traditional entertainment celebrities who appear under the spotlight as mature stars, fostered idols are stars in the making. Their fans can witness and contribute to their professional progress and career success. As the model of fostered idols became increasingly popular in China, many reality talent shows featuring fostered idols thrived, the popular ones including *Idol Producer*, *Youth with You*, and *Produce 101 China*.

The audience of fostered idol shows determines which contestants get to debut mainly through online voting. As free votes are limited, many members of the audience get extra votes by purchasing premium memberships on the video platforms or sponsoring merchandise (often dairy drinks) with QR codes of votes attached to the packages. Therefore, the tremendous amounts of votes received by the contestants demonstrate not only the popularity of such shows but also the incredible consumption power of their audience, especially fans.¹ Under the stimulation of the voting mechanism, individual consumption gradually evolved into collective consumption. Fan

1. Throughout the article, we make a distinction between the general audience and fans. While the general audience is anyone who watches the shows, the fans are a group of the audience who are emotionally attached to one or more of the show contestants and participate in the voting process in various ways. Fans will be the focus of this article.

groups organize fundraising activities on platforms such as Taoba/OWhat and spend the funds on phone cards for more video platform accounts, premium memberships, and sponsored products. Organized fundraising evolved to become a prominent part of fan consumption in fostered idol shows.² In April 2021, the funds raised by the fans of the Top 11 contestants of the show *Chuang 2021* reached \$23.6 million USD, and the total number of votes received by debuting contestants in the final episode exceeded 170 million (Yang 2021).³ These numbers represented huge economic profits for the show's producers and the sponsoring merchandise.

Despite the significant economic value generated by fostered idol shows, both state-owned and private media have expressed negative attitudes towards the shows and the behavior of their audiences, mainly devoted fans. *People's Daily*, an official newspaper of the Central Committee of the Chinese Communist Party, has published articles online criticizing the suspicious and irrational fundraising activities in the shows. It argued that fans are the primary victims of fanatic voting activities and that younger audience members are misled to behave irrationally by the voting mechanisms (Xing 2020). *Southern Weekly* has also discussed how the "toxic" entertainment industry negatively influenced consumers, especially minors, both financially and mentally (Chen et al. 2021). In August 2021, the National Radio and Television Administration (NRTA) of China announced that it would impose "stricter regulation on online reality shows." On Sept. 2, 2021, the NRTA of China announced the suspension of fostered idol reality shows and officially took action against China's "chaotic" fan culture. The regulation directly impacted fostered idol reality shows and related fan activities in various ways.

This article explores fan consumption in Chinese fostered idol reality shows with a focus on fundraising activities and evaluates the recent government regulation of these shows. We first introduce the background and examine the motivation behind fan consumption in the shows. The analysis involves the authors' close observations of fan behavior and consumption on social media during the shows, corroborated by previous studies. We then provide a policy analysis regarding the regulation. It consists of an examination of the regulation rationale based on official announcements and private media articles and a normative assessment of the overall impacts and legitimacy of the regulation.

While there is extensive literature on fan consumption, there has been little research focused on idol reality shows within the East Asian context, and studies on Chinese fostered idol reality shows are even scarcer. Given the economic and social significance of fostered idol reality shows in China, this article will provide rich insight into the complicated nature of fan consumption as well as the rationale and efficacy of the regulation.

2. Idol Industry and Fostered Idol Reality Shows in China

2.1 Background

Fostered idol reality shows emerged in China in the early 2000s. The 2005 TV show *Super Girl* (*Chaoji Nyusheng*) was among the first ones. The contestants of *Super Girl* were all amateurs. Instead of passively following the 'shining stars' like in earlier times, their fans gained power in deciding the career path of the contestants by voting for them via text messages. In the same era, the Internet became prevalent in China, which enabled fans to consume entertainment content easily and virtually connect to others. The fans formed fan groups and communities to communicate better and coordinate their activities (Kong 2012). *Super Girl* was a huge success. During its

2. Fan consumption practices in the Chinese entertainment industry include paying for the celebrity's performances and works, purchasing celebrity-related products, spending on charities in the celebrity's name, and fundraising to support the celebrity. While all types of fan consumption are present in fostered idol shows, fundraising among fans is particularly intriguing due to its purposes and scale.

3. We use the exchange rate 1 USD = 6.37 RMB from March 24th, 2022 throughout the article.

final round in 2005, the show had over 400 million audience members, which was unprecedented in Chinese history at that time (Joffe-Walt 2005).

The success of the *Super Girl* series opened up the path for other reality talent shows on TV and online that gave fans substantial power to determine the winners. In 2018, the reality show *Idol Producer* (*Ouxiang Lianxisheng*), which was adapted from the Korean show *Produce 101*, gained massive attention from the public. At the time, the concept of ‘idols’ had been introduced to China from Japanese and South Korean entertainment cultures. Korean idols are typically performers with extensive pre-debut professional training, while Japanese idols are marketed for their immaturity and potential for growth (Zhao and Wu 2020). Both experienced trainees of entertainment agencies and blank slates were present in *Idol Producer* and subsequent fostered idol reality shows. However, the fostering nature of the shows better resembled Japanese idol culture. *Idol Producer* was the first Chinese reality show that addressed the audience as ‘national producers’ with the decisive power of forming the debuting idol group. Compared to *Super Girl*, the contestants in *Idol Producer* were even more reliant on the votes from the audience. The voting mechanism expanded significantly with more paid options, which demanded significant time, emotional, and financial investment from fans (Yoshimitsu 2020).

Meanwhile, social media platforms developed rapidly in China, the most influential one being Weibo. The rise of social media facilitated interactions between fans and celebrities, the formation of fan communities, and the organization of fan activities. Gradually, the role of fans switched from consumers to ‘prosumers’ who could consume and produce simultaneously in various ways, such as purchasing advertising spaces for celebrities, writing fan fiction, and making celebrity-related merchandise. This change in the role of fans was projected into the broader entertainment industry and onto all celebrities with social media presence. Social media “traffic” (*liuliang*) thus gradually became a new quantitative criterion for assessing celebrities’ social influence and commercial value, which is often measured through the online activities of social media users surrounding a celebrity (Zhang and Negus 2020). Gradually, a divorce between traffic and professional celebrities emerged in the entertainment industry. The term “traffic celebrity” (*liuliang mingxing*) appeared in 2016 to describe celebrities with few recognized works but with large fan bases that have strong purchasing power, profound social influence, and significant commercial value (Lan 2020). The emphasis on traffic inevitably affected celebrity selection schemes and fostered idol reality shows. The number of votes overrode talent and skills and became the most critical measure of competence in the shows.

2.2 Fan Consumption Practices and Emotional Capitalism

As fostered idol reality shows evolved, paid votes emerged to encourage spending on online memberships and physical products, and many fans participated in organized fundraising activities. The fundraising platforms charged handling fees and displayed the contestants’ rankings in the shows and the number of funds raised for each (Gssn.gov.cn 2021). While little research examined the demographic composition of devoted fans of fostered idol shows, it is generally recognized that most fans are female. After analyzing over 250,000 data records with big data user portrait technology, He et al. (2022) presented a profile of Weibo fans of Cai Xukun. As one of the first and most representative winners of fostered idol shows in China, Cai had more than 37 million followers and over 15 million fans in his fan community on Weibo. The research shows that Cai’s fans are mostly female (83%) between the ages of 15 and 25 years old and that most live in urban areas (He et al. 2022). The demographic composition of Cai’s fans can shed light on the demographic composition of fans of fostered idol reality shows. People of this age range tend to be students or in their early careers and presumably do not have abundant socioeconomic

resources. Yet in fostered idol shows, young fans indeed demonstrated remarkable purchasing power.

The shows and the consumption behavior of fans manifest emotional capitalism—a culture where “emotions have become entities to be evaluated, inspected, discussed, bargained, quantified, and commodified,” and economic transactions are imbued with “an unprecedented attention to the linguistic management of emotions” (Illouz 2007, 109). Following the logic of emotional capitalism, the parties on the production side of the shows quantified fans’ desires, commodified their loyalty toward the contestants, and turned all of their emotions into investment returns (Hu 2018; Jenkins 2006). Many fans posted pictures of their contributions to fundraising activities and other expenditures for the contestants to demonstrate their affection and support in online fan forums (Yang 2021). The behavior of following a celebrity without spending any money is referred to as *baipiao* in Chinese internet slang, the original meaning of which is to solicit a prostitute for free (Sun 2020). *Baipiao* fans were often perceived as inferior to other fans and marginalized (Yang 2021). Some fans produced goods related to their favorite contestant and gave them to other fans as gifts. However, they usually set specific requisites regarding expenditures on fundraising activities/related commercial products and the amount of work and involvement in the fan communities (measured by one’s level in online fan forums). The money and time could quantify and reflect the fans’ devotion to the contestants.

2.3 Motivation to Engage in Fan Consumption

Fan consumption can be motivated by personal formation and identity construction. In their 2007 study, Smith et al. found that fans rework consumption into a unique personal formation and gain a sense of settlement in their devoted attachments. They also found that devoted fans may compare themselves to more deeply involved fans such that their own consumption behavior does not seem fanatical. Seregina and Schouten (2016, 109) focused on identity construction and found that individuals who lack cultural capital—“an embodied understanding of the rules by which a society operates”—and social status may turn to fandom to accrue cultural capital and gain perceived status. Since *Super Girl 2005*, individual fans have formed online fan groups with group names. For instance, the fans of Yuchun Li, the winner of *Super Girl 2005*, addressed themselves as “Corn” (*Yumi*) because in Mandarin, “corn” is homophonic to Li’s name. Having fan group names may enable fans to connect with the contestants and find group affiliation. Participating in collective activities, such as fundraising, may deepen the bonds among fans and make them feel involved. In addition, there are typically a few opinion leaders in a fan group who are followed by many fellow fans and organize various fan activities. Their fan consumption may lead to a gain in perceived status and the satisfaction of self-esteem needs.

Fan consumption may also be examined with the model of consumer devotion. Developed by Pimentel and Reynolds (2004) in the context of college football fans, this model describes situations in which consumer loyalty is so intense that consumers will remain loyal at times of poor team performance and even provide exposure for the team at their own expense. Such devotion implies religious fervor and occurs when the team is significant to the fan’s self-worth and identity, and the fan has “proactive sustaining behavior,” such as display behavior, rituals, or sacrifices (Pimentel and Reynolds 2004). In fostered idol reality shows, the counterpart of ‘team performance’ is the contestant’s rank announced each round. When the rank of a particular contestant declines, rather than giving up on the contestant, their fans are usually more motivated to vote and participate in fundraising activities to help the contestant receive a better rank in the next round. Concerning proactive sustaining behavior, many fans check in on online fan pages and video platforms daily. It is also common for devoted fans to make banners, wear clothes

or colors associated with the contestant, and socialize with other fans during offline activities. These behaviors can help them bond and assimilate with other fans and sustain their devotion to the contestant (Neale 2010; Pimentel and Reynolds 2004).

Nevertheless, there may be some unique motives for fans of fostered idol reality show contestants. Contestants in fostered idol reality shows are typically blank slates or trainees of some entertainment companies. Compared to established celebrities, they are closer to ordinary people and thus easier to connect with emotionally. They are also much more reliant on their fans to proceed in their career paths. Therefore, witnessing the contestants' transition into stars may give their fans a sense of satisfaction analogous to what parents feel when watching their children grow up. Such "parental" love and satisfaction may motivate fans to engage in fan consumption as a means to support the contestants, almost selflessly (Yang 2009).⁴ Sometimes, the motivation may reach a level of intensity such that it transforms into a sense of obligation. Some fans may feel that because they have chosen the contestant, they are obligated to help the contestant gain greater exposure and succeed in the show at their own expense; they also tend to urge other fans to vote and participate in fundraising activities (Yang 2021). Such opinions regarding consumption can be highly transmissive in fan communities.

3. Government Regulation

In May 2021, one of the most influential ongoing reality shows, *Youth With You 3*, was suspended due to "controversies associated with the show" (NRTA of Beijing 2021). In August 2021, the NRTA of China announced it would impose "stricter regulation on online reality shows." On September 2, it announced it would officially take action against the "chaotic" celebrity-fan culture, especially the fan culture of fostered idol reality shows (NRTA of China 2021). The NRTA of China restricted fundraising and online voting by temporarily removing fundraising apps from the Chinese App store and banning celebrity-related ranking charts on social media platforms. It also suspended fostered idol reality shows and claimed to eradicate the abnormal aesthetic views in the entertainment industry as well as to regulate the selection, performance styles, clothing, and makeup of celebrities (NRTA of China 2021).

3.1 Government Rationale for Regulation

One prominent market issue surrounding the shows that may have driven the regulation is 'vote scalping.' Since *Idol Producer*, fans have purchased large quantities of sponsoring products (mostly dairy drinks) to get additional votes, which gave rise to a vote-scalping shadow market. Vote scalpers purchase vast quantities of sponsored products and resell the votes at arbitrary prices. As the contest enters the later rounds and the products become out of stock, a single vote can be almost as expensive as a whole pack of bottled milk (Hao 2021). Vote scalpers may resell the drinks at lower prices or dump them if getting the QR code damaged the packaging (Hao 2021). In May 2021, as *Youth With You 3* was approaching the final round, a video of vast quantities of dairy drinks being poured into a ditch generated heated public discussion. Although the source of the video remained unclear, the general public believed that the wasted drinks were vote-bounded merchandise of the show. Xinhua News, the official state press agency of China, posted a series of articles criticizing the shows' producers and sponsors for creating such a voting mechanism, abandoning their social responsibilities by conniving food waste, and negatively impacting the pursuits and values of young people (Xinhua Net 2021). Although this scandal was

4. Ever since the early "Corn" fandom, many fans, mostly female, have jokingly addressed themselves and sometimes others as "mom fans (*mafen*)" and the contestant as their child. While this perceived mother-child relationship between fans and celebrities, along with other perceived intimate relationships, exists in the general entertainment industry, we believe it is particularly prevalent and relevant in fostered idol reality shows.

not the only controversy surrounding *Youth With You 3* at the time, it was considered a direct cause of the suspension.

Besides vote scalping, other market issues surrounding the voting mechanism of fostered idol shows include the purchase of accounts on the host video platforms and the emergence of voting agencies. Because each account can only vote a limited number of times per day, fan groups usually purchase many accounts and hire people to scan thousands of QR codes daily and vote (Ye 2021). Some people organize themselves into voting agency groups and earn money by voting for certain contestants on behalf of their fans (Hao 2021). While voting agency groups have received much less public attention than vote scalping, the emergence of under-regulated shadow markets is likely to be a concern of the government.

According to Xinhua News, the dumping of dairy products for caps is suspected of violating the anti-food waste law of the People's Republic of China (Liu 2021). One might wonder why the government did not demand that the show's producers adopt alternative voting mechanisms, such as selling the votes directly to the audience, to avoid food waste. In fact, the show's producers could not do so because earlier regulations prohibited the shows and the audiences from being involved in the same economic transaction. In addition, following the mania for *Super Girl* in 2005, the government imposed regulations on TV talent shows and prohibited voting outside of the show, including text messages, phone calls, and internet votes (Xinhua Net 2007). Because there was no explicit regulation on merchandise-bounded votes, show producers chose to sell votes through retail products as a 'safe choice' to make profits. However, in February 2020, under the instruction of the NRTA of China, the China Netcasting Services Association enacted guidelines on the censorship of online reality show content on several major video platforms, which explicitly prohibited paid votes and any means that encourage the audience to vote by purchasing related products and memberships of the video platforms (China.huanqiu.com 2020). Even if no physical merchandise was involved, the voting mechanisms of the shows, which included paid votes, would violate these guidelines.

Furthermore, the legal issues that arise from using fundraising activities to finance voting-related expenditures could have also motivated the government's intervention. To further incentivize participation in fundraising activities, fan leaders may organize fundraising battles with the fans of other contestants (sometimes from different shows) based on preset goals (Yang 2021, 124). If fans lose the battles or fail to meet their goals, there may be penalties, such as publicly paying the competitor compliments (Ai 2021). Some individual fans may stimulate participation by promising to make additional large donations if the total funds exceed a specific amount (Yang 2021). The amount of funding raised in one fundraising battle could be remarkable. For instance, in a battle among three contestants of *Chuang 2021* and one contestant of *Youth With You 3*, the fan group of the top contestant Yu Liu raised almost \$538,900 USD within five hours (W. Chen 2021). The fan groups of other contestants also raised tremendous amounts of funds, and one fan contributed as much as \$26,700 USD (W. Chen 2021). While many media outlets have raised doubts about the legitimacy of these fundraising activities, money raised from fans is generally regarded as voluntarily donated money, and no specific law or regulation prohibits such activities (W. Chen 2021; Gssn.gov.cn 2021). Nevertheless, the trust-based nature of fundraising activities and the massive amount of money involved entails substantial risks because fund management may not be transparent to the donors. There have been cases in which the organizers of fundraising activities defrauded and absconded with the funds (Yang 2021; Blue Whale Media 2021; Southern Metropolis Daily 2021).

