Motivational Strategies, Redistributive Policies and Individual Choice

Cristian Pérez Muñoz*
Ph.D. Candidate
cperez@wustl.edu
Washington University in St. Louis
August 2013

Abstract
What actions, if any, should the state take to improve the motivational viability of its redistributive policies? This paper departs from recent work on motivational strategies by arguing that individual freedom is not the decisive criterion of differentiation between permissible and impermissible policies. It rejects the idea that the state should use coercive motivational instruments only as last resort. Instead, its main claim is, we should evaluate motivational strategies by asking to what extent regulatory instruments can ensure they are publicly checked and controlled.

*I wish to thank Randy Calvert, David Casassas, Victoria Costa, Jurgen De Wispelaere, Anca Gheaus, Clarissa Hayward, Frank Lovett, Ian MacMullen, Julia Maskivker, Robert Mayer, Blain Neufeld, Joshua Potter, Bob Pollack and Ron Watson for comments to previous drafts.
1 Introduction

Redistributive policies can be motivationally problematic. Some opponents of welfare programs argue that extensive redistributive policies should be avoided, because they encourage irresponsible and undesirable behaviors. The idea, in brief, is that those policies can be motivationally counterproductive by eroding individuals’ motivation to work, failing to enforce social obligations, increasing welfare dependency and reinforcing the behavioral problems associated with poverty and inequality.¹

These worries are well-known. Even committed redistributionists recognize that welfare policies often face important motivational obstacles, since schemes of distributive justice are only feasible and stable if individuals are motivated to behave in ways consistent with those schemes. Clearly, social security policies are unworkable if most individuals are not motivated to take up employment. Likewise, a progressive tax scheme designed according to the fairest principles of justice will hardly fulfill its goals if tax compliance is low.

If we accept the assumption that the realization of principles of justice requires particular forms of behavior, then we have to ask whether and how the state - through the different tools at its disposal- can carry out that motivational task.² There are, after all, many motivational strategies that governments might employ in an effort to alter the behavior of their citizens.³

¹This argument resembles Hirschman’s (1991) well-known perversity thesis. This is the idea that “any purposive action to improve some feature of the political, social, or economic order only serves to exacerbate the condition one wishes to remedy” (Hirschman, 1991, p.7). For instance, some people argue that social assistance acts “as a positive encouragement to “sloth” and “depravity” and thus produces poverty instead of relieving it” (Hirschman, 1991, p.29). For arguments pointing in this direction see: Mead (1993), Murray and Alcock (1994). For a critical analysis of this argument see: Soss, Fording and Schram (2011), Handler and Hasenfeld (2007).

²Surprisingly, although the importance of motivation for distributive justice may be generally accepted, the question of whether or not people should be motivated to behave in ways that favor distributive arrangements has been neglected in the debate. Sterba (1988) and Nagel (1991) are important exceptions to the general lack of attention to this issue. A discussion of the importance of motivation in theories of distributive justice can be found in Rawls (1999), Goodin (1983),Cohen (2008), Barry (1989), Bates (1974) and Bufacchi (2005).

³It is fairly clear that governments cannot manipulate or control all of the factors that affect people's motivation. Our motivation for behaving in a particular way derives from several sources. Nevertheless, the relevant question for this paper is what the state can permissibly do while attempting to motivate us to behave in a particular way.
Because those strategies comprise different methods by which governments exercise power, they have different normative implications. Hence we need a comprehensive understanding of, not only what the different tools are, but also how they can be normatively evaluated and compared.

In contrast to recent work on motivational strategies, this paper argues that we should not take individual freedom to be the decisive criterion of differentiation between permissible and impermissible instruments. My argument is directed against the idea that the state should use coercive motivational instruments only as a last resort: that all possible precautions should be taken to prioritize the use of motivational instruments that minimize restrictions on people’s freedom of action. I diagnose the pros and cons inherent in a wide range of motivational strategies and argue that none can be indisputably considered better than the alternatives in all circumstances. My principal claim is that we should evaluate motivational strategies, not simply with reference to their effects on individual freedom, but also and especially according to the extent to which they can be publicly checked and controlled.

The argument proceeds in two parts. The first section describes and compares the four main tools governments can use to alter behavior: persuasion, the use of negative inducements, the use of positive inducements, and the alteration of the architecture of choice. These four tools can be evaluated in terms of both practical and normative criteria. Practically, most people agree that effectiveness, efficiency, and feasibility are important standards for judging motivational strategies. The extent to which a strategy constrains freedom is commonly used as the key normative standard. Based on this standard, most agree that negative inducements (essentially, coercive policy instruments) are the least attractive option. I

---

4 For a recent debate see, for instance: Thaler and Sunstein (2008, p.14); Hausman and Welch (2010, p.130); White (2013) and John (2011).