Beyond the market and legal controversies surrounding the shows, there further appears to be a clash between the social and ethical values that the shows promoted and the values endorsed by

the Chinese government. To begin with, the production teams, platforms, and sponsors induced the audience to spend money and changed the nature of the shows from talent contests to competitions for fans' consumption power, demonstrating and even celebrating emotional capitalism (Zhang 2021). Yet from the perspective of the government, it is problematic for consumers to devote so many resources to unnecessary and unimportant entertainment activities, even though such devotion is the consumer's personal choice. The Chinese culture has embraced frugality as a traditional virtue, and in many articles, official media sources conveyed concern about fostered idol reality shows distorting young people's monetary values and promoting extravagant consumption behavior (Zhang 2021; Dong 2021).

Additionally, some official media outlets have criticized the shows for distorting the aesthetic views of young people, especially the shows featuring male contestants. Under the influence of Japanese and Korean popular culture, many male contestants in the shows wear heavy makeup and are thin, good-looking, and attractive to a predominantly female audience. However, males in Chinese society typically do not wear makeup and instead celebrate masculinity. Those displaying fragility and femininity may be mocked and even disdained, primarily by other males. Ever since *Idol Producer*, there has been criticism of certain popular male contestants' feminine appearances and personae on social media. Nevertheless, it was not until late August 2021 when *Guangming Daily*, an influential central newspaper, published an article denouncing male femininity in the entertainment industry and referring to such aesthetics as "sissy" and abnormal (X. Chen 2021).

Moreover, because the outcomes of fostered idol reality shows depend entirely on the number of votes, some contestants with relatively poor singing and dancing skills may still attract fans because of their physical appearance and personality and end up debuting as members of idol groups (Liu and Feng 2019). This phenomenon raises the question of to what extent people should celebrate physical beauty and youth, and whether popularity is more important than one's abilities and skills. Such a selection scheme lowers the barriers to entry into the entertainment industry and discourages young professionals from setting high standards for themselves (Liu 2021).

These issues were perceived not only as problems with the shows but also with toxic idol fan culture. The government targeted the shows with regulations on the selection, performance styles, clothing, and makeup of celebrities following the suspension of the shows. The State seemed concerned about the shows' power to shape young people's consumption values, aesthetic standards, and attitudes toward effort and success. This power can be particularly strong when fans tie their identities to their idols and are influenced by other fans in the communities.

While there are fan communities on social media platforms for almost all celebrities, those for idols are typically the most active, especially when fostered idol reality shows are airing. During an ongoing season of a show, fans display a strong sense of collectivism. To support their contestant, they donate funds, vote, comment on relevant posts, report negative posts about the contestant, and occasionally argue with the fans of other contestants. Some fans' devotion towards a contestant transforms into hostility towards competitors, their fans, and, overall, whoever does not like their preferred contestant, which can lead to cyber-bullying (Ding 2021). Also, because the voting mechanism is directly associated with the contestants' futures, there is typically a pro-consumption atmosphere within fan communities that may put financial pressure on some fans, especially minors who are still economically dependent (Xinhua Net 2021; Yang 2021). The collectivist and pro-consumption atmosphere in fan communities is perceived as irrational by the public and the government, which may have been an important rationale for the government to impose regulation.

Although the regulation appeared to be caused by *Youth With You 3*'s scandals and to be implemented as a way to contain public outrage, the government had been concerned about the market, legal, and social/ethical issues associated with the shows, idol industry, and idol fan culture for a long time—which all could have motivated the regulation. Generally, the government and the mainstream media have portrayed devoted fans as victims trapped in a chaotic, toxic fan culture and taken advantage of by the parties on the production side. However, some media sources have blamed fans for behaving irrationally and supporting their idols blindly, thereby compromising their ability to make wise judgments and inducing other fans to act the same way (Xinhua Net 2021). While it is clear that the production teams, sponsors, and platforms created the voting mechanism and are responsible for turning talent contests into consumption competitions, the extent to which fans are accountable for the shows' controversies and toxic fan culture remains debatable. Overall, the government sought to improve fans' well-being by stopping them from devoting excessively to idols, emotionally and financially. It also sought to penalize the parties on the production side of the shows responsible for drawing public outrage, invoking market and legal controversies, and conflicting with government-endorsed values. The government seemed to believe that the most efficient way to achieve these goals was to halt the shows.

3.2 Regulation Impacts

One direct impact of the government intervention is the loss of profit that could have been made from the suspended shows and idol groups. The financial statement of iQiyi shows that the premium memberships during the shows' broadcasting periods generated at least \$18.8 million USD in revenue (Yan 2021). Suspending fostered idol shows inevitably led to a considerable profit loss for the production teams of ongoing and future shows. It also influenced the sponsors, especially those who were tied to the paid votes and who had to issue refunds for the sold merchandise (Youth with You iQiyi 2021). Nevertheless, according to *People's Daily* (2021), although many fan groups stopped the fundraising activities immediately after the suspension of *Youth with You 3*, official merchandise related to the contestants was still massively consumed—the motivation for consumption remained.

While the suspension did not involve talent shows of other types, the requirement to remove online voting and ranking lists forced these shows to modify their rules and voting schemes. Although their specific responses varied, reality talent shows that previously had online voting features have adjusted to weaken the role of the audience and fans. Take the talent show that features singing and composing skills, *The Coming One*, for example. The fifth season of the show only had live voting by the audience watching the performances in person. Based on data released by the show producer, the number of overall views on Weibo for Season 4, which was broadcast before the regulation, is over 10 billion, while the number of overall views for Season 5 is only 1.74 billion (Weibo Variety Shows 2020; 2021).

The suspension of fostered idol reality shows inevitably narrowed the path for prospective idols. It pushed them to specialize their skills to fit into other fields, such as acting and singing, as there are still shows featuring prospective singers and actors. To some extent, the regulation filtered the contestant pool, as only the most determined individuals remained trainees during this difficult time. Moreover, halting fostered idol shows also pushed entertainment agencies to restructure their training schemes and evolve away from relying on the annual shows (Music Finance and Economics 2021).

However, while the suspension of idol selection shows seems unprecedented, the Chinese government has experience with censoring TV talent shows in the past. After the previous government regulations were passed in 2007, the *Super Girl* series was suspended for two years and

resumed in 2009 (Xinhua Net 2009). Thus, the current regulation might be temporary and not significantly affect fostered idol reality shows and the industry in the long run.

The impacts of the regulation on fans, the audience, and the public have been varied, with fans being the most heavily affected group.⁵ While some fans felt liberated from the voting mechanisms and the disputes within and amongst fan communities, others found the regulation offensive and stigmatizing (Yuni 2021). The suspension of fostered idol reality shows and the rectification of fan culture provoked further judgment and criticism towards both the shows and their audience, especially toward devoted fans. Under the influence of the government and mainstream media, the public may believe that the shows are unambiguously bad and that the fans are unequivocally irrational, which can negatively impact the social status of the stigmatized parties. Indeed, there have been cases of people yelling at male contestants from the shows and labeling them as “sissies” following the government’s call for “banning the male femininity” (Bazhangmen 2021).

4. Normative Analysis

The regulation is paternalistic, which refers to the governmental practice of intervening in individuals’ freedom for their own good (Zamir 1998). Specifically, the regulation paternalizes the shows’ audiences, particularly the devoted fans—most of which are young females—by restricting their consumption of and participation in fostered idol reality shows.⁶ The following section evaluates this paternalistic regulation from the perspective of welfarist consequentialism, a major framework used in public policy analysis.

According to welfarist consequentialism, the rightness or wrongness of a policy or regulation should be determined by its impact on social welfare, which is a function of personal utility levels (Sen 1979). Welfarism considers individual preference satisfaction and assumes rational agents, positing that people hold coherent preferences over different outcomes and tend to pursue those preferences centered on personal welfare. Preferences can be either actual preferences (those a person actually holds) or ideal preferences. Ideal preferences are the preferences that a person would have if they considered their situation calmly and carefully, attended to all the relevant information about the consequences of having their actual preferences satisfied, and did not have any external pressure or prejudice influencing them (Zamir 1998). Actual preferences theory imposes a significant challenge to justifying paternalistic interventions. According to the theory, improving one’s well-being requires exclusively satisfying their actual preferences. Any intervention that frustrates one’s actual preferences would not promote their well-being (Zamir 1998). Conversely, ideal preferences theory may endorse paternalistic interventions if one’s actual preferences differ from their ideal ones, and intervening in their choices would help them to satisfy their ideal preferences.

Let us apply the logic of welfarist consequentialism to the regulation of fostered idol reality shows. As identified in the previous section, the regulation has various stakeholders. Suppose the platforms, producers, vote scalpers, and agencies primarily want to maximize economic profits and do not value the potentially negative social impact of the shows. Then, their actual preferences may be consistent with their ideal preferences prior to the regulation, and the imposition of the regulation should negatively affect their welfare. For prospective idols, the regulation may

5. In addition, from *Super Girl* to *Youth with You*, fostered idol reality shows have featured voting and free expression from the audience and contestants. The rules and time span of the shows are similar to that of political elections, both involving multiple rounds of voting and determining the results based on the number of votes counted towards the candidates. Thus, they are believed to nourish democratic practices and enhance real-world civic engagement in China (Joffe-Walt 2005). Suspending the shows may forgo these potential political benefits.

6. The target of such regulations on young females is based on demographic information of Cai Xukun’s fans as explained in section 2.2, which acts as a representative model of celebrity fans in China.

reduce their welfare by limiting their opportunities to be idols. However, former contestants may switch to other occupations, which can make them either better or worse off depending on the extent to which they prefer to be idols and can adapt their skills.

Because much more individuals are involved in the consumption of the shows, the regulation would be justified if its net effect on their welfare is positive. Nevertheless, the net impact is difficult to determine because the audience and fans were differentially affected. Although members of the general audience lost a source of entertainment, they will likely find substitutes with great ease due to their low attachment and investment in the shows. Thus, the impact may only be mildly negative or even insignificant. As for devoted fans—the group that the government is presumably most concerned about—the impact of the regulation on their welfare seems to be mixed.

To begin with, the regulation highlights some negative externalities borne by fans, referencing the unaccounted—for costs of show consumption and engaging in show—related fan activities. One prominent negative externality is the unpleasant emotions fans may experience during the shows. As the shows proceed, fans' emotional well-being may be affected by the results of each round. When their preferred contestants have undesirable performances or receive lower ranks, they are likely to experience stress, sadness, and anger, which may penetrate their daily lives. Another externality for fans is the opportunity costs of their time and financial resources. The more devoted they are, the more likely they will spend time and money on the shows, and that time and money might have generated more benefits for fans if spent elsewhere. In addition, overconsuming may lead fans to lower their current and future living standards. Overconsumption can be prevalent within fan communities given fans' young ages, their propensity to be influenced by others, and their potential lack of socioeconomic resources. Last but not least, from the government's perspective, the identity formation of minors through the toxic idol fan culture can impose an externality on themselves and impede their personal growth.

The regulation may address these externalities directly by raising awareness among fans and halting their consumption of the shows. It also imposed restrictions on fan communities' power to organize collective activities and pressure individual fans. When the fans' actual preferences differ from their ideal preferences, the regulation may increase their welfare by nudging them to behave in a way they would not have with careful consideration, complete information, and no external pressure. Indeed, during a show, fan communities often use political-campaign-like slogans that frame participation in fundraising activities as a demonstration of devotion and affection for the contestants (Yang 2021). The slogans can be highly persuasive and induce fans to donate or consume related products out of herd mentality. Under such situations, paternalistic government intervention may help young fans make decisions that better reflect their ideal preferences; it may even preserve their rights and freedom by freeing them from compulsion.

Nevertheless, although the suspension may have encouraged contestants to explore other career paths and removed the need for fans to spend time and money to help their preferred contestants debut, most motives for fan consumption remain. Fans might continue to follow other celebrities and organize themselves into fan communities. They may still spend money on related merchandise to promote the commercial values of celebrities, and news stories about celebrities can still influence their emotions, even though the behavior and effects may not concentrate over a short period. In this case, the regulation would have little effect on fans' behavior and welfare. Moreover, the regulation neglected that some fans could consume the shows and engage in relevant activities out of their own will after careful consideration—and may be satisfying their ideal preferences. Even the seemingly problematic features that blend voting and consumption, such as vote scalping, can involve willing sellers and buyers and be regarded as welfare-improving for at least some affected parties. In these instances, the regulation would reduce those fans'

welfare. Due to the differences in individual fans' actual and ideal preferences, it is difficult to determine whether the regulation improved their overall welfare. Furthermore, while identity formation through fan culture may indeed impose an internality on minors, the stigmatization accompanying the regulation unambiguously hurts all fans, especially those who consider 'being a fan' as a significant part of their identities.

Lastly, it is important to consider how the regulation addresses the externalities of the shows' consumption and production—the costs imposed on third parties, such as the general public. One major factor affecting the general welfare may be food-wasting from food merchandise with paid votes, negatively impacting the overall market environment and consumption atmosphere. Calling the shows to a halt directly addresses this externality by suppressing the activities in the shadow markets. However, as previously mentioned, the regulation inevitably generates dead-weight loss by reducing the welfare of vote scalpers and the willing buyers of votes in these shadow markets. The most straightforward solution to the food-waste problem might be making the QR codes for extra votes separable from the merchandise. After the scalpers remove the QR codes for selling, they can resell the products instead of dumping them.

Another externality may be the negative influence the shows could have on the broader entertainment industry. The fast, star-producing mechanism de-emphasizes cumulative training and effort and celebrates 'becoming popular overnight,' which may influence the mentality of agencies and trainees and contaminate the entertainment industry environment. In addition, the explicit manifestation of emotional capitalism in the shows, such as the correlation between the amount of money raised and the contestants' rank, might reshape the values of outsiders, especially minors, due to the shows' significant social impact. The regulation highlights these social costs, but fostered idol reality shows are not the only cause of these ills. A larger-scale industrial reform may be necessary to address these costs.

In general, the regulation has imposed negative effects on producers' welfare and mixed effects on consumers' welfare, especially devoted fans. The extent to which it can address the shows' externalities and improve the general public's welfare is also limited. Because of the variation in fans' individual preferences and the inherent difficulty with measuring and comparing welfare effects, the welfarist consequentialist analysis yielded an unclear result and cannot unambiguously justify the paternalistic intervention, of which the positive effects were unevenly distributed among the affected parties. Less ambiguous, however, is that the regulation would have improved overall social welfare more if it was a gentle nudge rather than a hard ban. If fans were better informed of the potential consequences of their consumption practices and behavior, and if they were protected from being compelled to consume while still being allowed to make their own choices, they would act in a way that better reflects their individual ideal preferences. Meanwhile, if the showrunners had the opportunity to modify the game rules, the negative impact on producers would be reduced and they would make a profit in a more socially conscious manner.

5. Conclusion

With a focus on fostered idol reality shows in China, the study investigated fan consumption behavior in these shows and the recent government regulation. It first reviewed the development of the idol industry and shows and examined the motivation behind fan consumption. Although fans' consumption behavior is mainly portrayed as 'irrational' by the media, we can generally understand this motivation in the frameworks of personal identity formation and consumer devotion. In addition, we found that the 'fostering' aspect of the shows is unique and makes fans feel more emotionally attached to the contestants and obligated to support them financially.

Through investigating a variety of private and public media articles, we analyzed the rationale

behind government intervention in the idol industry and the suspension of related shows. While the scandals surrounding *Youth With You 3* seemed to be the direct cause of the series of regulations, we believe the show was only a catalyst. The shadow markets associated with voting, legal controversies, and social issues could have all motivated top-down rectification. The regulation has directly influenced the shows' producers, contestants, agencies, sponsors, and fans. The impact on fans has been mixed, and other stakeholders of the shows have been negatively impacted. However, because past government regulations over talent shows were temporary, fostered idol reality shows may resume, perhaps in modified forms, when the current situation cools down, so the long-term impact of the regulation may be insignificant.

After evaluating the regulation from a welfarist consequentialist perspective and considering the internalities and externalities involved, we conclude that it is unclear whether such regulation is justified. The regulation conveyed the government's long-standing tendency to be a paternalistic 'nanny state,' attempting to instill 'proper' social behavior in its citizens. Indeed, the regulation improved the welfare of some fans, especially minors, by informing them of the potential negative consequences of engaging in the shows and protecting them against coercive consumption. However, it simultaneously hurt the interests of the parties on the production side of the shows, reduced the welfare of the fans who satisfy their ideal preferences through consuming the shows, and reinforced the existing stigmatization of fans and idol fan culture. In addition, the regulation may not adequately address the externalities of the shows to improve the general public's welfare.