5 There are many alternative ways to define freedom or liberty. However, the idea of freedom that is mostly used in the public policy debate is that of negative freedom; that is, the conception of freedom as the absence of constraints or interference Berlin (1969). Public policies can be conceived as impediments deliberately imposed by the government. The extent to which we are free from those constrains or interference is usually considered the most important normative variable to evaluate alternative public policies. Unless otherwise indicated, in this paper “individual freedom” denotes negative freedom in the sense famously defined by Berlin (1969).
argue in section two that this view is flawed for two main reasons. First, there may be cases in which it is necessary to trade individual freedom for some other value (e.g., efficiency, efficacy, feasibility, or fairness). Second, all motivational strategies can strongly constrain freedom. The goal should not be to adopt the motivational strategy that imposes the fewest constraints on individual freedom, but instead to adopt the one that best promotes accountability, publicity, and transparency. An important task for committed redistributionists is to develop adequate mechanisms to monitor and control necessary exercises of state power.

2 Motivational strategies

More often than not, a government’s ability to obtain desired outcomes depends to a significant extent on individuals’ behavior. For example, socially desirable goals, such as having a functional safety net for old age or enjoying healthy democratic politics, cannot be attained if most people are not motivated to behave appropriately: to invest in some form of retirement savings, for example, to vote or engage in other forms of political participation. Needless to say, some citizens always hesitate to support some collective objectives. Hence, once their goals are identified and justified, governments must decide whether or not to take an active role in pursuing desired outcomes. Under some circumstances, non-governmental actors may have an important interest in promoting those goals by themselves. Even more, they may be better suited for pursuing that particular task. However, a non-trivial set of a government’s goals can be better (or even only) addressed through public policy.

There are many ends states may choose to pursue. Although my argument can be applied to a wide range of collective aims, I restrict the present discussion to policies that redistribute wealth, resources, and property from those who are better off to those who are worse off. The main question is, “What actions, if any, is it legitimate for the state to take to improve the motivational viability of its redistributive schemes?” With few exceptions, political theorists have not tackled the issues of what governments might do to motivate people to change
their behavior and what limits should be placed on the policy instruments used to induce behavioral change.\textsuperscript{6} This discussion aims to fill that gap.

Although policy instruments are classified in multiple ways, it is possible to identify four common motivational tools at the disposal of most governments: positive inducements, negative inducements, persuasion, and the alteration of the architecture of choice.\textsuperscript{7} Let’s consider each in turn.

Each of us has a set of preferences over possible actions that promote or undermine redistributive schemes. Although some people will voluntarily behave in ways that help the implementation of redistributive policies, others will not. The challenge for committed redistributionists is to motivate people to behave in ways consistent with redistributive institutions. Consider the following choice problem. Individual 1 chooses an action from a finite list: $X = x_1, x_2, x_3$.\textsuperscript{8} Suppose individual 1 has the following preference ranking: $(x P_1 y P_1 z)$, where the notation $x P_1 y$ means that $x$ is preferred over $y$. Assume also that the normatively best distributive policy is one that maximizes the number of people who comply. How can the state modify individual 1’s preference ranking? There are four possible candidates: (a) it can limit the size of the choice set by eliminating undesirable options from consideration or by making them highly costly (negative inducements); (b) it can affect individual 1’s choice

\textsuperscript{6}This debate has received little attention from normative scholars, but notable exceptions are Nagel (1991), Stone (2002), Le Grand (2003) and Grant (2011). Fortunately, in recent years a number of public policy scholars have undertaken the task of identifying, classifying and comparing different motivational instruments of public policy. For a more detailed discussion see: Hood (1983), Salamon (2002), Stone (2002), May (2004, 2005), Schneider and Ingram (1997), Kraft and Furlong (2012), John (2011), Howlett (2011) and Birkland (2010).

\textsuperscript{7}From a conceptual standpoint, we might usefully think about those motivational tools as alternative forms of exercising power (Stone, 2002; Grant, 2011). I do not reject the possibility that different power mechanisms influence what the actors in this relation of power want to do or think that they should do. Both government’s and people’s actions may be circumscribed by different mechanism of power that are not limited to norms, procedures or institutional rules. See for instance (Hayward, 2000) for an account of power that relies on this assumption. Instead, what I am interested in evaluating are the instruments that government may directly use to try to change people’s behavior. For the sake of the argument, I will assume here that through different motivational strategies, the government can get people to do something that they would otherwise not do. This does not dismiss the fact that there are many ways in which an agent A may exercise power and influence agent B’s behavior. For a discussion on this issue see Lukes (2005) and Hayward (2000).