Despite the negative media portrayal, it is worth noting that fostered idol reality shows could have some positive impacts. For example, they offered opportunities for contestants from diverse backgrounds, some of whom might have devoted themselves to this industry for a long time. These contestants could be neutral or even positive influences on audiences and fans. However, such benefits disappeared with the suspension of the shows.

Finally, we would like to acknowledge some limitations of this study and suggest directions for future research. The study incorporated extensive information about fostered idol reality shows and fan culture in China based on actual cases, government announcements, media articles, and the authors' close observations of fan communities on social media platforms. Nevertheless, it is not a comprehensive account of this complex topic and should be complemented with more empirical evidence in the future, such as in-depth interviews with individual fans and large-scale surveys among fan communities. Moreover, because the study was completed within one year after the announcement of the regulation, it could only assess the short-term impacts and conjecture about future impacts. Follow-up studies are needed to verify the predictions and evaluate the medium and long-term impacts.

Additionally, as mentioned in the background section, idol culture and fostered idol shows are imported from Japan and South Korea, but there are few comparable cases of government intervention in those countries. Therefore, comparing the shows' mechanisms, social contexts, and political structures across different East Asian countries may produce valuable insights.

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CONSENT AND COMMODIFICATION: OBJECTIONS TO THE MARKET FOR SEX WORK

Andrew Gewecke

This article discusses two ethical objections to the commodification of sex. First, it questions the ability of sex workers to give genuine consent to sex. Specifically, it examines the significance of financial insecurity as a coercive factor in one's decision to practice sex work and the characteristics of sex work that might make informed consent difficult to obtain. Second, it discusses the capacity of markets to crowd out nonmarket norms, establishing new conventions that reinforce harmful patterns of behavior. The commodification of sex helps entrench these norms and is, therefore, ethically problematic. Ultimately, though, these ethical challenges may be better addressed by the revision of our social institutions more broadly than by the prohibition of the market for sex work specifically, since the latter response may only add to the harms faced by sex workers without reducing the concerns presented in this article.

1. Introduction

One of the most enduring questions in the philosophy of economics is that of the moral limits of markets. When does a market become ethically problematic, and under what circumstances is the regulation or prohibition of that market justified? A particularly complex debate surrounds the market for sex work (MFSW). This article examines two facets of this debate that have been under-considered. First, it argues that it is difficult for an individual to give genuine, informed consent to work in the MFSW, and that this is ethically objectionable. Second, it discusses the effect that market relations can have on our social norms, asserting that the commodification of sex can help facilitate harmful conceptions of sex workers and contribute to the greater incidence of sexual violence they face.

These two lines of objection are unique because they cannot be legislated away with well-crafted regulation. They are essentialist, meaning that they are inherently present in any permutation of the MFSW, and thus they will persist no matter what regulations are put in place. This is a crucial point. Recent work on market architecture, most notably that of Jason Brennan and Peter Jaworski (2015[a], 232), has advanced the claim that “most, if not all, objections to markets in this or that good or service are not objections to markets as such, but to particular features of markets.” In light of this argument, the anti-commodification theorist will be most persuasive if they critique a market based on its intrinsic qualities—aspects of a market that cannot be removed by artful regulation. Two such objections can be levied against the MFSW: first, that it is doubtful whether a person can ever give full and informed consent to sexual labor, and, second,

that practicing sex work, under any circumstances, helps establish commodifying norms that will in turn harm sex workers and women in general.

However, these arguments are concerned with the ethics of sex work specifically. They do not imply that sex work should be legally prohibited. I ultimately argue that, because prohibiting the MFSW does not adequately address the objections raised in this article, legalization would be a better policy. Still, I am concerned with objections to the MFSW because, where legalization of the MFSW does gain support, that support should take full account of the costs that even the most well-implemented version of such a project might bring with it. Mitigation of those costs will only be possible if they are fully understood, and this article thus aims to articulate them clearly.

2. Financial Coercion and Consent to Sexual Labor

According to the Rape, Abuse & Incest National Network (RAINN 2022), a constitutive aspect of genuine sexual consent is the ability of the actor in question to revoke it at any time, without being coerced by the “pressure of intimidation or threat.” Put simply, a person should have the option of terminating any sexual encounter of which they are a part at any time. In the MFSW, ending a sexual encounter prematurely would also terminate the commercial contract that outlined the terms of that encounter. Such a contract is itself an instrument of consent, combined with a promise of conditional reward. One of the involved parties agrees to perform some labor in exchange for remuneration from the other party. When a person terminates a commercial agreement, the expectation of labor is dropped and the promised payment is forfeited. Revoking sexual consent requires terminating the sexual encounter in question, and revoking contractual consent requires refunding compensation that was conditional upon the performance of work that will no longer be done. Thus, any agreement involving sex work can be unproblematically canceled as long as a) the parties involved are allowed to revoke their consent to the engagement and b) any payment that was conditional on participation in said engagement is refunded. If these conditions are met, the consent that is a necessary precondition for sexual engagement and for commercial contracts can be said to be genuinely revocable.

However, the above line of argument does not adopt a realistic view of the requirements of occupational labor. I define an occupation here as the trade an agent adopts in order to support themselves. In accordance with this definition, if an agent is to engage in some practice as an occupation specifically, they must be able to rely on that practice as a source of income. The above discussion of contract and consent preserves the sex worker’s ability to dissolve, and thus to genuinely consent to, the contracts they undertake, but in doing so it only offers the sex worker two choices regarding any given job: perform the agreed-upon contract and collect remuneration, or dissolve the contract and forego payment. Any sex worker who relies on the MFSW for their occupation will not, practically speaking, be able to consistently avail themselves of the second of these two options. Their income will depend on routinely fulfilling contracts for sex work. Accordingly, for whatever group of contracts makes up their minimum acceptable income, the choice between accepting or rejecting a contract will be a hollow one. The worker in question must accept most of these contracts unless they are prepared to find an altogether new source of income, and this finger on the scale works against the genuine exercise of sexual consent. Participation in contractual employment, conceived generally, need not marginalize considerations of sexual consent.¹ But maintaining an occupation demands a more constrained set

1. And, having said this, the argument made here would allow for sex work that was not performed as part of an occupation. But I am interested in the MFSW as an occupational field, not just as a source of recreation, so I only make this point in passing.

of choices—specifically, participation in the MFSW effectively requires sex workers to choose between genuinely consenting to their work and earning their living.

It is best to call this pressure on sex workers financial coercion. An agent who performs sexual labor as an occupation is compelled to undermine their own ability to give genuine consent to their work in order to secure a living for themselves. A sex worker driven by financial insecurity, therefore, must choose from an unacceptably constrained set of options.² For Rhéa Jean (2015, 53-54), exercising genuine agency requires “being free from external coercion,” a condition that a context of economic desperation squarely undermines. When a person enters an occupation solely in order to earn enough to secure a basic level of health, comfort, and dignity for themselves, the choice between accepting and rejecting the job in question is, in an important respect, a false one. To reject the job would also be to reject the provision of one’s basic needs, which one cannot be expected to do. Thus, when sex workers “decide that prostitution can be their best economic option and their only way to feed their children and pay their rent,” they do make a choice, but any agency they express in doing so is partial and qualified (55). Such choices are made “in a context of survival” (55). They can be made deliberately, but they cannot be made freely.

Taken on its own, the problem of financial coercion could mark the MFSW as a harmful industry. But once this objection is contextualized by the current realities of the American labor market, it becomes much less persuasive, because it is debatable whether this difficulty is unique to the MFSW. Martha Nussbaum (1998, 712) argues that financial coercion is “a pervasive problem of labor in the modern world, not a problem peculiar to prostitution as such.” In a capitalist economy, the ability of an individual to procure their basic needs is fundamentally dependent on that individual having enough money to buy those needs, and wage labor is a primary way to obtain a legal, consistent stream of money. Thus, individuals will always be put under pressure by some degree of necessity to obtain money, and thus by some degree of dependence on wage labor.

Jairus Banaji (2003, 71) takes up this point from a Marxist perspective when he argues that “Marx and Engels clearly did not see the isolated wage-earner as a *free* agent or the wage contract as a *free* contract.” As Banaji (2003, 71-72) explains, “coercion is everywhere, because the outcomes [of bargaining] are heavily conditioned by the legal order in effect at any given moment.” Specifically, one can refer to the legal order that undergirds our economic markets, which price basic needs; our labor laws, which dictate how individuals can attempt to enrich themselves; and our welfare laws, which dictate what kind of support is available to supplement or replace that provided by wage labor. Thus, for example, the ‘legal order’ of the United States allows for the federal \$7.25 per hour minimum wage (U.S. Department of Labor 2022). Assuming a 50-week year of working for 40 hours each week, an individual earning the federal minimum wage earns \$14,500 per year.

To compare, the poverty line in the United States is \$12,880 for a 1-person household, \$17,420 for a 2-person household, and \$21,960 for a 3-person household (U.S. Department of Health and Human Services). Thus, in the 20 states where the federal minimum wage is not replaced by a higher rate, those who earn minimum wage barely stay above the poverty line when supporting just themselves, and sink quickly below it if they must support dependents (U.S. Department of Labor 2022). It could be replied that broad statistics like poverty rates miss some of the nuances of how individuals may be able to support themselves. However, if poverty data tracks the means

2. Though it is worth noting here that financial desperation is not by any means the only reason that individuals enter the MFSW. Some sex workers choose the profession to meet pressing financial needs, but, as Debra Satz (1995, 65) points out, others arrive there “led neither by material want nor lack of alternatives.” The idea that “all prostitutes were women who entered the practice under circumstances which included abuse and economic desperation... is a false assumption: the critics have mistaken a part of the practice for the whole” (66). The ‘financial desperation’ line of criticism can therefore only function as an objection to, at best, a particular type of sex work that takes place under specific conditions. It cannot justify banning the MFSW in all its forms.

of individual support, data on spending—the ends—validate its conclusions: as of this year, 59% of Americans did not have the financial resources to cover an unplanned \$500-\$1,000 expense (CBS19 News 2022). Financial insecurity is a profoundly generalized phenomenon in the U.S.

Taking this reality into consideration, to take financial instability as an indicator of a morally impermissible, insufficiently “voluntary” contract is to make a more or less moot point. Banning certain professions simply because people were motivated by poverty to choose them would be to ban the occupations of half of the country. Thus, it may be true that, as Debra Satz (1995, 65) says, “we should be suspicious of any labor contract entered into under circumstances of desperation,” but we cannot treat that suspicion as a reason to prohibit isolated professions. Such a policy would be inconsistent and arbitrary unless it attempted to outlaw all the different industries that the massive number of people driven to work by financial pressure choose. Indeed, adopting such a prohibitive stance is actively damaging to those in poverty because it deprives them of an opportunity to earn income, making their financial instability worse and increasing the motivating power of their poverty. If sex work is a field that low-income people select due to financial pressure, the most helpful policies would increase the financial independence of those people in some way. Criminalizing their selected occupation will not help do that (Nussbaum 1998, 721-722; Satz 1995, 83).

In fact, prohibiting a person’s occupation throws the validity of contracts into question in the same way that poverty does. Banaji (2003, 72) points out that it is when there is uncertainty as to “whether the contract would have been made had each party had other physically imaginable though socially unavailable options available to him” that “question[s] of ‘duress’ arise” in a matter of contract formation. In other words: the ‘voluntary’ nature of a contract is diminished to the extent that actors were limited in their choices when making that contract. Thus, poverty throws contracts into question because it limits a person’s choices. Prohibiting certain professions, like sex work, would do precisely the same thing and, as such, would throw the validity of the contracts made after such a prohibition even more into doubt.

However, this comparison becomes less appropriate if we insist that, among the occupations that individuals select when they find themselves in dire financial straits, sex work is particularly objectionable. We could argue that, while financial desperation is a generalized phenomenon in the United States, some jobs are too dangerous to be justified even by the pressures felt by workers trying to secure basic needs. Indeed, I deploy this type of argument in the following section of this article when I assert that sex work can have a uniquely serious influence on the mental and emotional health of those who practice it, and that, accordingly, an inability to give informed consent to sex work should be treated as more serious than an inability to give informed consent to other types of work. The preceding discussion of financial coercion operates according to the same logic as this point about informed consent, and the two arguments should stand or fall together.

3. Informed Consent

So far, I have argued that even if it is theoretically possible to give genuinely revocable consent to sexual labor, a reliance on the MFSW for income is inextricably connected to a degree of financial coercion. Given the ubiquity of financial insecurity in the United States today, this characteristic of the MFSW is not, on its own, particularly notable, though it becomes more significant if sex work is a uniquely harmful type of labor. I will now assert that the particular nature of sex work also raises questions about whether the consent to provide sexual labor can be *informed* consent, another challenge to the idea that contracts made in the industry are truly voluntary.

The ability to predict the consequences, both material and emotional, of an action is a key

aspect of one's ability to genuinely consent to that action. Elizabeth Anderson's (1990) examination of the market for surrogacy underlines this point. A woman who is paid to have a child for someone else commits contractually to give away the child she gives birth to. If the mother cannot predict how attached she will become to the child, and thus how painful giving that child away will be, she may not actually be able to consent to such an action ahead of time (Brennan and Jaworski 2015[a], 234). Or, more specifically, she may be able to give consent, but she may be unable to give *informed* consent due to an unresolvable failure of information. Similarly, with regard to worker safety: "workers' choices must reflect deliberation upon full information about the risks they encounter. This requires not only that information be available to workers, but that they... make good use of this information" (Anderson 1993, 197). It is the task of "making good use of the information" that might be difficult in the case of surrogacy or sex because the predicted feelings of the agent *ex ante* might differ significantly from their actual experience.

Anderson's concern about surrogacy might be resolved by the inclusion of a "change of mind" provision stating that "if, for any reason or for some specified set of reasons, the surrogate changes her mind, the contract is null and void" (Brennan and Jaworski 2015[a], 235). With this measure, individuals could not be pressured to stick to contracts that they would rather abandon. Thus, even if genuinely informed consent could never be given, the consequence that would normally make this point so worrisome—namely, an unforeseeable yet profound regret on the part of the agent—would be avoidable. However, here the possible comparison with sex work breaks down.

Sex, like surrogacy, does often involve strong and complicated feelings that are difficult for the agent to accurately predict beforehand, and so it poses the same question of informed consent. Surrogacy, however, includes an option of reversibility that sex does not. When people pay for surrogacy services, what they are ultimately paying for is the child produced by the surrogacy, not the surrogate's experience of pregnancy. Conversely, patrons of sex workers pay for the experience of a sexual encounter specifically, not for any product that results from the encounter. The service being consented to, and to which the actor in question cannot give informed consent, is tangible for the surrogate and irrecoverable for the sex worker since custody of a child can be switched between parties after the child is born, whereas a sexual encounter cannot be undone.

Thus, while a surrogate mother can choose to either keep or give away the results of her surrogacy, changing her mind, refunding her patron and reversing the contract, a sex worker cannot 'change their mind' after they have already performed a particular sexual encounter.³ A 'change of mind' provision for the sex worker would have to take effect during the action being consented to, not afterward. It would be, in effect, a guarantee that they could revoke consent during an encounter once they realized that they no longer wanted to adhere to the contract they initially agreed to. However, we established in the previous section that a sex worker who relies on the MFSW for their income cannot reliably revoke their consent to the sexual encounters in which they engage. They will be constrained in their choices and, I now argue, unable to give informed consent to the choices they do make.

It is important to clarify that the mere fact that it is difficult for sex workers to predict how they will feel when plying their trade does not, on its own, render the MFSW objectionable. Strictly speaking, people rarely know completely how they will feel when they agree to perform any duty

3. Note the difference here between the market for surrogacy and my conception of the MFSW. Surrogacy is not generally a service that is performed as an occupation. It would be difficult for someone to rely on for the bulk of their income repeated, paid pregnancies. Thus, the choice between accepting a contract for surrogacy and canceling it and refunding its remuneration is less hollow, because the agent making the decision is presumably less reliant on said remuneration to support themselves. If a person did view surrogacy as an occupation, they would face the same difficulties regarding consent that sex workers must navigate.

in any kind of market. This kind of power is called precognition. But sex work is distinct because it can have an extreme and lasting effect on the emotions, perceptions, and general psychological health of its practitioners. Voluminous firsthand testimony from sex workers and robust academic literature affirm this fact.

Evelina Giobbe's collection of sex workers' reports of their experiences helps make this dynamic clear. The women she profiles express feelings of extreme self-reproach because of their occupation: "I've felt... like I was dirty, nasty, not worth anything, no self-esteem, no confidence" (Giobbe 1991, 152). They have difficulty forming relationships: "I feel like my life is over when it comes to ever having a relationship"; "for a long time I hated all men"; "I am most definitely afraid to have sex" (153, 154). They experience moments of psychological trauma: "I had acid flashbacks for more than a year... I would hallucinate full grown human beings that weren't there" (156).⁴ They can also develop persistent mental and emotional pressures and an inclination towards self-harm (157).

This last, and most serious, circumstance is not a fringe phenomenon. Gilbert Geis (1974, 174) reports that, in one survey, 75% of sex workers polled had attempted suicide at least once, and posits that "15 percent of all suicides brought to public hospitals are reported to be prostitutes." All of this is to say that the effect of sex work on the mental and emotional landscapes of those who practice it is not marginal or casual. The trauma inflicted by the MFSW is diverse in its impacts, substantive in its influence on sex workers' lives, and, if left to develop in the wrong way, uniquely dangerous.

We should view a particular trade with caution when it demonstrates the twin conditions of a) effects on its workers that are difficult to predict and b) stakes that are high enough to render workers' incorrect predictions dangerous. Condition b) separates markets like the MFSW from more benign market exchanges. A person who agrees to watch half-a-dozen dogs over the weekend, or whose job requires learning how to skydive, may be totally unsure how their occupational duties will affect them when they agree to take them on. But, even if such a person realizes when they are performing such jobs that they have made a mistake, they are unlikely to be seriously scarred from their misstep. Skydiving and pet-sitting lack the emotional and psychological costs that can attend sex work. The similar concern that Elizabeth Anderson expresses in her objection to surrogacy is also distinguished by this point. Giving birth to, and then giving away, a child involves unique emotional and psychological pressures. The worker who enters into a contract to take these pressures on while remaining unable to fully understand them until they actually arise is left vulnerable to harm that simply does not attend other markets.

We are now in a position to propose a limited anti-commodification argument. The performance of sexual labor in an occupational context is ethically objectionable because performing such labor requires a suspension of consent that places an undue burden on the worker in question. This argument is imperfect, however, because it is difficult to draw a direct link between the adverse effects of sex work and the pure act of paying money for a sexual encounter. As Brennan and Jaworski (2016, 11) point out, an objection to an activity that should not be performed in any context, inside or outside of a market, is not a criticism of commodification per se. A market for nuclear weapons would be objectionable because nuclear weapons should not be controlled by anyone who is not a head of state. But, by this logic, it would be equally bad to sell nuclear weapons and give them away. We are concerned here with the presence of weapons outside of government silos, not with the act of selling them. Anti-commodification objections must take

4. I use such an extreme and psychologically-charged word without any intention to invoke hyperbole. It is an apt description here only because the literature on this subject describes, specifically, trauma—lasting, pervasive, psychologically-substantive changes in an individual's experience.

issue with commercial exchange specifically. Such approaches should argue that the application of market processes to certain actions “introduce[s] wrongness where there was not any already” (10, original emphasis).

The above arguments about the unique danger of the MFSW do not quite do this, because there are often multiple possible explanations when sex work detrimentally affects the mental and emotional states of its practitioners, and not all of these possible causes are commercial. Some negative experiences in the MFSW, for example, are closely related to the perpetration of crimes that no proponent of an MFSW would ever endorse. This association is interspersed throughout Giobbe’s collected testimony, visible in statements that describe sex work as “abuse,” or as the phenomenon of getting “totally sexually assaulted every... conceivable way possible in my life” (Giobbe 1991, 153). One woman that Giobbe profiles explains her experience with sex work as a confrontation with “a real deep pain, an assault to my mind, my body, my dignity as a human being” (156). These sentiments may reflect the startlingly high incidence of violence that is directed against workers in the MFSW. Of the sex workers surveyed by a 1998 Commercial Sexual Exploitation Resource Institute (CSERI) study, 59% of them had been “raped by a client... 48% were forced to commit a sexual act against their will,” and 55% were “beaten by customers” (Carter and Giobbe 2006, 28). They may also reveal an association by sex workers of even “consensual” sex work with body violation.

Sex work that takes place in an atmosphere of coercion and fear, even if it does not involve outright violence, is likely to contribute to the perception that “[p]rostitution is like rape... I don’t know how else to explain it except that it felt like rape” (Giobbe 1991, 144). Criticisms of illegal violence and informal coercion should play a central role in our criticisms of the MFSW as it exists today. But, to the extent that these threats account for the negative experiences of sex workers, those experiences should not be used as arguments to prohibit a hypothetical, strictly-regulated MFSW from which they would be absent.

The social stigma attached to the MFSW is also often cited as a source of the emotional stress of sex work. Jackman, O’Toole, and Geis (1963, 153) theorize that an intense disassociation reported by sex workers may be the product of attempts by said individuals to distance themselves psychologically from the “general social values” that they feel they have transgressed. Some sex workers attempt to “[dichotomize] their world... by depersonalizing their prostitute roles and living almost entirely in the dominant world of American middle-class values” (156). Giobbe (1991, 155) details the impulse felt by some sex workers to “numb the experience [of sex].” In the words of one woman: “I used to experience leaving my body... I didn’t want to feel what I was feeling” (144). Others, viewing themselves as outside the realm of social respectability, internalize negative self-perceptions: “No one’s ever going to want me anymore” (Giobbe 1991, 153).

Once again, though, it’s possible that this issue could be solved by shrewd regulation. Brennan and Jaworski’s analysis of cultural values may be particularly well-suited to address this clash between the labor that sex workers perform and the social perception of that labor. History is rife with examples of different populations viewing the same actions with wildly different moral significance. The representative example, referenced by Brennan and Jaworski and by James Rachels, is that of the Callatians and the Greeks, related in Herodotus’s *History*. The two groups had different funerary practices—the Greeks preferred to burn their dead, while the Callatians preferred to eat them—and each considered the other’s traditions barbaric (Brennan and Jaworski 2016, 63; Rachels 2014, 54). Such disparate views of the same action, Brennan and Jaworski argue, demonstrate that the “symbols and rituals” that we use to express our values in a social context are “highly contingent, fluid, and socially-constructed” (Brennan and Jaworski 2016, 63, 50).

This is not to say that such perceptions lack meaning, but rather that they can theoretically be changed. Indeed, Rachels (2014, 65) asserts that a recognition of the variability of social custom is powerful because it is an “antidote... for dogmatism.” It emphasizes that our preconceptions often lack the objective quality we assign to them, and better equips us to keep “an open mind” (65). Accordingly, when “cultures... impute meaning to markets in harmful, socially destructive ways,” such interpretations can be disarmed by “revi[sing] the meaning we assign to these markets” or, failing that, by “conscientiously rebel[ling] against” said meaning (Brennan and Jaworski 2016, 50). If the MFSW in its current form subjects its workers to harmful social stigma, the best response may be to alter our social norms until we are able to remove this stigma without having to prohibit the MFSW as a whole.

The argument so far has been laid out as follows: the occupation of sex work can have significant negative effects on those who practice it. Such negative effects are problematic in their own right, but they also make it difficult for a person to genuinely consent to perform sex work. They may not be able to predict the development of these effects, and so when they agree to a contract for sex work they will necessarily be doing so without being fully informed. And, because the experiences that a sex worker cannot predict have the potential to influence said sex worker so profoundly, we should take issue with a system in which an agent cannot secure informed consent.

Having said this, this objection may not be fatal to the argument in favor of an MFSW. If the negative experiences mentioned above, which make a lack of informed consent so significant, are not intrinsically present in all permutations of the MFSW, it may be possible to neutralize them with some regulatory schema that diminishes the social stigma surrounding sex work and the high degree of violence that is directed toward sex workers. It is important to emphasize, though, that it should not be taken as a given that such regulations exist. I have presented some arguments for why some of the harms experienced by sex workers may not be inherent in the pure act of performing sexual labor in exchange for money. Such arguments do not rule out the possibility that such harms, or similar ones, are inherent in the profession of sex work, and the burden of proof is on advocates of the MFSW to disprove this assertion. Testimony that explicitly separates sex work and sexual assault (i.e. ‘Prostitution is like rape’) and yet still associates one with the other should be given particular scrutiny.⁵ Such reports suggest that the practice of sex work could be harmful even if the illegal elements of abuse were filtered out of it, and, in light of these claims, we should pause before arguing that it would be possible to engineer an MFSW that was totally removed from the physical and psychological harms described above. References to possible alternate causes of said harms do not, taken on their own, settle the issue.

4. Crowding Out Nonmarket Norms

Even if there did exist a version of the MFSW in which all questions of consent were resolved, the corruptive effect that markets can have on our social norms, and the actions this corrosion would facilitate, could still pose a serious ethical challenge of its own. Michael Sandel (2013) illustrates the extent to which markets can instill particular norms that may replace other values we care about. Sandel (2013, 128) brings up the example of a study conducted by Uri Gneezy and Aldo Rustichini that tested whether imposing a fine on parents who were late picking up their

5. This article’s earlier analysis of sex work treated as an occupation and the associated barriers to consent can help illuminate this point. Giobbe’s testimony here describes a sex worker who makes an intentional choice to perform an action that still feels, subjectively, as if it is forced. A career in which an agent must effectively suspend their right to genuine consent could conceivably lead easily to this perception. And, similarly, the existence of this testimony adds credibility to the claim that the suspension of the right to sexual consent for the sake of an occupation is, ethically speaking, more significant than the suspensions of free, self-determined actions that are inherent in other instances of financial coercion.

children from daycare deterred tardiness. It did not. In fact, the number of late parents spiked after the fine was instituted. Gneezy and Rustichini concluded that the parents “treated the fine as if it were a fee.” A fine is a sanction that is meant to condemn a moral transgression, while a fee is a distinct price one pays to gain permission to act a certain way. Before the experiment, parents were motivated by whatever moral imperative they initially had to pick their children up on time. The norm they followed was an interpersonal one: “I have an obligation to my child, or their teacher, to arrive promptly.” Afterward, the fine provided an unambiguous, accessible standard of how much punctuality was valued, which replaced parents’ more amorphous internal motivations. It put a price on tardiness when it should’ve acted as a deterrent (128). And, in doing so, it established a new norm for parents to follow: “being late is OK, as long as you pay.”⁶

Importantly, once preferences are altered in one context, they can influence our decisions in situations that are unrelated to that context. Bowles (1998, 80) asserts that “economic institutions may induce specific behaviors—self-regarding, opportunistic, or cooperative, say—which then become part of the behavioral repertoire of the individual.” This process can be described more formally as a “behavioral spillover”—the generalization of an internalized value to new contexts (Truelove et al. 2014, 127-128). Brennan and Jaworski also acknowledge the socializing power of market infrastructure, though they tend to focus on the market’s ennobling effects rather than its corrupting ones. They assert that “people from market societies characteristically know how to put themselves in their trading partner’s shoes,” and that “as a matter of empirically verifiable fact, market societies induce people to play fair” (Brennan and Jaworski 2016, 97).⁷ They also report that “‘priming’ people with words related to markets and trade makes them *more* (not less!) trusting, trustworthy, and fair in experiments. That is, people get into the *market mindset* [emphasis added], they become *nicer*” (97). The use of the phrase ‘market mindset’ here is especially revealing. The insight of research regarding cultural mental models and behavioral spillover is not only that a market context can push individuals toward certain values in the short term. Rather, research reveals that a particular context can equip an agent with a set of values that will persist once the individual leaves that context and that can be triggered in different environments to influence behavior.

This process of value inculcation is even acknowledged by Gary Becker, one of the most vehement proponents of the view that preferences among agents do not, in fact, change—that they are “stable over time and similar among people” (Stigler and Becker 1977, 76). Despite this insistence, Becker’s views on welfare policy center on the idea that participation in a market can instill values in an agent that continued unemployment cannot.⁸ Becker (1995) lauds “the effects of a free-market system on self-reliance, initiative, and other virtues.” A reliance on welfare, correspondingly, “corrupts the[se] values,” (Becker 1995). In light of this fact, the benefits of the

6. Gneezy and Rustichini’s study is one example of a robust body of literature detailing the effects of market systems on endogenous preferences. A full examination of this subject is beyond the scope of this article, but good overviews are provided by Bowles (2016) and Hoff and Stiglitz (2016). Specific studies also explore the effect of market norms on agents’ tendencies toward prosocial cooperation (Cardenas et al. 2000) and intrinsic motivation (Wrzesniewski et al. 2014).

7. Examining whether the market is, in general, a positive or a negative influence on agents is beyond the scope of this article. The crucial idea revealed by Brennan and Jaworski’s analysis here is that even staunch advocates of market exchange regard market institutions as capable of changing a person’s preferences.

8. Becker and Brennan and Jaworski both reference the strain of 18th and 19th-century philosophy that associated market infrastructure with the development of admirable values. Becker quotes Tocqueville’s assertion that “the principle of self-interest... disciplines a number of persons in habits of regularity, temperance, moderation, foresight, self-command” (Becker 1995). Brennan and Jaworski (2016, 85) note Voltaire’s conviction that market exchange bred tolerance—that commercial endeavor brings together “representatives of all nations gathered... for the service of mankind.” Modern literature on endogenous preference formation seems to have roots in the Enlightenment conception of the market as a venue for socialization. A reconceptualization of the Enlightenment *doux commerce* thesis in the language of behavioral economics might provide an interesting historical context for the idea that markets can influence our principles.

welfare system should be greatly reduced; when this happens, agents will be “forced to make decisions and provide for themselves,” and their powers of “responsibility and initiative” will increase. Becker argues that the distinct contexts of unemployment and professional work instill different values in agents.

Once we determine that a market environment brings with it its own set of potentially durable norms, we must reject the idea that “markets are inert, that they do not touch or taint the goods they regulate” (Sandel 2013, 128). In doing so, we can provide a response to Brennan and Jaworski’s requirement that an anti-commodification argument must identify a way in which the market in question “*introduce[s]* wrongness where there was not any already.” When a market plays host to harmful norms, and when these norms can influence the actions of agents in harmful ways, we can say that such a market has “introduced wrongness” now inherent in its structure. When these norms are purely a function of the act of commercial exchange, and not of some peripheral, editable feature of the market in question, market architecture cannot erase them. As long as the market exists, the values it supports will exist too.

5. Semiotic Objections: The Effects of Market Messages

Having established that market institutions come with distinct norms and that agents can internalize those norms when they buy and sell things amongst themselves, we are now in a position to ask: what norms are inherent in the MFSW? Is it a problem if these norms become widely accepted? To put the issue more specifically, I critique the messages that participation in the MFSW could conceivably send. It is possible that the commodification of sexual labor could change the way agents regard sex workers and sexual activity in general, and these changed perceptions could motivate harmful actions. This objection is a semiotic one, meaning it asserts that “participating in [certain] markets can express or communicate certain negative attitudes, or is incompatible with holding certain positive attitudes” (Brennan and Jaworski 2016, 21). However, such critiques can only hold if we conclude that the proliferation of these ‘negative attitudes’ is genuinely harmful, a contention that the scholarship strongly rejects. An abstract defense of semiotic objections is, therefore, necessary before we can discuss the norms that the MFSW might specifically propagate.

Within Brennan and Jaworski’s framework, semiotic objections cause harm when a) the operation of a certain market expresses some judgment about the commodity being exchanged, b) this judgment is viewed as improper or disrespectful by some observer, and c) said observer’s well-being is diminished by this perception. Harm is caused when a person is offended by the treatment of a good in a negative way. It is debatable, however, whether the observer semiotically offended by a certain market can make any demands upon that market’s participants. Whether a person takes offense at a certain message is partly dependent on what judgments that person makes about what they see. Thus, it is possible for someone to be justifiably offended after correctly concluding that another person has behaved improperly. It is also possible to be unjustifiably offended, having drawn such a conclusion erroneously. It is easier to assign ethical weight to the outrage in the first of these two examples and more difficult to do so in the second. Depending on the circumstances, we might conclude that the justified party in the first example has a right not to be treated in the way that offends them, and that the person responsible for the offense would be blameworthy if they did not change their behavior. The offended person in the second example may not enjoy the same right. And if they have no grounds for complaint, their responsibility is to “get over their aversion” to whatever has incensed them (Brennan and Jaworski 2015[b], 1068-1069).