\textsuperscript{8}This interpretation of motivational strategies is an adaptation of Dowding (2011).
set by adding value to its preferred options (positive inducements); (c) it can attempt to diminish the value of some particular options or increase the value of others without changing the composition of the choice set (persuasion) (d) it can structure the architecture of decisions, i.e., it can “nudge,” as a way to make it easier for individuals to act in ways they otherwise would not. Notice that all these strategies can be interpreted as exercises of power used to affect an individual’s choice. The government uses some motivational strategy to get individual 1 to behave in the desired way, a behavior individual 1 would not have otherwise chosen.9

Positive and negative inducements are commonly called incentives or, metaphorically, “carrots and sticks.” Incentives are usually defined as “rewards and punishments that individuals perceive to be related to their actions and those of others” (Gibson et al., 2005, p.9). In other words, there is an incentive whenever an agent A offers a benefit or sanction $\alpha$ to an agent B, in the event that B carries out some action that is valuable for A. Positive inducements add new options to the choice set. For instance, after receiving a positive inducement, the preference order for individual 1 can become $(z + \alpha P_1 x P_1 y P_1 z)$ where the value that the inducement adds to option $z$ is big enough to make $z + \alpha$ the most preferable option. Negative inducements do the opposite. They increase the cost of some options in order to make non-compliance or partial compliance more costly than compliance. It should be noted that, technically speaking, negative inducements do not eliminate options from the choice set. Rather, they make the cost of some option considerably high. If I do not pay taxes, there is a given probability that I will be sanctioned. But the existence of that conditional threat does not mean that I will be forced to pay. I still have the choice of deciding not to pay, even though I will certainly be punished. If I would be forced to pay, however, I would not have a choice. Negative inducements are coercive motivational instruments.

Persuasion is commonly defined as a “symbolic process in which communicators try to

---

9For a definition of power in this line, see (Dahl, 1957, p.202), for a discussion of different definitions of power see (Dowding, 2011).
convince other people to change their attitudes or behaviors regarding an issue through the transmission of a message in an atmosphere of free choice” (Perloff, 2010, p.11). It can be seen as an attempt to increase the perceived value of the preferred option or to diminish the perceived value of the non-preferred options by appealing to motivational schemes distinct from either positive or negative inducements. Persuasion does not eliminate or increase the cost of some option or options. Instead, it convinces people to reorder their preferences. For instance, the state can conduct communication campaigns that help people understand why their participation in community service programs is desirable for achieving successful redistributive outcomes. Persuaders may succeed or fail at convincing others to change their behavior or attitudes. In other words, even if the persuadee accepts the reasons that the persuader provides as good and compelling, he may not adjust his behavior (p.397 Burnell and Reeve, 1984; Simons, 2001, p.8). The key difference between persuasion and inducements is that the former points out the reasons for choosing a specific option while the latter creates consequences that follow particular choices: rewards and sanctions brought by agent A in response to B’s actions (Dowding, 2011, p.112). Put simply, while persuasion is a prediction about potential consequences of B’s choosing some action over others, inducements are based on the rewards and sanctions that are brought by agent A because of B’s actual actions.

The alteration of the architecture of choice, or the “nudge”, is different from both of these. A nudge, Richard Thaler and Cass Sunstein write, “is any aspect of the choice architecture that alters people’s behavior in a predictable way without forbidding any options or significantly changing their economic incentives”. As they point out: “Nudges are not mandates. Putting the fruit at eye level counts as a nudge. Banning junk food does not” (Thaler and Sunstein, 2008, p.6). Nudges can be used to manipulate B’s choice set. We can talk about nudging when the food in a cafeteria is arranged in such a way that it leads people to choose the healthy food over the unhealthy. Similarly, default options act as nudges. An employer who prefers that each of her employees has health insurance coverage may set a status quo default (e.g., elect the same health insurance plan as last year) rather than a
“back to zero” default (go without health insurance) (Thaler and Sunstein, 2008, p.12). In both cases, the set of options is preserved.\textsuperscript{10}

Motivational strategies are forms of power that vary significantly. But, as Ruth Grant points, it is a mistake to imagine them along a simple continuum with control at one extreme and persuasion at the opposite: a mistake that would lead us to identify negative inducements with the greatest exercise of power. Coercion does not always constitute a greater exercise of power than alternative motivational strategies. Some sanctions (e.g., a trivial fine) are weaker forms of power than some modalities of indoctrination. At the same time, it is not always the case that incentives and nudges can be located on a continuum between the use of negative inducements and persuasion. Some positive inducements are used to exercise power in ways that can be more ethically problematic than some negative inducements. The question is, then: how can we draw a distinction between ethical and unethical motivational strategies?