I will argue momentarily that the above characterization of semiotic objections underestimates

the harm that market messages can cause. It is important to note, though, that Brennan and Jaworski's account of semiotic objections, if it is correct, undercuts the essentialist critique of the MFSW that I am trying to make. An analysis of cultural relativism helps clarify this point. Herodotus's description of the Greek and Callatian mourners is meant to underline the idea that different rituals can express the same common sentiment; wildly dissimilar funerary rites can, in their own contexts, fulfill the "moral obligation to signal respect for [one's] dead [father]" with equal reverence (Brennan and Jaworski 2016, 63). An agent that favored one of these rituals and took issue with the other would have little reason for their preference, besides the fact that their chosen rite was endemic to their own culture. The idea that "some markets necessarily signal disrespect" that "is not a mere contingent social convention" is difficult to support if we conclude that the messages conveyed by our social practices are relative (63). This logic undermines essentialist critiques of markets. Problematic semiotic norms, relative as they are, can theoretically be changed (recall Brennan and Jaworski's earlier endorsement of smart market architecture). When change is difficult or time-consuming, we can transgress these norms, secure in the knowledge that they are not objectively defensible (Brennan and Jaworski 2015[b], 1057-1058).⁹

I agree with this analysis but believe it only applies to the specific class of semiotic objections that Brennan and Jaworski identify. I propose a different conception of semiotic objections, informed by the thesis of endogenous preference formation within market environments. Within this framework, semiotic objections cause harm when a) the operation of a certain market expresses some judgment about the commodity being exchanged, b) this judgment alters an agent's preferences, often in a durable way, c) the changed preferences go on to influence the agent's actions towards others, and d) these future actions cause harm to others that the agent has no right to inflict. For me, along with Brennan and Jaworski, a semiotically objectionable market is one in which transactions convey the judgments mentioned in step a). But my conception of semiotic objection is qualitatively different from Brennan and Jaworski's. Within my framework, an agent participating in a semiotically objectionable market helps cultivate personal and social norms that contribute to harmful action, and, as such, acts reprehensibly. Conversely, Brennan and Jaworski maintain that an agent in an objectionable market is guilty only of offending another party.

The difference here is an important one: we may lack an obligation to avoid causing unjustified offense, but we must be culpable to a greater degree when we knowingly contribute, even indirectly, to the perpetration of violence against some group. Thus, contrary to what Brennan and Jaworski claim, we cannot encourage agents to transgress semiotic norms when doing so would help bring about harmful action. Their recommendation that we change harmful semiotic norms is still a good one, but once we reject their claim that semiotic norms can be transgressed when they are too difficult to change, we must pay some attention to the demands of practicality. We cannot, for example, defend a norm-violating market just by promising to change the norms it

9. A more ambitious claim would be to argue that, when an act is offensive solely because it violates a culturally-relative norm, an agent has no ethical obligation to avoid that act. I do not make this claim here. Nor do Brennan and Jaworski. Diminishing our duty to respond to this kind of offense is instead meant to make other duties more salient. Even if we lacked an explicit duty to avoid causing some kind of offense, it would be awkward to contest the claim that we should avoid said offense if it is costless for us to do so. But, as Brennan and Jaworski point out, it is not costless for us to avoid some semiotic offenses. Semiotic objections to the market for organs, for example, reduce the number of lives saved by organ transplants (Brennan and Jaworski 2016, 8). If participation in a market genuinely perpetuates harm, it may justify this cost. Attempting to dismiss such harm with a claim that it is outweighed by the benefits of the market in question sets an uncomfortable precedent. Almost any type of misdeed can be justified with the right claim to a utilitarian 'greater good.' But when participating in a market provokes unjustified offense, we can conclude that the relevant semiotics "[are themselves] morally misguided" (62). Having never possessed a duty to subordinate ourselves to the value system of the observer we have offended, we must fulfill the duty we do have, which is to allow for the benefits of the market in question. A semiotic objection that contravenes this duty is itself objectionable.

violates. If such change is not feasible, and if we are not ethically permitted to flout the norms in question, the market becomes more difficult to justify.

I should note that there is some overlap here with Brennan and Jaworski's (2016, 21) conception of a "corruption objection." Corruption objections argue that "participating in certain markets might tend to cause us to develop defective preferences or character traits" (21). These changes to our character influence our actions, and thus some markets may make us more likely to act in improper ways. A semiotic objection, strictly speaking, claims that "participating in markets can express or communicate certain negative attitudes, or is incompatible with holding certain positive attitudes" (21). Corruption objections address what we value while semiotic objections relate to what we communicate to others. This article's emphasis on the ability of markets to influence our preferences is, to some degree, a corruption objection.

However, it is also meant to suggest that the messages we communicate in a market have the same potential to change our preferences that market structures have. It is easier to address a corruption objection by brainstorming good market architecture than to rebut a semiotic objection by recommending a change in our culture. A corruption argument against selling "Disney Princess dolls," for example, might assert that such sales will "reinforce certain defective gender norms" (21). But this critique could theoretically be addressed by changing the way Disney Princess dolls are sold. Regulation could declare that only dolls with realistic bodily proportions should be put on the market, that dolls should be portrayed with a variety of non-stereotypical fashions and occupations, or even that doll sales should not be permitted to children of a certain impressionable age. Conversely, if the pure act of commodification communicates certain disrespectful messages, an appeal to market architecture is not appropriate, though an attempt to change the social perceptions of the market in question might be.

If we put the different pieces of the above argument together, we can conclude the following. Problematic changes to our character can be addressed with market architecture. Problematic messages expressed by the market can be addressed by revising our social norms. This is an important distinction from the point of view of policy because it is much easier to legislate and enforce smart market architecture than to create a broad change in opinion. But this point becomes less worrisome than it first appears if we argue that, while corruptive changes to our character lead to harmful actions, bad semiotic norms only produce unjustified offense, which can often be disregarded. What I would like to emphasize with this article is that this conclusion is not accurate. Indeed, bad semiotic norms can change people's character to the same degree that corruptive markets can. The fact that semiotic objections may be harder to resolve than corruption objections, therefore, cannot be marginalized by an assurance that the former critique is, ultimately, baseless.

6. The Semiotic Objection to Sex Work

We can now identify an objection to the MFSW that is grounded in the norms it emphasizes: allowing the sale of sex runs the risk of suggesting new, damaging ways to think about a person's right to bodily integrity. As Debra Satz (1995, 72) argues: "Will a prostitute's consent to sex be seen as consent to a twenty dollar payment? Will courts determine sentences in rape trials involving prostitutes as the equivalent of parking fine violations (e.g., as another twenty dollar payment)?" This worry connects back to Gneezy and Rustichini's discussion of fines vs. fees. Consent to sex should be viewed as a moral requirement, and the violation of that consent should be seen as a moral issue. The appropriate sanction should be a punishment that expresses moral disapproval of the action—a fine, to use Gneezy and Rustichini's terminology, though obviously, the appropriate punishment would be much heavier. Exchanging some sexual acts for money, con-

versely, establishes a precedent whereby different amounts of money can provide a patron with access to different sexual acts. This precedent is founded on the objectification of sex workers as a purchasable commodity, and it strips the sex worker of any agency to determine what acts they perform. Instead, it makes all power to ‘access’ sexual encounters conditional on the exercise of the correct amount of money. Within this framework, paying extra for different sexual encounters would be considered a fee.

Dangerously, as Satz suggests, within this paradigm lies the risk that the crime of assault—the ‘access’ to certain sexual acts without the consent of the sex worker in question—would come to be considered that of *failing to pay the appropriate fee* rather than that of a grave moral transgression. The idea of crowding out vital norms with injudicious market transactions can seem abstract, but the above case represents the tangible and serious danger of this process. In this case, new market norms would drastically reduce the perceived seriousness of the assault. Evading a fine is less of a moral trespass than violating a fundamental human right to bodily integrity. Such a shift in perception could conceivably increase the frequency with which sex workers face assault and related violence. Reducing the perceived seriousness of the crime could also lessen the penalties associated with it. Satz points out that *courts*, and not just isolated individuals, could write these new perceptions into law, causing lasting harm to victims of abuse.

The main contention of objections of this type is not only that introducing a certain good into the market changes the messages we send about the value of that good, but also that, in doing so, we set a precedent for treating the respective good a certain kind of way. By participating in certain markets, we perpetuate harmful norms and, indirectly, help create new standards for action that we might not want to endorse. This process is why semiotic objections are more than points of symbolism or ideological preference. The norms we follow affect the actions we take, and those actions have tangible costs. And, even if individuals could follow Brennan and Jaworski’s prescription to “conscientiously rebel” against the norms in question and the modes of behavior they facilitate, this would not be a reliable standard upon which to build broad policy—the ethical justification of which would depend on many discretionary, unpredictable, individual decisions to reject or endorse certain norms.

Accordingly, Anderson (1990, 76) argues that the market for surrogacy is problematic because “commercial surrogacy substitutes market norms for some of the norms of parental love. Most importantly, it requires us to understand parental rights no longer as trusts but as things more like property rights—that is, rights of use and disposal over the things owned.” A market for surrogacy establishes the wrong kind of relationship—that of vendor, consumer, and product—between parents, patrons, and children, and treating children according to the terms of this relationship is improper. Similarly, a market in sex work is problematic because it classifies sex as a commodity. Once this framework is established, violations of consent can be seen, accordingly, as improper use of that commodity rather than as crimes against another person.

Richard Posner’s description of “a rapist as a ‘sex thief’” rather than as a perpetrator of “violence and assault” is a perfect illustration of this altered perspective (Satz 1995, 69). Indeed, Posner argues that a negative association between male participation in the workforce and incidences of assault is explained by the fact that “men who do not work tend not to have the resources necessary to attract women and therefore have a greater incentive to *bypass the market in sexual relationships*” (Posner 1992, 182-183, [emphasis added]). It is doubtful that the explicit association between the provision of sex and the performance of labor established by the MFSW will do anything except exacerbate this perception. Objectification is damaging because it provides the groundwork for this new perception; abuse of goods is a trespass of a different type than abuse of persons.

The norms described above, once they are cultivated by the markets being criticized, could help ground or amplify harmful patterns of action. In the case of sex work, the contention is that a market in sexual labor will commodify sexual action, make it easier to view sexual abuse as an abuse of goods rather than an abuse of persons, and thus, ultimately, lessen the perceived severity of such abuse while increasing its incidence. The empirical evidence conforms to this view. Sex workers are disproportionately the targets of sexual assault, battery, and other varieties of violence. Satz (1995, 78) points out that “the mortality rates for women engaged in streetwalking prostitution are roughly forty times higher than that of nonprostitute women.”

Section 4 of this article noted the uncommonly high recorded rates of violence against sex workers and the resultant physical and psychological trauma they experience. It is worthwhile to restate one survey result here: the CSERI study that Carter and Giobbe examine reported that, in their sample, “59% of prostitutes had been raped by a client,” “48% were forced to commit a sexual act against their will,” and 55% were “beaten by customers” (Carter and Giobbe 2006, 28). For comparison, 1 in 6 women in the general U.S. population, and 1 in 33 men, have been the victim of an attempted or completed sexual assault (Tjaden and Thoennes 2000, 13). Undoubtedly, this higher incidence of violence is the product of diverse factors that affect the lives of sex workers. But the altered mindsets criticized by the semiotic objections outlined above offer one possible explanation for this stark reality. If this reasoning is compelling, it raises a significant ethical question that defenders of the MFSW will have to address.

7. Conclusion

I have so far detailed two objections to the MFSW that I argue will persist no matter how the MFSW is structured or what regulations are applied to it, simply because they are inherent in the application of market mechanisms to sexual labor. First, the dynamics of the MFSW make it very difficult for sex workers to give genuine, informed consent in their occupation. Second, the commodification of sex facilitates the crowding out of important moral norms by market values. The new norms emphasized by the MFSW can, in turn, help change individuals’ perceptions and the rules of institutions concerning crimes like sexual assault, increasing the harm suffered by a population that is already especially vulnerable to violence.

However, these objections only speak to the ethical character of sex work. They are not meant to suggest that the MFSW should be prohibited. On the contrary, prohibition of the MFSW is probably not advisable. Satz (1995, 83) points out that criminalization may be nothing but destructive, that “the current prohibition on prostitution renders the women who engage in the practice vulnerable,” and that criminalization, far from eliminating the MFSW, will simply leave sex workers with fewer ways of gaining income and make the remaining avenues for sex work less safe, dominated by pimps and other extralegal machinery.

Partial decriminalization, similarly, is likely to make sex work a more dangerous trade without resolving the objections presented in this article. For example, the criminalization of the buying, but not the selling, of sex (also known as the “Nordic model”) would be more selective in its use of legal sanctions but would not eliminate many of the problems that persist when sex work is fully illegal. A legal structure that requires patrons of the sex industry to remain hidden incentivizes norms of secrecy in the MFSW. When sex work cannot be bought in public, it is bought in private, often in the customer’s home, which is “one of the most dangerous ways to work” (Escobar 2021, 4). Infrastructure intended to publicize or formalize a trade that is meant to be discouraged is prohibited outright: “advertisement of services, renting an apartment or commercial space for work, and hiring a secretary or someone to take appointments are all criminalized

under the Nordic [model]" (4). And, despite all these restrictions, this model has not "reduced the amount of people engaging in the sex industry" (5).

This last point challenges the idea that the criminalization of the MFSW is a tool for harm reduction. Peter de Marneffe (2010, 4) maintains, for example, that "prostitution is psychologically destructive... and that prostitution laws reduce this harm, by reducing the number of people who do this work and by reducing the amount of prostitution that is done by those who do it." The reality of partial decriminalization laws does not bear this out. Full prohibition similarly fails to eliminate the MFSW, though it does force the industry onto the black market (Satz 1995, 84). Attempts to legally suppress the MFSW have not succeeded in lessening the harms associated with sex work directly or in reducing those harms indirectly by reducing the MFSW's size. They have instead made sex work more dangerous and less profitable without decreasing its incidence.

I have argued that the MFSW, situated as it is in the current social context of our world, cannot be ethically justified. But, if the social, economic, legal, and interpersonal dynamics of the world were radically different, a market for sex work might be easier to defend. I do not intend for this note to contradict my assertion that regulation of the MFSW—the establishment of particular rules meant to structure the market for sex work—is not equipped to address the objections I outline in this article. Said objections are not narrowly institutional, bureaucratic, or regulatory in their scope. They are grounded in broad social realities, and any iteration of the MFSW constructed within those same social realities will be vulnerable to those same objections. Regulations concerning who can sell sex, who can buy it, or where, how, or how often it can be sold will not, therefore, solve our problems. Indeed, the literature suggests that they will make them worse.

However, ethical criticisms of the structures we already have are uniquely able to illuminate the kind of future possibility I suggest above. By emphasizing the shortcomings in our current systems, they point to what a better system might look like. If the norms surrounding sex work could be reliably changed, even if the process of revision was complex and prolonged, the semantic objection to sex work would lose much of its force. If the financial pressures that attract some agents to the MFSW were reduced, the questions of consent arising in sex work as an occupation would be less crucial. If the trauma associated with sex work was lessened, the difficulty of giving genuinely informed consent to work in the MFSW would be less concerning. Individuals who criticize the MFSW on ethical grounds should not, therefore, rely on demands for prohibition. Instead, they should develop strategies to change the underlying social conditions that make sex work an objectionable market in the first place. If they succeed in doing this, the debate concerning the prohibition of the MFSW may become entirely obsolete.

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HONESTY BY CONVENIENCE: CORRUPTION TOLERANCE IN ECUADOR

Daniel Sánchez Pazmiño

Attitudes towards corruption may be a strong determinant of its incidence. Using survey data from the AmericasBarometer, binary-outcome empirical models are estimated to discover the key determinants of increased corruption tolerance in Ecuador between 2014 and 2016. It is found that two key variables may have influenced this increase. First, people who approved of the President's job performance were initially less likely to justify bribes, yet by 2016 they started justifying corruption more. Second, people who identified closer to the political right justified corruption more in 2016 as well. These variables explain the increase as the percentage of people who approved the President's performance decreased and the percentage of people identified with the political right increased. It is also found that people who were either employed or outside the labor force justified corruption more in 2016 than those who were unemployed.

1. Introduction

“Even if you are from [my political party], I will fulfill my duties. If you steal, steal well! Justify well! But do not let your affairs be seen, comrades.”¹ Uttered publicly by Rosa Cerda, Ecuadorian congresswoman for the Napo province (Castro 2021), these comments met widespread criticism around the country, although the remarks were initially met by cheers from the audience she addressed. However, Cerda's declarations did not transcend an eight-day suspension (Ordóñez 2021), and the whole event was soon forgotten by most citizens.

This episode is only one of many corruption-related scandals that occurred in Ecuador, a middle-income country in South America. The country has seen increased COVID-19 vaccine inequality (Taj, Mitra, and Politi 2021), weakened public health services (Celi 2020), policymakers charging fees for political positions (Espinosa 2021), lost Social Security funds (Pesantes 2020), a former president convicted (Valencia 2020) as well as two vice presidents impeached and removed on charges of corruption (León 2020), among others. However, it is almost as if these scandals no longer cause outrage. At most, they cause a sigh of disappointment or social media outrage which dwindles shortly after.