3 Standards for evaluating motivational strategies

Traditional criteria for evaluating policy tools include effectiveness, efficiency, and political and administrative feasibility. Effectiveness refers to the likelihood of achieving a particular policy goal. A particular motivational strategy is effective if it achieves the expected outcomes. The criterion of efficiency is a measure of the achievement of a particular goal in relation to its costs. Political and administrative feasibility refers to the extent to which a particular policy can be accepted, supported, and implemented.

These are important practical standards. But they provide little useful guidance for nor-

\textsuperscript{10}More technically speaking, there are four components of the nudging strategy. First, based on his expertise the choice architect customizes and arranges the set of options in such a way that should be beneficial for the nudged. Second, nudges are more effective when people are unaware that they are being nudged. Third, nudges are supposed to provide to those who are nudged a genuine and easy way to opt out. Finally, nudges should be subject to a publicity principle. That is to say, the choice architect needs to be able to publicly defend the arrangement of any particular choice set. For a discussion of these points, see: Hausman and Welch (2010), John (2011), Wilkinson (2013), Goodwin (2012), Rebonato (2012) and White (2013).
matively evaluating motivational strategies. Two main standards are commonly used for the latter purpose. The first is a criterion of equity or fairness in the distribution of the burdens and benefits across population subgroups (Kraft and Furlong, 2012, p.153). A particular motivational strategy is normatively problematic according to this standard if it does not promote consistency of treatment across individuals with similar characteristics or circumstances. For example, some conditional cash transfer and workfare policies (e.g. Personal Responsibility and Work Opportunity Act (PRWORA), Temporary Assistance for Needy Families (TANF) in the United States) have been criticized for treating welfare recipients unfairly. It has been argued that work requirements lay down conditions for some individuals but not for others, which generates an undesirable division among citizens. The justification underlying the critique is that workfare and conditional cash transfer policies may alter the relationship between the state and claimants, between citizens funding benefits and those in receipt of them, and between state administrators and their clients (King, 2005, p.66).

The second criterion refers to the extent to which a particular motivational strategy restricts or extends individual freedom. Negative inducements are often presented as the paradigmatic case of a motivational strategy that diminishes people’s freedom. There are many different views of the normative implications of negative inducements. To simplify matters we shall consider three alternative perspectives. First, some argue that most negative inducements constitute a violation of someone’s rights to refrain from acting in specific ways toward specific goals. With the exception of protecting and enforcing people’s rights to property, liberty, and life, this view suggests, the government should not engage in any particular motivational task (Nozick, 1974). This prima facie argument against coercion implies that negative inducements are rarely justifiable. A second, more moderate view holds that negative inducements are a necessary evil that should be minimized. On this view, coercive policy instruments should be used as a last resort motivational device. Other things being equal, persuasion, nudges, and positive inducements are preferable to negative inducements (Hausman and Welch, 2010; White, 2013; John et al., 2011; Thaler and Sunstein,
2008, p.14). Finally, a third view, the one that I defend here, is that negative inducements should not be characterized as last resort motivational instruments at all. Instead, the question of which motivational strategy is most permissible should be answered only after considering multiple aspects of the available strategies.

Let’s consider each of these views in turn. Although the first view does not endorse unlimited freedom of action, it is based on the idea that the proper scope of government regulation should be as limited as possible. For instance, libertarians such as Robert Nozick argue against government intervention in civil society (Nozick, 1974; Arnold, 2009, p.15). Governments should not interfere with individual freedom at all, except to ensure security, protect property rights, and enforce contracts. By this view, governments should not be in charge of managing a multitude of society’s problems and regulating peoples behavior. Motivational instruments should only be used to protect some important rights. It is beyond the scope of this paper to answer the question of the proper scope of government regulation. But this view is clearly incompatible with an argument for adopting any strategy to support redistributive policies. However, to the extent that a libertarian would consider possible motivational strategies to support what he regarded to be legitimate state ends, his strong commitment to individual freedom would lead him to adopt the second view.

According to the second view, negative inducements are so normatively questionable that they can be properly employed only as last-resort motivational instruments. As a consequence, those motivational strategies that put the fewest constraints on individuals freedom should be preferred. Based on this criterion, it is commonly thought that persuasion is the ideal strategy to influence people’s behavior. The assumption is that rational persuasion respects “both individual liberty and the agent’s control over her own decision-making” (Hausman and Welch, 2010, 130). Certainly, through diverse mechanisms (e.g. formal education, communication campaigns, and the like), a government can attempt to persuade people to change their behavior related to redistributive issues. Persuasion campaigns can be used to convince people to take jobs that would make a positive impact on their community
but that are not consistent with their private interests, for example, or to persuade welfare recipients that they should internalize responsibility, regain self-reliance and avoid welfare dependency.\footnote{For example, James Sterba (1988) believes, that when correctly implemented, all of the conceptions of distributive justice support similar practical requirements. Since most people already accept one or another conception of justice, in order to make people just it should suffice to show them that most conceptions of justice support the same practical requirements (Sterba 1988, p.1-2). The thought is that people should become just by following the rational argument that most conceptions of justice are committed, for example, to provide some rights to welfare to the poor.}

Persuasion can be conceptualized as promoting reasoned and informed decisions just so long as there exist accurate and impartial facts. If so, the hope is, people can be educated through rational persuasion, which can lead to voluntary behavioral change. However, it is often the case that information is not fully neutral and that people are not fully rational and independent (Stone, 2002, p.305-307). The crucial normative problem here is that motivational strategies based on rational persuasion can be difficult to check and to monitor. Persuasion can degenerate into indoctrination and other forms of manipulation (Stone, 2002, p.305-307).\footnote{We can say that “A person indoctrinates P (a proposition or set of propositions) if he teaches with the intention that the pupil or pupils believe P regardless of the evidence” (Snook, 2009, p.120-121). These are necessary and sufficient conditions for indoctrination (Snook, 2009, p.123).}

There are at least three differences between persuasion and indoctrination. First, in contrast to indoctrination, persuasion is based on good faith for sharing or trying to share reasons (Simons, 2001, p.9). Second, in a situation that involves persuasion, the persuader should be open to and prepared to respond to the doubts and uncertainties related to his arguments. Third, indoctrination is a process that aims to achieve a permanent state of belief, one that may lead to an uncritical orientation toward the beliefs the indoctrinator attempts to inculcate in the indoctrinee. Persuasion, by contrast, is based on the idea that the process of rational argumentation and deliberation may produce changes to the beliefs of the persuader as well as the persuadee (Burnell and Reeve, 1984, p.404-405). In short, indoctrination not only is intentionally manipulative but it may also limit people’s capacity to think autonomously.
Positive inducements are commonly considered non-coercive motivational devices that respect individual freedom. At least in principle, they should not affect freedom to choose. However, the use of positive inducements can pose a threat to individual freedom. As a form of power, positive inducements are subject to abuse and misuse (Stone, 2002; Grant, 2011). The effectiveness of this type of motivational scheme is increased when the targets are somewhat needy and the benefits of the reward are substantial for them. Most of the time positive inducements are offers made between agents with unequal bargaining power that aim to induce some particular behavioral change. The conditions attached to positive inducements raise ethical questions. In particular, the amount of money involved is an important variable. If a monetary incentive is relatively high, then the offer could interfere with people’s ability to make autonomous decisions (Schmidt, Voigt and Wikler, 2010, p.3).  

Nor is the nudge problem-free. As others have noted, it may be problematic that nudges tend to work best when people are unaware of them; a nudge can be a manipulative motivational device (Hausman and Welch, 2010; Wilkinson, 2013; Goodwin, 2012; White, 2013). By preventing and shaping people’s decisions, nudges can affect autonomy or peoples level of control over their own choices, deliberations, or evaluations. Particularly problematic are

13There are some good reasons to believe that under certain circumstances some economic incentives designed to promote pro-social behavior can be counterproductive. For instance, the motivation crowding theory explains why and how extrinsic motivators can crowd out or crowd in people's motivation. This is Richard Titmuss’s classical idea that paying for blood donations may undermine the social value of that action, which would reduce the willingness to donate blood. Put briefly, motivational crowding out theory discusses how some external regulation of behavior via payment may undermine or even crowd out an intrinsic motivation to behave pro-socially. A large number of studies provide empirical evidence in support of the existence of crowding-out and crowding-in effects. As Frey and Jegen argue, the crowding-out effect constitutes an important anomaly in economics as it suggests that raising monetary incentives increases supply. To sum up, incentives can backfire in the long run if they undermine motivation and performance (Grant, 2011, p.22). For a survey of the motivational crowding theory, see Frey and Jegen (2001) and Bowles and Polania Reyes (2012).
those nudges that do not provide an easy and genuine way to opt out.  

But if all motivational strategies can affect individual freedom in some important regard, why should we consider negative inducements as the least preferable motivational instrument? A third possibility is to argue that the extent to which a motivational strategy constrains freedom cannot be the only relevant normative criterion. To begin, there may be good reason to trade individual freedom for other desired outcomes. Although extremely important, individual freedom is not the only value that matters. Other criteria, such as effectiveness, efficiency, equity, and feasibility play an important role in informing the selection of public policies. Indeed, not only illiberal, but also liberal states use many types of compulsory motivational devices that rely on negative inducements to motivate their citizens to behave in particular ways, for example, to recruit health workers and military personnel and to ensure that citizens vote and children attend school and receive vaccinations. The rationale for adopting such compulsory motivational schemes is that the benefits exceed their costs.