1. Translated from Cerda, 2021 in “La asambleísta que dijo ‘si roben, roben bien’ se enreda más” (2021), paragraph 2.

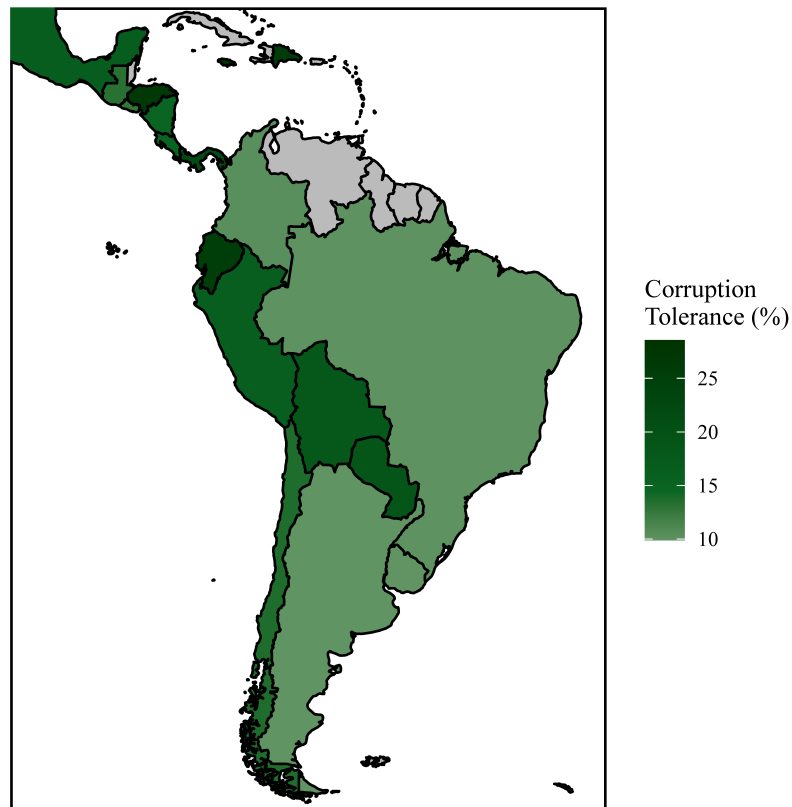


Figure 1: Corruption Tolerance (%) Choropleth Map in 2019. The map shows corruption tolerance percentages across Latin America in 2019, where Ecuador places third among the most corruption-tolerant countries. Data from the [®]AmericasBarometer 2018/19.

This apparent ambivalence has seen Ecuador place well above the corruption median in the world according to both Transparency International's and World Bank's corruption indexes. About 90% of voting-age Ecuadorians believe that at least half of politicians are corrupt, and more than a quarter of them admit having been involved with bribes in 2019, according to the Americas-Barometer (AB) survey by the Latin American Public Opinion Project (LAPOP). However, a mere 8.08% consider corruption to be the most serious problem faced by the country. In fact, 25.38% of Ecuadorians believe that paying a bribe is justified. Corruption tolerance has risen 11.79 percentage points from 2014 to 2019. Furthermore, Figure 1 shows that Ecuador is also one of the countries with the highest corruption tolerance in the region.

This article aims to investigate the determinants of the largest corruption tolerance increase in Ecuador—from 2014 to 2016 (as shown in Figure 2). This period coincided with two key events. First, the popularity of the governing regime sharply dropped for the first time in a decade (Quillupangui 2016). Second, the country faced an economic recession (Weisbrot et al. 2017). The article will seek to investigate the increase's determinants by estimating binary-outcome models through logistic regression, which relates the probability of tolerating corruption to several individual-level public opinion and economic indicators. Survey data from the AmericasBarometer is used for the empirical modeling. It is determined that changes in presidential job approval as well as in political wing preferences during 2014 and 2016 could have influenced the increase. It is also found that those not unemployed (employed or outside the labor force) justified corruption more in 2016 relative to those who were unemployed.

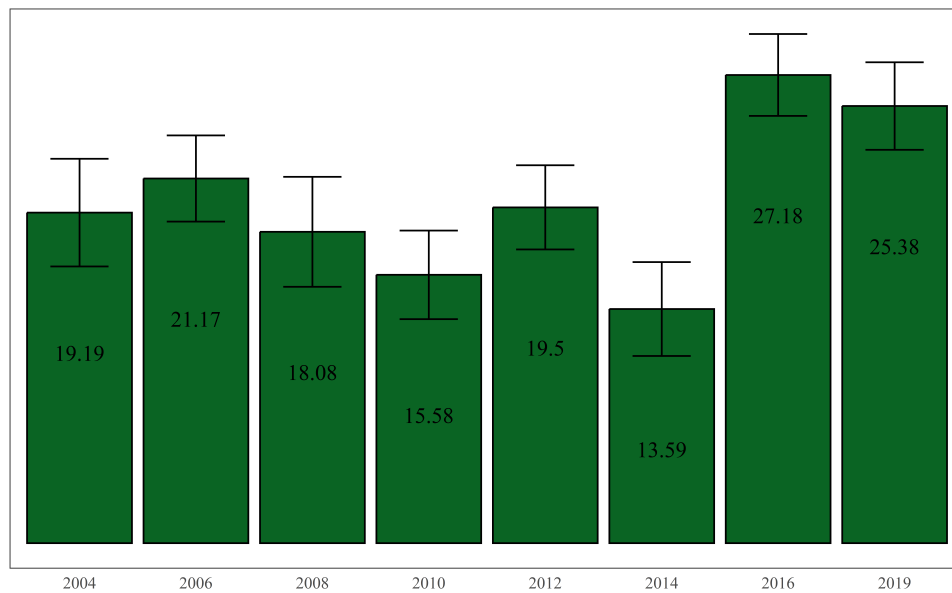


Figure 2: Percent of Ecuadorians who justify corruption, by year. The evolution of corruption tolerance in Ecuador. Error bars show design-adjusted 95% confidence intervals.

Changes in attitudes toward corruption are important for studying corruption incidence, as a higher degree of corruption tolerance will eventually lead to more corruption (Ariely and Garcia-Rada 2019; Campbell and Göritz 2014). Learning what drives corruption tolerance can then foster better policymaking and citizen attitudes, which steer individuals away from dishonest acts. The argument in this article proceeds as follows. Section 2 provides the economic and political background for the argument. Section 3 reviews the relevant literature. Section 4 explains the empirical methodology. Section 5 presents and discusses the results from the estimation of empirical models. Section 6 concludes.

2. Economic and Political Background

Ecuador is a middle-income country located in upper South America next to Colombia and Peru. Its GDP for 2022 is projected to be \$115.47 billion US dollars, with an expected growth rate of 2.68%.² Its population size notwithstanding, Ecuador is a naturally and ethnically diverse country, yet seems anchored to issues that have tormented it since its beginning as a nation. Hanratty (1991, xxi) identified four key issues that have determined the social and economic trajectories of the country: (i) a skewed social structure, (ii) persistent regional rivalries, (iii) a considerable dependence on oil, and (iv) a lack of strong political institutions. As of late 2022, these issues still dominate Ecuador's political and social environment. Since the increase in corruption tolerance occurred during a key period in which two of these issues were most apparent, it is important to briefly review these mechanisms.

Ecuador's modern economic history originated in the late 1960s with the discovery of oil fields in the Ecuadorian Amazon in 1967, along with its subsequent nationalization in the following years (Empresa Pública PetroEcuador 2013). The economy grew at rates never seen before, which led to important social and economic transformations in Ecuadorian society (Hanratty 1991; Hurtado 2007). The nationalization of the oil industry greatly increased public revenue, allowing for expansionary fiscal policy and overall growth. Unfortunately, this policy became a double-edged sword as it also increased Ecuador's dependency on global market price fluctuations since Ecuador's fiscal policy became tied to the ability to sell oil at a high price. Regardless of public

2. Data is from the IMF's World Economic Outlook data set for October 2022.

investment, the country has been an underdog in economic terms as its GDP per capita has stagnated, while comparable South American nations have seen considerable growth, especially after 1990. An economic crisis in the late 90s led the country to its official dollarization, which further reduced the government’s role in managing the economy since monetary policy was no longer a possibility.

Political instability interacted with the dependence on commodity prices to hinder growth. Ecuador’s modern political history started in 1979 when the population was able to break a decade-long series of dictatorial regimes by electing a new president and a new constitution. However, the return to democracy did not mean stability: between 1979 and 2006, the country had 12 presidents, and, on average, Ecuador sees major protests against the government every six years (Loaiza 2022). This constant political instability disallows the establishment of long-term economic policies that can address the unhealthy dependence on commodities.

In 2006, a left-leaning government was elected, which concentrated power in the executive branch and engaged in significant reform through public spending. This government enjoyed high approval ratings for most of its tenure until 2016 (as seen in Figure 3). The key was the leader, rather than the party or its ideals. Branding himself as “the biblical underdog” (Hedgecoe 2009, paragraph 4), charismatic academic Rafael Correa distanced himself from the country’s political elite and constantly denounced corruption and injustice in the system. The new government promised a radical change in 2007 and did deliver, in a way, as it gave Ecuador a politically stable, though totalitarian, environment, as well as other changes in political and economic mechanisms (Weisbrot et al. 2017).

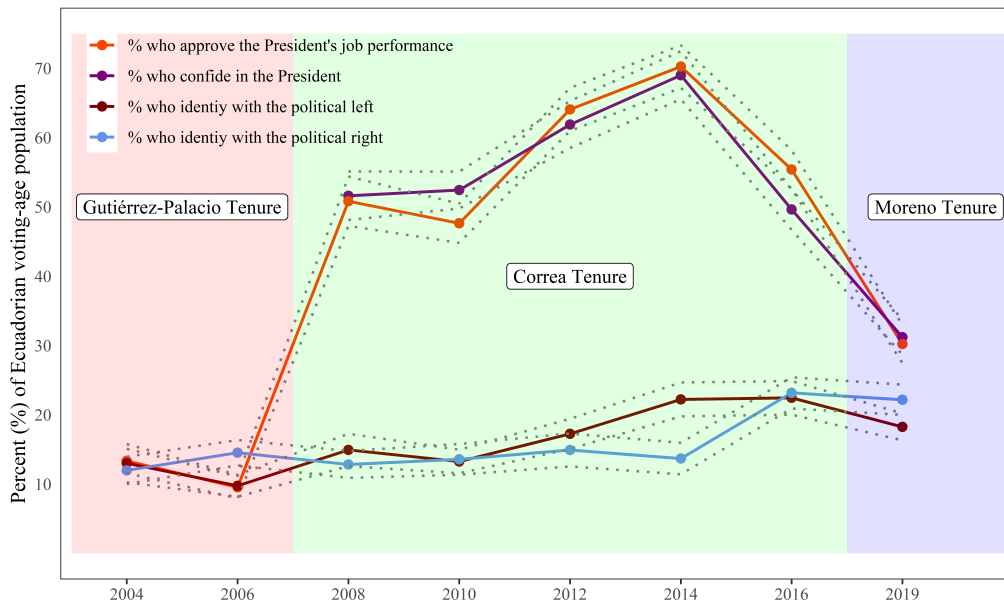


Figure 3: Ecuadorian public opinion indicators, 2004-2019. Time series for political public opinion questions asked in the AmericasBarometer. Error bars show 95% design-adjusted confidence intervals.

Figure 3 shows that the President reached all-time high popularity in 2014 and then a severe drop in 2016. This trend is seen through the percentage of people who approve of the President’s job performance and the percentage who report confidence in him. Another notable change in the political landscape of this period was the way that the voting-age population identified politically. There was a notable increase in the number of people who identified as the ‘right’ of the political spectrum, while those who identified with the ‘left’ did not see significant changes.

The administration’s high popularity allowed Correa to vanquish every political opponent.

During most of his tenure, there was no need for any legislative pact to pass policy, as he enjoyed well over a two-thirds majority in all political apparatuses. This government was often criticized due to its totalitarian practices, yet the average Ecuadorian voter appeared deaf to this. Institutionalism, democratic values, the separation of powers, etc., seemed abstract and far from appealing to a traumatized nation. The new government convinced the people that it had been the political right that had destroyed the country, an idea that has haunted the current presidency of conservative businessman Guillermo Lasso, elected in April 2021.

As Ecuador entered a severe recession due to plunges in commodity prices and a fatal earthquake in 2016, the Correa administration was forced to take widely unpopular austerity measures. Furthermore, a significant amount of corruption accusations appeared against top government officials, which planted the seed of a deep investigation into a complex corruption scheme involving top government officials and large corporations (Villavicencio et al. 2019), which ended in a capture order for Correa in 2020. Several narratives started to be constructed by government officials to explain the flaws and accusations denounced at that point. These included reducing corruption accusations to “political persecution” or unfounded claims spread before elections (Meléndez and Moncagatta 2017).

Regarding the economic recession, Orozco (2015) holds that although the commodity price collapse in 2008 was greater, there was little reduction in economic activity in 2008 because international financing and savings left over from oil funds were used to keep government expenditure high. In 2016, savings eroded, and government debt grew bigger, stagnating the economy. A politically weakened Correa left Ecuador for Belgium in 2017 after giving up power to his political successor, Lenín Moreno, who later turned his back on Correa.

Understanding these mechanisms, it is clear that Ecuador proves to be an excellent setting for studying the determinants of corruption tolerance. The economic and historical background has created a laboratory to study how people react to highly corrupted environments in the presence of exogenous shocks. Any analysis of the corruption tolerance increase during the 2014-2016 period must necessarily account for the events that happened at the time. In the next section, I analyze the related literature to construct a framework that will allow me to use these events as potential determinants for corruption tolerance at the individual level.

3. Corruption: A Basic Framework

The literature on corruption mostly focuses on corruption incidence and how it may determine other economic and social outcomes. While less attention has been given to the corruption tolerance phenomenon, a key finding of this subset of the literature is that the more tolerance and exposure to corrupt acts, the more likely it is that these will spread across individuals. Ariely and Garcia-Rada (2019) discuss experimental findings showing that individuals who pay a bribe or are requested to pay one are more likely to behave dishonestly in subsequent ethical dilemmas. Gino et al. (2009) show that subjects exposed more to dishonest behaviors are more likely to engage in them.

An empirical study of corrupt organizations by Campbell and Göritz (2014) shows that initial exposure to dishonest acts can create an organizational culture fostering corruption among its members. The corrupt culture may change the behavior of otherwise honest individuals through social pressure, notably when principles such as ‘the ends justify the means’ are perceived as the organization’s core values. Specifically for the variable at hand, Carlin (2013, 6) proposes that:

[B]ribery has a self-perpetuating mechanism: if the rule of law is so weak that state actors are brazen enough to solicit bribes and self-interested citizens feel justified in pay-

ing them, the supply and demand of bribery will converge to form strong social behavioral norms.

It is adequate to place corruption in a basic framework that will inform the empirical modeling, keeping two key channels in mind: the social and economic payoffs that corrupt acts imply. I build this framework based on the implications of a microeconomic model of corruption (Shleifer and Vishny 1993), the effect of social payoffs on economic outcomes (Akerlof 1980), and a behavioral theory of corruption normalization (Ashforth and Anand 2003).

Shleifer and Vishny (1993) model bribes in a way where a public official trades public goods in exchange for bribes. Private agents then pay them to receive the goods and the consumer surplus that any transaction brings. This payoff might be understood as an individual economic incentive to engage in corrupt acts: paying the bribe allows the use of a desirable public good or allows for quicker access to it. Thus, economic convenience could be an important determinant of how people behave around corruption: people may tolerate dishonesty if it means a positive economic payoff.

On the other hand, there might also be moral considerations in deciding to tolerate or engage in corruption. While the economic payoff of paying or receiving a bribe may be positive, the moral connotation of the act may bring shame or rejection from society. Avoiding a bad image can very well become an important determinant of the decision to engage in corruption. Nevertheless, in environments where this is tolerated the negative social payoff of bribing might be smaller, which decreases the social payoff of being honest. Akerlof (1980) holds that social payoffs might change economic outcomes in a significant way, deviating from the neoclassical equilibria. How the social payoffs of corrupt acts are determined is key, as it could be assumed that most of the time the economic payoff of bribes is positive for the corrupt individual.

Ashforth and Anand (2003) develop a model to explain how corruption is normalized or tolerated in an organization, which helps to understand how these social payoffs are determined. The implications of this model imply that social payoffs of being corrupt should be decomposed into effects related to the institutionalization, rationalization, and socialization of corruption.