Consider, for example, the case of compulsory vaccination. Compulsory immunization relies on the threat of sanctions to motivate a desired behavior. For instance, states might withhold school entrance or restrict place of residence for those who fail to comply. This kind of policy has met with great success in eradicating several diseases. Some comparative studies show that compulsory immunization programs have reduced vaccine-preventable diseases by 98-99% in many developed countries (Salmon et al., 2006). Other things being

---

14The literature discussing the normative implications of nudge is burgeoning. Let me mention just two additional common objections to this particular motivational strategy. First, some scholars believe that there is a “slippery slope” that makes nudge more likely to devolve into other forms of government intervention Rizzo (2009). The thought is that even though nudges can be soft interventions on people’s behavior, they create conditions that may favor the introduction of more external control in our lives. Second, it has been pointed out that nudges do not empower people Goodwin (2012); White (2013). That is, the idea that people who are nudged can hardly understand the relevance and the value of making a particular choice over another. By setting default options and other menu-changing strategies, we may lead people toward a desired outcome (e.g. increasing savings, insuring health care provision, etc). However, this particular motivational strategy may not help them to understand why those particular choices are desirable for them. Put another way, even though nudges can lead people to make better decisions, this tool may not help them to learn to make better choices in the future (White, 2013, p.102).
equal, the possibility of administering vaccines on a voluntary basis can increase the risk of multiples diseases that could be controlled under a compulsory scheme. Even though there are anti-vaccination movements, it seems difficult to make the case that all vaccines should be administrated on a voluntary basis, since the costs in terms of individual freedom are relatively low and the benefits each individual receives by living in a healthy society relatively high.

Similarly, compulsory service programs to recruit health workers involve the use of negative inducements as motivational mechanisms. More than 70 countries have used compulsory service programs to recruit health workers to provide essential health-care service in areas where access to such services is limited (Frehywot et al., 2010). Although there is much variation across these programs, most impose severe sanctions for those physicians who fail to complete their compulsory service. These sanctions range from fines and temporary suspension of medical licenses to complete barring from health professions. These types of programs are regarded as an instrument of social justice through which government can direct or augment health services to peripheral, rural, or underserved areas. They certainly interfere with a physicians freedom to choose where he or she practices. However, the justification is that the cost in terms of forfeiting these individuals freedom are lower than the benefits that come with increasing health care coverage for the collectivity as a whole.

There are two potential objections to this justification. The first objection is that coercive policy instruments such as compulsory immunization programs are permissible only when implemented to avoid harming third parties. This kind of claim can be traced at least as far back as John Stuart Mill (Mill, 1989; Conly, 2013). The famous Millian argument is that only direct harm to other people can justify state intervention into the sphere of an individuals free choice. Nevertheless, as Mill himself recognized, it may be difficult to determine when and how a particular behavior is directly or indirectly harmful to other people. Nearly everyone would agree that some form of government intervention is required in cases like reckless driving or compulsory vaccination when there is a health crisis; harm to
third parties seems highly likely. But, how and where should we set the limits of government direct intervention for other actions or omissions that can lead to less direct and less probable (although still possible) harm to other people?

We can argue from a Millian standpoint that failure to behave in ways consistent with redistribution may cause harm to others. For example, people may be reluctant to behave in ways that help reduce the level of income inequality in their society. They may collaborate to generate stigma and create serious programmatic and political problems for redistributive programs if they engage in fraud and other forms of abuse and noncompliance with program requirements. My disruptive behavior in any social welfare plan not only can affect other beneficiaries, but may also contribute to the erosion of political support (Schuck and Zeckhauser, 2006). Likewise, I may not wish to pay higher taxes in support of redistributive policies or I may be disinclined to support and participate in public service programs oriented to help people who suffer from existing inequalities. The key, then, is to determine to what extent the way in which we view, judge and act toward redistributive policies is not irrelevant for others.

A second objection that might be raised to the proposed examples is that they only show that under particular circumstances individual freedom can be traded for other values. They do not show, however, why negative inducements should not be employed as last resort. Put another way, it could be argued that compulsory schemes are permissible only when there is no other (more efficient) way to steer peoples behavior. Ideally people should be rationally persuaded to pay taxes, comply with welfare program requirements, participate in community service programs and so on of their own volition. Negative inducements are widely used because it is difficult to achieve those outcomes through other motivational strategies.

The trouble with this objection is that, by focusing on individual choice, it misses some important variables that matter at the time of deciding whether a particular policy is freedom enhancing or not. Standards of accountability, transparency, and publicity are important to
constrain a government’s exercise of power. Although it is an empirical question whether negative inducements are more transparent, accountable, and open to public scrutiny than other motivational instruments, there are good reasons to think that this might be the case.  

Accountability is usually understood as a process through which some agent entrusted with responsibilities and obligations is required to account for his actions to a principal. In this case, governments that implement motivational strategies can be accountable to the people or other institutions. Transparency consists of mandated public disclosure of standardized, comparable, and disaggregated information regarding specific practices (Fung, Graham and Weil, 2007). The disclosure of information about the performance and characteristics of redistributive institutions can improve the fairness and quality of those policies. The idea is that those who are affected by redistributive policies can use the disclosed information to make more informed choices and to highlight specific risks or performance problems, encouraging information disclosers to improve policies. The government should be constrained not to select policies that it “would not be able or willing to defend publicly to its own citizens’ ’ (Thaler and Sunstein, 2008, p.244). The publicity condition ensures that those who are affected by motivational strategies know the actions that are permissible and what can be expected of one another.

In liberal democratic societies, laws and public regulations are unique in that they are more transparent, public, and accountability-enhancing than other motivational tools. A law

---

15The comparison between positive and negative inducements deserves a brief comment. In principle, there are not clear reasons to think that there is a fundamental distinction between these two motivational instruments in terms of accountability, transparency and publicity. There is however a point that has to be taken into account: the main ethical concern about positive inducements is that this kind of motivational device can exert undue influence. That is, when positive inducements can become attractive enough to induce someone to act in a way that goes against his or her better judgment Grant (2011). Excessive offers or improper rewards to obtain compliance are exemplary cases of undue influence. When undue influence occurs, the most vulnerable individuals have more problems to resist the influence of positive inducements. Nevertheless, it can be argued that undue influence is an undesirable consequence of positive inducements but that is unrelated to the accountability, transparency and publicity of that particular motivational strategy. In principle it is possible to imagine that a positive inducement that performs very well in terms of those three variables can constitute undue influence.
that requires welfare recipients to change their behavior is a motivational instrument that is employed only after a representative legislative process. It is relatively straightforward to ensure that people can monitor the processes through which laws are discussed, justified, and implemented. But the openness and transparency of other motivational instruments is not that clear. A nudge, for example, may be far more hidden from view, it may follow from an administrator decision, a decision not subjected to advance disclosure and debate (Rebonato, 2012; Baldwin, Cave and Lodge, 2012, p.124). Indeed, as some scholars have underscored, nudges perform better when people are unaware that their behavior is being influenced (Selinger and Whyte, 2011; Goodwin, 2012, p.89).

Similar difficulties attend to persuasion campaigns. Communication campaigns can be launched without necessarily needing to follow the democratic procedures that are typically required to enact laws. Public persuasion campaigns can be designed and implemented by non-elected officials (bureaucrats) without the approval and deliberation of legislative branch officials. Thus, a potential danger of persuasion campaigns is that they can be launched without proper accountability mechanisms. What is more, persuasion campaigns can turn into indoctrination practices. Consider the case of Cuba between 1963 and 1970, when leaders believed in moral stimulation as the proper way to structure economic and social institutions Bernardo (1971). People should be motivated to work and to contribute to their community, the claim was, not because they would receive material compensation or avoid legal sanctions, but because they were persuaded that it was the right thing to do. People should be moved by a pro-social motivation that transcends selfish interests; they should become “new men” moved by a socialist consciousness and a desire to serve the community (Kahn 1970). But Cuba’s motivational model was closer to indoctrination and
manipulation than to rational persuasion.\textsuperscript{16} As some scholars have pointed out, the Cuban moral motivation scheme became a social normalization scheme by which those workers who did not realize their potential in the workplace...were not revolutionaries and deserved to be ostracized (Martinez-Saenz, 2004, p.22).

Nor is persuasion as propaganda and indoctrination exclusively a practice of non-democratic political regimes (Stone, 2002, p.305-307). Communication campaigns launched with the purpose of convincing people about the importance of personal responsibility, the work ethic, self-sufficiency, and so on, can become a source of social pressure in a wide range of regime types. They can help to designate and legitimate the social construction of entitlement and deservedness (Schneider and Ingram, 2005).

4 Conclusion

Committed redistributionists, I have argued, must consider the motivational viability of their redistributive proposals. Some redistributive institutions have pervasive effects on the attitudes and motivations of those who benefit from them, and some redistributive policies are only effective if people change their behavior in important ways. I have also addressed the normative question, “How can the state motivate people to behave in ways consistent with redistribution?” In contrast with those who argue that persuasion should be the most favored option, I have made the case that, persuasion may be an inefficient and ineffective way of steering behavior and that motivational instruments based on persuasion can be difficult to check and to monitor.