Leadership in the organization is very relevant for institutionalization behaviors in Ecuador, considering its recent historical background. Ashforth and Anand (2003) propose that leaders need not engage in corrupt acts to foster their normalization, as they can simply facilitate or ignore the initial corrupt acts to have subordinates start normalizing corruption. Subordinates do not second guess their superiors' decisions due to the habit of obedience, which is more prevalent in highly hierarchical organizations.

Two other mechanisms are involved in the normalization of corruption. The *rationalization* mechanism of corruption is especially important, as it can be modeled at the individual level. This mechanism involves corrupt individuals rationalizing corruption to "avoid the adverse effects of an undesirable social identity" (Ashforth and Anand 2003, 13). Relevant to the present context is the *denial of responsibility* rationalization, in which corrupt individuals become convinced that they have no choice but to engage in corrupt acts due to external circumstances.

Denial of responsibility also involves individuals seeing their own corruption as a form of retribution against unfair actions previously exerted on them. Another example of denial of responsibility is when corrupt acts are justified because actors perceive those who denounce corruption as illegitimate authorities with motives other than the organization's well-being.

The socialization mechanism considers the peer effects of corruption, wherein dishonest practices are 'taught' to organization newcomers. Newcomers will initially be induced to change their attitudes toward corrupt beliefs, then peer pressured to escalate these practices. Since newcomers strive to be accepted, they adopt these dishonest behaviors as their own, while they also ratio-

nalize them to avoid the social costs of dishonesty. Later, the newcomers become the ones that exert peer pressure on future members.

Having established a framework that will allow for better modeling of corruption tolerance, it is useful to look at what the literature has found with the variable at hand. Singer et al. (2016) found that for every Latin American country in 2014, at least 60% of the respondents perceived their governments to be corrupt, but a much smaller proportion considered corruption the most important problem in their countries. They also found that those who justify corruption have been exposed to a bribe in the past.³ Other significant determinants of corruption tolerance in 2014 were age and the urban-rural dichotomy. Younger participants tend to justify corruption to a higher degree, a robust finding through time and across countries of the region. Those living in rural settings also tend to justify corruption more.

Lupu (2017) shows that corruption tolerance has been growing consistently in the region and that the average Latin American country has about a fifth of its population believing that corruption is justified. Between 2014 and 2016, corruption tolerance grew from 17.4% to 20.5% throughout the region. Older citizens, as well as those exposed to corruption previously, are more prone to justifying it. The level of perceived corruption also appears to be a significant determinant. Lupu (2017, 67) concludes, therefore, that corruption may have become “a self-fulfilling prophecy: as more and more citizens perceive that corruption is more widespread, they also become more likely to condone it.”

Regarding Ecuadorian corruption tolerance, Moscoso (2018) demonstrates that corruption is also perceived to be widespread despite not being regarded as an important problem. Montalvo (2019) finds that the general trend in which younger people justify corruption more also applies to Ecuador. For the same round, Moscoso and Moncagatta (2020) find that age and interest in politics are significant predictors of corruption tolerance, as well as exposure to corruption, as was found by Lupu (2017) for the whole region. The empirical evidence can support corruption becoming a known inconvenience for daily life in the country rather than an unacceptable threat to the system, perceiving it as endemic to the political and social environments.

4. Methodology

The AmericasBarometer (AB) survey from the Latin American Public Opinion project is used in this paper to investigate the corruption tolerance increase in Ecuador. This survey was administered in Ecuador and other Latin American countries from 2004 to 2019, at about two-year intervals. It asks about public opinion matters, including democracy and corruption, among others. The open-access AB databases available on the LAPOP website are used for the empirical models. Table 1 presents descriptive statistics for all variables used.

3. The original wording by the authors in the AB reports is *corruption victimization*. Here, this variable is referred to as *corruption exposure*, to account for the possibility that the respondent can be either a victim of corruption by being forced to pay a bribe or the initial corrupt agent who offers to pay one.

Variable	Question code	2014		2016	
		Est.	SE	Est.	SE
Corruption tolerance	EXC18	13.59	1.39	27.18	1.21
Unemployment	OCUP4A	10.06	1.04	22.89	1.2
Confidence in the President	B21A	69.01	1.77	49.64	1.49
Approval of the President	M1	70.26	1.57	55.41	1.43
Economic situation (Worse)	IDIO2	22.93	1.26	51.76	1.45
No political wing	L1	21.49	2.11	8.67	0.74
Center	L1	42.58	1.92	45.7	1.49
Left	L1	22.23	1.25	22.46	1.24
Right	L1	13.7	1.16	23.17	1.15
Women	Q1	50.37	0.34	50.29	0.3
Age	Q2	39.41	0.17	38.64	0.22
Years of education	ED	10.67	0.15	11.43	0.14
Urban	UR	65.21	4.11	66.41	4.07
External political efficacy	EFF1	35.31	1.69	41.93	1.33
Internal political efficacy	EFF2	38.55	1.58	41.49	1.34
Participated in a protest	PROT3	6.82	0.89	4.67	0.55
Interest in politics	POL1	33.45	1.63	32.29	1.35
Perceives corruption	EXC7, EXC7NEW	70.29	1.74	83.49	0.97
Exposed to corruption	EXC 2,6,11,13,14,15,16	26.97	2.01	27.69	1.23

Table 1: Descriptive statistics for all variables. Descriptive statistics table with estimates (Est.) and robust standard errors (SE), where age, years of education, and the external and internal political efficacies are arithmetic means. All other variables are percentages. Standard errors are adjusted for survey-design effects.

The empirical models estimated in this study will use the 2014 and 2016 rounds of the AB in Ecuador, with $n_{2014} = 1489$ and $n_{2016} = 1545$. The survey is based on a multi-stage national probability design, with design-adjusted errors of $\pm 2.5\%$ and $\pm 1.9\%$, respectively, each year (LAPOP 2014; LAPOP 2017). Both surveys are self-weighted. However, 95% confidence intervals for the descriptive statistics, adjusted for survey-design effects, are presented when relevant.

The empirical analysis is concerned with the *EXC18* question: “Do you think, given the way things are, sometimes paying a bribe is justified?” (Moscoso 2018, 96, [originally asked in Spanish]). The question has been asked in all survey rounds in Ecuador and is the last one after a set of questions regarding corruption exposure and perception. This variable (*ctol*) is equal to 1 when the respondent answers ‘Yes,’ 0 when the answer is ‘No,’ and dropped from the model otherwise. All models have *ctol* as the explained variable, and responses to other questions are used as regressors.

In order to identify the changes in behavior that led to the increase, the survey rounds are pooled, and the following general model is estimated:

$$P(ctol = 1 | \mathbf{X}) = G(\mathbf{X}\theta) = G[\beta_0 + \delta_0 y_{16} + \mathbf{R}'\beta + \delta_1 (y_{16} \cdot x^*)] \quad (1)$$

Where \mathbf{R} is a vector of controls and x^* is a key regressor whose change across time may have significantly influenced the rise of corruption tolerance between 2014 and 2016. This key regressor interacts with a year dummy, y_{16} , which equals unity for 2016 observations. The complete regressors’ vector includes all variables in \mathbf{R} , the key regressor x^* , and the interaction term. The parameters vector θ includes vector β as well as β_0 , δ_0 , and δ_1 . G is the link function. In this article, I follow the literature and use a logistic function as G .

Consider the partial effect of the key regressor x^* on $P(ctol = 1 | X)$:

$$\frac{\partial P(ctol = 1|\mathbf{X})}{\partial x^*} = \frac{\partial G}{\partial \theta} \cdot \frac{\partial \theta}{\partial x^*} = \frac{\partial G}{\partial \theta} \cdot (\beta_{x^*} + \delta_1 y_{16}) \quad (2)$$

The parameter $\delta 1$ would then measure the ceteris paribus effect of a change in the key regressor x^* from 2014 to 2016 in $ctol$. Therefore, the coefficient of interest in this study is $\delta 1$. If there has been a change in 2016 in x^* which significantly influences corruption tolerance, $\delta 1$ should be statistically significant. Further, a $\delta 1$ coefficient not statistically different from zero would mean that individuals with and without this key characteristic are equally likely to justify corruption across time. Average partial effects are shown for all models. I use survey-weighting to adjust for complex survey design effects, as suggested by Castorena (2021). Since the sample is self-weighted, survey weighting does not affect magnitudes, only standard errors.

5. Results

As seen in Section 2, two economic variables significantly changed during the corruption tolerance increase period: the percentage of people who reported a worse economic situation as well as unemployment. Variables that proxy attitudes in the political landscape also significantly changed: the percentage of people who confide in the President, the percentage who approve the President's performance, and the percentage of people who identified with the political right. These variables were used for simple empirical models, which follow the equation below.

$$P(ctol = 1|\mathbf{X}) = G[\beta_0 + \delta_0 y_{16} + \beta_1 x^* + \delta_1 (y_{16} \cdot x^*)] \quad (3)$$

Where the key regressor x^* can be: a dummy variable set to unity for respondents who answered that their economic situation is worse (Model 1), a dummy variable set to unity for those who reported being unemployed (Model 2), a discrete variable with numbers 1-7, where higher values imply a higher degree of confidence in the President (Model 3), a discrete variable with numbers 1-5, with higher numbers indicating a higher rating of the President's job performance (Model 4), or a discrete variable with numbers from 1-10 where 1 is the extreme left and 10 is the extreme right (Model 5). Table 2 presents the coefficients of the logistic model, and Table 3 presents their associated average partial effects. It shows that an unemployed person is 5.9% more likely to justify corruption. Additionally, a respondent who answered one degree higher in their confidence in the President was 2.4% less likely to justify it. Finally, a person who rated the President's job performance one unit higher was 4.4% less likely to justify corruption. All other partial effects are not significant.

	(1)	(2)	(3)	(4)	(5)
Constant	-1.894*** (0.127)	-1.989*** (0.110)	-0.455** (0.208)	0.553 (0.362)	-1.527*** (0.196)
2016 Dummy	0.848*** (0.158)	1.001*** (0.132)	-0.188 (0.238)	-1.251*** (0.415)	0.278 (0.234)
Worse Economic Situation	0.131 (0.169)				
Unemployment		1.015*** (0.205)			
Confidence in President			-0.288*** (0.037)		
Approval of Pres. Performance				-0.648*** (0.096)	
Political Wing					-0.047 (0.038)
Econ. Situation Interaction	-0.025 (0.197)				
Unemployment Interaction		-1.005*** (0.256)			
Pres. Confidence Interaction			0.206*** (0.044)		
Pres. Approval Interaction				0.568*** (0.111)	
Pol. Wing Interaction					0.095** (0.043)
<i>N</i>	2948	2950	2944	2941	2535
AIC	2893.64	2889.04	2848.57	2844.82	2574.81
BIC	2926.37	2920.98	2881.80	2876.65	2606.10

Table 2: Logit coefficients for baseline models. Logit coefficients of baseline models with design-adjusted std. errors. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

Consider the logit coefficients in Table 2. The coefficient for the year dummy confirms the significance of the corruption tolerance increase in 2016, which is lost when considering interaction terms with confidence in the President and has a negative sign with the other political variables. The inclusion of unemployment and economic situation does not eliminate the significance of the year dummy. Model 1 suggests that a person who reports having a worse economic situation does not tolerate corruption differently than those who report the same or equal economic situation. According to Model 2, respondents who were unemployed were more likely to justify corruption than those who were not.⁴ The interaction term in this model has a negative sign, which shows that the effect of unemployment in 2016 was lower than in 2014, meaning unemployed people justified corruption less after political instability set in.

4. In this case, not being unemployed means either being employed, salary and hours worked notwithstanding, and not being in the labor force (students, rentiers, among others). Results are robust to include an employment variable.

	(1)	(2)	(3)	(4)	(5)
2016 Dummy	0.131*** (0.020)	0.126*** (0.019)	0.109*** (0.019)	0.117*** (0.019)	0.124*** (0.020)
Worse Economic Situation	0.018 (0.014)				
Unemployment		0.076*** (0.025)			
Confidence in President			-0.024*** (0.003)		
Approval of Pres. Performance				-0.044*** (0.008)	
Political Wing					0.003 (0.003)
<i>N</i>	2948	2950	2944	2941	2535

Table 3: Average partial effects for logit models in Table 2. Average partial effects for models in Table 2, with design-adjusted std. errors. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

Models 3 and 4 display the same relationship: people who either trust or approve of the President to a higher degree also tolerate corruption less. A more zealous supporter of the regime believed bribes were not justified. However, this appears to change in 2016. The interaction terms for both variables are significant and positive: in 2016, supporters started to justify corruption more. This relationship could explain the jump in corruption tolerance as regime support eroded in 2016, which meant that the number of non-supporters was higher, and these respondents justified corruption more than supporters. Also, the remaining supporters started to justify bribes to a higher degree. In Model 3, the significance of the year dummy is lost, while in Model 4 the sign is reversed.

The coefficients in Model 5 show that a person who identifies closer to the political right does not justify corruption more or less relative to those identifying closer to the political left. However, the interaction term shows that people answering higher values of this variable justified corruption more in 2016. Once again, the significance of the year dummy is lost when considering this variable. With a higher number of respondents identifying with the political right wing, and who appear to justify corruption more, it is understandable how overall corruption tolerance increased.

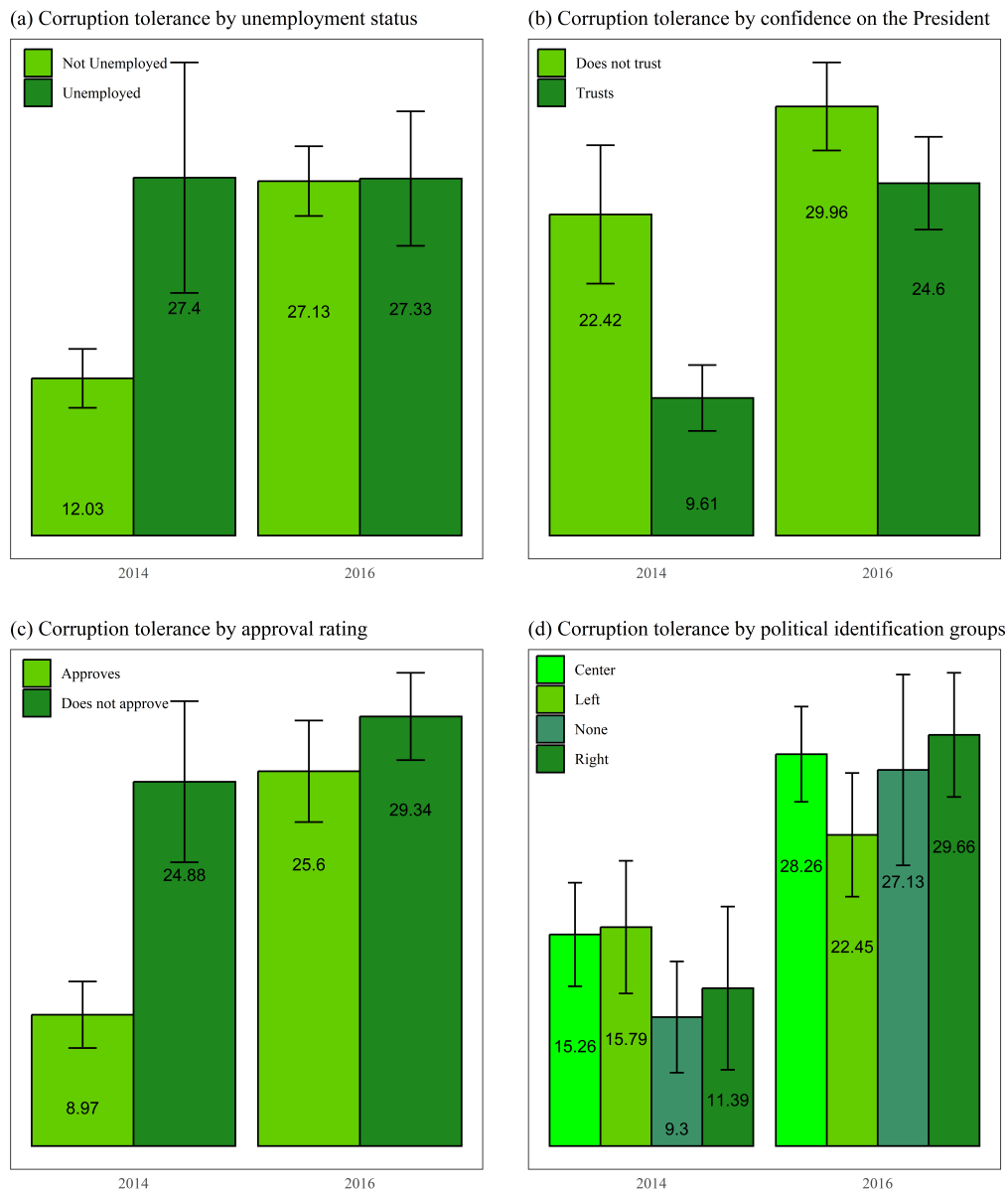


Figure 4: Graphical representations of corruption tolerance across key explanatory variables. The panels show the percent that justifies corruption across the groups used as explanatory models in Table 2. Error bars represent the 95% confidence intervals adjusted for design effects.