All motivational strategies present normative challenges. It is a mistake to select among

\textsuperscript{16}There were also other important problems with this motivational model. For example, Cuban revolutionaries based their moral incentive policy on weak motivational assumptions. They mistakenly relied on altruism and pro-social behavior as the main motivational repertoires of individuals. That assumption led them to design unstable and inefficient institutions given the plurality of motivations driving human action. As recent extensive empirical and experimental research has shown, human behavior is better explained by assuming that there are multiple types of individuals in different settings rather than by assuming the existence of a single types of either utility maximizing or prosocial motivated individuals (?) , p.253). For a more detailed discussion see: Bowles and Polania Reyes (2012), Frey and Jegen (2001).
alternative motivational schemes based only on the extent to which they interfere with individuals' freedom. The fact that negative inducements may affect individual freedom does not constitute a sufficient reason to believe that the only normatively defensible way to motivate people is through some form of persuasion. Instead, the best approach is to design motivation strategies in ways that render them public and transparent and render those who design and implement them accountable to those whom they subject.

How, then, might we comprehensively evaluate alternative motivational strategies? Cost-benefit analysis must be used to determine when a motivational intervention is permissible.\(^17\) The best motivational strategy for a particular redistributive arrangement will be the one whose benefits outweigh its costs. In considering costs and benefits we must evaluate how different motivational strategies perform in terms of efficiency, efficacy, feasibility, fairness, individual freedom, accountability, transparency, and publicity. It may be the case in some instances that the cost of trading individual freedom for another value will be prohibitively high. That said, if there exist mechanisms to regulate, limit, and constrain those motivational strategies that interfere with individual freedom, then the cost of interference should be considerably lower than in cases where those mechanisms are not in place.\(^18\)

What matters is not only a particular motivational strategy's extent of interference in

\[^{17}\text{Cost-benefit analysis is the most widely used comprehensive method in public policy analysis. I have not room here to discuss the normative implications of that method. For a normative defense of cost-benefit analysis see: Schmidt (2001) and Wolff (2006).}\]

\[^{18}\text{Naturally, we should consider the fact that, while negative inducements can be effective in preventing or encouraging particular behaviors, they can also produce adverse effects. Some scholars have shown that coercive motivational instruments may entail hidden costs. In principal-agent relations, the choice to exert control can reduce an agent's willingness to act in the principal's interest. One reason to explain the adverse effects of sanctions is that agents might interpret this kind of motivational device as signal of distrust ( ?, p.1628). Other scholars argue that the hidden costs of negative inducements depend on whether sanctions are implemented with the purpose of preventing anti-social behavior (selfishness, theft, free-riding) or not. When sanctions are used to prevent antisocial behavior, the counter-productive reactions are weaker (Schnedler and Vadovic, 2011, p.989). Thus, the moral legitimacy of the sanction is a crucial factor at the time of evaluating the consequences of negative inducements on motivation (Fehr and Rockenbach, 2003, p.140). Because agents have heterogeneous preferences, the aim for principals who want to promote pro-social behavior should be to discipline agents with self-interested behavior without reducing the more positive orientations of the intrinsically motivated ones ( ?, p.1628). My analysis does not assume the canonical model of self-interested behavior. Rather, my point is compatible with the behavioral economic and social psychology literature which show that negative and positive inducements can undermine some desirable behavior (e.g altruism, reciprocity) Tyler (2011).}\]
freedom of choice, but also the capacity people have to monitor, control, and make that exercise of power public, transparent, and accountable. To the extent that our concern is mainly about individual freedom, it makes sense to focus on degrees rather than forms of power. However, forms of power that are more accountable and easier to check and control may be preferable, even if they imply a greater degree of power. For example, it cannot be assumed that unconditional redistributive schemes (those that do not require their recipients to fulfill any conditions or behave in any particular way) are normatively superior to conditional schemes. The fact that unconditional redistributive schemes do not interfere with the freedom of choice of their recipients is not a sufficient reason to dismiss the motivational importance of some forms of welfare conditionality, which may be necessary to militate against free-riding, welfare dependency, lack of trust, low participation in redistributive institutions, and so on.

As this example suggests, my normative approach to evaluating motivational strategies can provide insight into a number of debates in the justice literature, including debates about whether justice obliges some individuals to perform “particular work, on particular places, on particular terms” in order to ensure the provision of particular goods (Stanczyk, 2012, p.145). If my argument is persuasive, then a crucial task is to determine, not only which specific motivational strategies work best, but also which are most normatively acceptable, a project that requires attention to the extent to which particular strategies can be made public, transparent, and accountability-enhancing.
References


Schneider, Anne Larason and Helen M Ingram. 1997. *Policy design for democracy*. University Press of Kansas Lawrence, KS.