These findings are supported by Figure 4. According to panel (a), in 2014, only 12.03% of those not unemployed justified corruption, while in 2016, the figure increased to 27.03%, a very close percentage to unemployed people who justified it in 2016. The time difference between these point estimates is not statistically significant, which means that in 2016 the effect of unemployment on corruption tolerance approached zero. Thus, Figure 4, along with Model 2 of Table 2, shows that it was not the unemployed who started to justify corruption less, but the people who were not unemployed that started to justify it more.

Panels (b) and (c) of Figure 4 show that the percentage of people who either confided in or approved the President and justified corruption increased significantly between 2014 and 2016. This means that the negative effect of supporting the executive in 2016 was smaller than in 2014, as confirmed by the interaction term in Models 3 and 4 of Table 2.

In panel (d) of Figure 4, four different political groups are considered: the left, right, center, and those who did not answer the question. All four groups saw increases in the percentage

of group members who justify corruption. All increases in corruption tolerance are significant, except for those who identify with the left wing.

	(1)	(2)	(3)
Constant	−0.674* (0.401)	0.707 (0.468)	−0.351 (0.405)
2016 Dummy	0.887*** (0.145)	−1.217** (0.477)	0.333 (0.252)
Woman	0.124 (0.109)	0.136 (0.111)	0.127 (0.109)
Age	−0.026*** (0.004)	−0.026*** (0.004)	−0.026*** (0.004)
Years of education	−0.041*** (0.015)	−0.038** (0.015)	−0.039** (0.015)
Lives in urban setting	−0.020 (0.132)	0.013 (0.131)	0.009 (0.132)
External political efficacy	−0.047 (0.032)	−0.041 (0.032)	−0.044 (0.032)
Internal political efficacy	0.096** (0.041)	0.093** (0.042)	0.089** (0.041)
Participation in a protest	0.431** (0.204)	0.450** (0.205)	0.471** (0.207)
Interest in politics	−0.249** (0.116)	−0.220* (0.119)	−0.244** (0.119)
Perceptions of corruption	0.000 (0.133)	0.001 (0.137)	−0.033 (0.136)
Exposure to corruption	0.985*** (0.115)	1.003*** (0.114)	1.008*** (0.115)
Unemployment	0.956*** (0.215)	0.296** (0.146)	0.285* (0.145)
Approval of Pres. Performance	−0.132** (0.063)	−0.510*** (0.102)	−0.128** (0.063)
Political Wing	0.028 (0.020)	0.029 (0.019)	−0.025 (0.040)
Unemployment Interaction	−0.908*** (0.275)		
Pres. Approval Interaction		0.543*** (0.122)	
Pol. Wing Interaction			0.081* (0.046)
<i>N</i>	2308	2308	2308
AIC	2201.72	2191.11	2208.60
BIC	2301.92	2290.64	2307.42

Table 4: Logit coefficients for modified models. Logit coefficients of the modified models with design-adjusted std. errors. *p < 0.1, **p < 0.05, ***p < 0.01.

	(1)	(2)	(3)
Age	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)
Years of education	-0.006*** (0.002)	-0.006** (0.002)	-0.006*** (0.002)
External political efficacy	-0.007 (0.005)	-0.006 (0.005)	-0.007 (0.005)
Internal political efficacy	0.015** (0.006)	0.014** (0.006)	0.014** (0.006)
Interest in politics	-0.037** (0.017)	-0.033* (0.017)	-0.037** (0.017)
Perceptions of corruption	0.000 (0.020)	0.000 (0.021)	-0.005 (0.021)
Exposure to corruption	0.167*** (0.022)	0.170*** (0.021)	0.172*** (0.022)
Unemployment	0.068*** (0.024)	0.047* (0.024)	0.046* (0.024)
Approval of Pres. performance	-0.020** (0.010)	-0.023** (0.009)	-0.019** (0.010)
Political wing	0.004 (0.003)	0.004 (0.003)	0.004 (0.003)
<i>N</i>	2308	2308	2308

Table 5: Average partial effects for models in Table 4. Average partial effects for models in Table 4, with design-adjusted std. errors. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

Now the general model, as described by the equation in Section 4, is estimated with the key regressors and a set of controls at the individual level. I keep the variables that yielded statistically significant interaction terms with the year dummy in Table 2, except for confidence in the President, as job approval ratings contemplate the same effects. Coefficients are displayed in Table 4, and average partial effects are depicted in Table 5.

These models include multiple control variables suggested by Moscoso and Moncagatta (2020) and Lupu (2017). Of these, only age is significant and has a negative effect on corruption tolerance. A person older by one year is four percentage points less likely to justify corruption. Political efficacy indicators are included too. The external political efficacy question, which asks if respondents believe that politicians serve the interests of the people, has no statistical significance. Internal political efficacy asks about how well the respondent understands politics, and this control is significant. A person who understands more about the country's politics is more likely to justify corruption, and the estimated increase in corruption tolerance probability is about 1.5 percentage points.

While Moscoso and Moncagatta (2020) find that none of the political efficacy variables are significant for corruption tolerance in 2019, they find that interest in politics is significant and has a positive effect. That finding is reversed here; interest in politics is significant yet portrays a negative relationship between the two—more interest in the country's politics is negatively related to corruption tolerance. A person who reports being interested in politics is about 3.5 percentage points less likely to justify corruption. While the two questions may appear to be similar, they imply different attitudes to politics.

The political efficacy question asks if citizens are politically aware, and the second one asks if

they are interested in entering politics. Separating these two questions may imply that attitudes of apathy or pragmatism to the political society are separated from an 'idealist' attitude towards it by those who would like to enter politics. A control for years of education is also added and is significant, communicating that more educated respondents are less likely to justify corruption. Other things equal, an additional year of education is related to a six percentage points reduction in corruption tolerance. This finding is intuitive considering that more education may mean more knowledge about the costs of corruption. The social payoffs for being honest may also be higher as higher education may entail a better economic position, which makes engaging in corrupt acts less economically attractive.

Exposure to corrupt acts (paying or being asked to pay a bribe) is also strongly correlated with tolerance. A person who has been exposed to some form of bribing is about 15% more likely to justify corruption. The causality direction is unclear as it might be possible that a predisposed tolerance to corruption due to external factors makes citizens more likely to be in environments where corruption flourishes. Corruption perceptions, on the other hand, play no role in determining corruption tolerance for this period.

A dummy variable equal to unity for respondents who have recently attended a protest is added and is very significant. Other things equal, a person who has attended a protest is about 7% more likely to justify corruption. This relationship might be related to the *denial of the victim* corruption tolerance explanation proposed by Ashforth and Anand (2003). People who attend protests are likely to reject the current state of things, which may induce a feeling of contempt against society. They may believe dishonest acts are justifiable in these circumstances because they feel corrupt acts can be 'retribution' by alleging that *small* corruption acts are nothing compared to grand corruption scandals. Since they have 'declared' their rejection of the system in general, they have surrendered to its flaws and have no social incentives to remain honest.

Most importantly, Table 4 shows that results in Table 2 are robust to several controls suggested by the literature. It is still true that unemployed respondents justified corruption more in 2014 and less in 2016. People who approved the President's job were less likely to justify corruption in both years, but their rejection was weaker in 2016. Finally, while political identification was not significant in 2014, it was in 2016, and people who identified as closer to the political right were more likely to justify corruption.

It is possible that those initially unemployed justified corruption more because of their 'steady state' of corruption tolerance; unemployed people are economically disadvantaged, which gives them incentives to engage in corrupt actions that can yield positive economic payoffs. Additionally, as they cannot enter the job market, they might feel alienated from society, which might decrease social or moral incentives to remain honest. The change in corruption tolerance in 2016 is more difficult to understand. It is possible that, since the recession, many have lost jobs and have had relatively short unemployment spells. The recently unemployed may not feel too alienated from society and thus have not adopted an attitude of pragmatism toward the current circumstances. Savings or family income may support the recently unemployed, which makes them less desperate and more prone to take the 'moral high ground.' These factors all contribute to them still feeling like a part of society, which reduces their rationalization of corruption. However, over longer unemployment spells, desperation may trigger more pragmatic points of view, which can lead to higher corruption tolerance in the future.

To better understand the implications of the political variables' coefficients and their change over time, consider a key effect on corruption normalization: leadership. Therefore, supporters of the regime faced higher social sanctions when justifying corrupt behavior, as this may have implied that the economic and political model they supported was flawed. However, by 2016,

the popularity of the government saw a sharp decrease and rationalization narratives appeared. A statement by the President represents a particularly relevant example: a regime-affiliated newspaper portrayed how Correa qualified the Panama Papers as a *selective fight against corruption*, which is nothing but another kind of corruption, as well as a “strategy by power groups to destabilize democratically elect governments” (Telégrafo 2016, paragraphs 5-7). If the legitimacy of those who denounce and control corruption is questioned by an important authority of the organization, corrupt acts can be more easily normalized (Ashforth and Anand 2003). Thus, if there was a greater incidence of corrupt acts and numerous attempts by the authorities to justify them, it is understandable how supporters of the regime started to justify corruption more.

Results also show how people who identified with the political right became more corruption tolerant in 2016. It is unclear if there is a causal relationship between the political right and corruption tolerance. This is because it has been determined that in Ecuador, the answer to the political identification question has little to do with the traditional principles of the political wings. Rather, it is possible that the political self-identification of Ecuadorians follows a multidimensional perspective (Moncagatta and Poveda 2020), not accurately measured with an indicator like the one used here.

A potential explanation for the direction of this effect is that those who identified with the right do so partially because they consider themselves against the ruling government. This theory is reasonable considering the increase in the percentage of ‘rightists’ from 2014 to 2016, which aligned with the regime’s downfall. Additionally, it is possible that anti-regime attitudes formed under a common set of ideas rather than under a political party or figure since, during President Correa’s tenure, the opposition forces did not materialize strongly behind a party or leader (Meléndez and Moncagatta 2017). It is sensible to believe that no political wing has any particular preference for justifying or rejecting corruption, as notable academics (Holcombe and Boudreaux 2015) and politicians (Morris 2021) associated with both wings have denounced corruption. Anti-regime respondents, rather than those who actually identified with the political right, might rationalize corruption as a form of retribution, as proposed by Ashforth and Anand (2003) and discussed by Adoum (2000) in the Ecuadorian case.

Some limitations are worth discussing. One of the most important issues is the possible differences across individuals in their understanding of ‘bribes.’ Even though the EXC18 question mentions *paying a bribe*, the idea that comes to mind for respondents may be outside the mentioned hypothetical situations. What respondents think about when reading “*paying a bribe*” could vary. This openness implies that observations are not homogeneous. Another issue is the social desirability bias; the corruption tolerance variable may be considerably mismeasured due to this phenomenon, and instances of social desirability bias may be heterogeneous across unobserved characteristics that are correlated to our key regressors.

6. Conclusions

The degree to which citizens of a country justify corruption is a topic worth careful study, given that the more corruption is normalized, the more likely it is that actors in that environment engage in it. This trend occurs because corruption necessarily implies both social and economic payoffs, so when the social payoff of being honest is eliminated through a justification of dishonest acts, the economic payoff now drives an individual’s decision to participate in this behavior.

In Ecuador, the data from the AmericasBarometer survey has shown that corruption tolerance has risen since 2014, with the most significant increase being between 2014 and 2016. Binary-outcome logit models were implemented to find the determinants of this increase. It was found that changes in presidential job approval and political wing preferences during the 2014 and 2016

period could have influenced the corruption tolerance increase. It was also found that those not unemployed justified corruption more in 2016 relative to those who were unemployed. While this trend does not explain the corruption tolerance increase, it is an interesting finding which may foreshadow a considerable increase in corruption tolerance after the COVID-19 pandemic if corruption tolerance is a lagged function of economic conditions.

Considering this empirical evidence, the jump in corruption tolerance between 2014 and 2016 is explainable. The economic recession brought about by the collapse of commodity prices, the dependence on government expenditure, and the earthquake of April 2016, combined with the numerous accusations of corruption against government officials, deteriorated regime support. The recession led to a decrease in the percentage of people who approved of the President and an increase in the percentage of people who identify with the political right. Also, a decrease in the number of people who did not justify corruption and an increase in the number of people who did was identified. All of this would account for the increase in corruption tolerance.

The most robust findings of the literature are confirmed. Exposure to corruption is a strong predictor of corruption tolerance, so people exposed to bribes are more likely to justify corruption. Also, age is a negative predictor of corruption tolerance, a troubling finding revealing a flawed education system and the lack of attention given to the political inclusion of younger citizens. Education is identified as a negative predictor, but only for 2016. This regressor may have a significant effect on how people behave toward dishonest behavior, as pointed out by Adoum (2000), who considers academic dishonesty as a precedent for political corruption.

These findings suggest obscure details about the way that Ecuadorians behave toward corruption. The considerable amount of consequences for acting corruptly in recent years has not made people tired of dishonesty. In fact, it seems that it has only made them more willing to engage in it. The opposition groups to President Correa's regime, which often cite corruption scandals as arguments against left-leaning politicians, have seemingly become more open to the idea that corruption is inherent to politics and can be justified if it suits their needs. A similar criticism can be aimed at people who participate in protests and are later found to be other sources of corruption tolerance.

Nevertheless, this phenomenon is not isolated to opposition groups and is also found among regime supporters. When corruption became the norm among leaders, supporters became pragmatic regarding corrupt acts. Both of these lines of reasoning entail that corruption will keep happening regardless of who is in power, as both parties in politics have found a way to allow deceit to exist. Calls for honesty have been bent to such an extent that they have become devoid of true meaning, only used if such honesty works to the convenience of those speaking about it.

The costs of corrupt behavior are well-documented in the literature. They challenge the validity of democratic systems (Moscoso 2018), destroy wealth, distort markets, and hinder economic growth and income distribution (Shleifer and Vishny 1993; Singer et al. 2016). Corruption can even add to human misery by shortening life expectancy (Siverson and Johnson 2014), a result expected to appear soon in Ecuador, considering the extensive corruption incidence during the COVID-19 pandemic. The problem of corruption is a politically and emotionally charged discussion point. While policy-making and legal action might be ways to change attitudes toward corruption, it will be difficult to fully eliminate corruption this way. The principle of honesty by convenience must be vanquished through individual action and reflection so that dishonesty is reprehended enough to influence social incentives and provide an escape from the atrocious evils that corruption espouses.

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AUTHOR INFORMATION

Nicole Player is an undergraduate student at Pomona College, majoring in PPE with a concentration in economics and pursuing a minor in cognitive science. Her research interests include media disinformation and polarization, gender philosophy, and international human rights, which she took extensive coursework on while studying abroad in Germany in the fall of 2022. She hopes to pursue her JD and a career in law after graduating.

Hana Mir is currently a graduate student in the Department of Physics at the University of California, Berkeley. She received her undergraduate degree from Virginia Tech in 2022 with a Bachelor of Science in physics and minors in mathematics and PPE. She has previously published in the *Physical Review D* and *Physical Review E*, and participated in a PPE Discussion Colloquium at Virginia Tech.

Xingzhi (Charlotte) Jing is currently an undergraduate student at Pomona College, studying economics with a minor in psychological science. Her research interests mainly lie within behavioral economics and the economics of gender and family. She is particularly interested in exploring the rationale behind seemingly irrational behavior.

Jiayue (Emily) Sheng is currently a postgraduate student in the Department of History of Art at the University of Oxford. She recently completed an undergraduate degree in economics and art history at Mount Holyoke College. She is interested in the economics of pop culture, and the operation of art and cultural institutions. She is also interested in material culture and global trading in early 19th-century East Asia.

Andrew Gewecke is an undergraduate student at Pomona College, where he is pursuing a degree in PPE with a concentration in politics. Previously, he published work on meritocracy and endogenous preferences. In 2022, he presented work on the potential dangers of artificial general intelligence at the 6th Annual PPE Society Meeting. He is interested in the philosophy of economics, behavioral economics, ethics of science and technology, and constitutional law.

Daniel Sánchez Pazmiño double-majored in Economics and Finance from Universidad San Francisco de Quito, Ecuador, and is currently an M.A. student at the Department of Economics at Simon Fraser University, Canada. He is a research associate at Laboratorio de Investigación para el Desarrollo del Ecuador (LIDE) and is interested in advanced causal inference in political economy, economic development, and labor economics.

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