



Culverhouse
College of Business

Eliciting Justice Preferences

Tigran Melkonyan

Introduction

- Elicitation of individual preferences toward justice and fairness
- Why is it important to know individual preferences?
- Shapes individual decision-making
- Government policies and public choices are often affected by preferences of the public over different outcomes
- Some argue that policies and choices ought to reflect, to a certain degree, some aggregate of individual “moral preferences”
- Others argue that our “moral preferences” are not sufficiently ethical



Introduction

- Most of the work in collaboration with:

Zvi Safra (University of Warwick)

Sinong Ma (Queen's University, Belfast)

- Melkonyan, T., Safra, Z. & Ma, S. Justice in an uncertain world: Evidence on donations research.
- Safra, Z., Ma, S. and Melkonyan, T. Is Allocation Affected by the Perception of Others' Irresponsible Behavior and by Ambiguity?
- *Other studies:* COVID-19 project and the UNDP project in Pakistan



Introduction

- In an uncertain world, fairness principles can be differentiated according to the degree to which individuals are held responsible for their choices vis-a-vis their luck.
- **Strict egalitarianism** - does not hold individuals responsible for any causes of inequality (social redistribution should be based solely on outcomes).
- **Libertarianism** - individuals should bear full responsibility for their circumstance even if they are caused by bad luck.
- **Choice egalitarianism** - holds people responsible for their choices but not for their luck (a combination of egalitarian principles with concerns for individual responsibility).

The New York Times

Economists of the World, Unite!

By JOE NOCERA SEPTEMBER 25, 2008 6:16 PM

This just in:

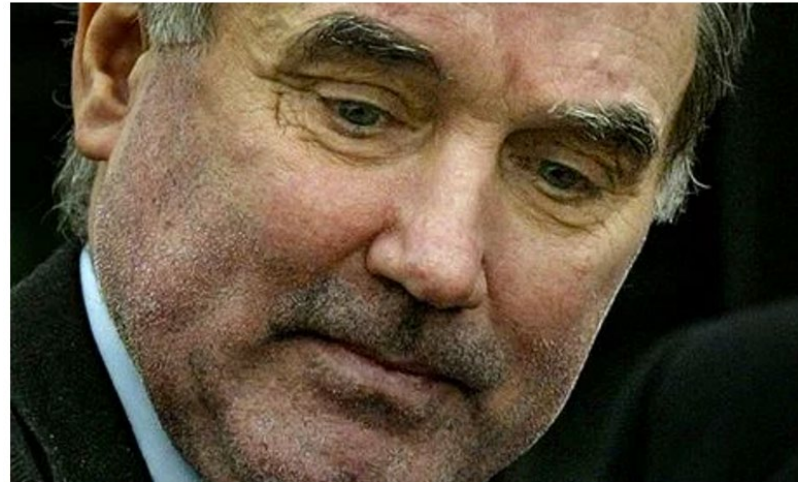
To the Speaker of the House of Representatives and
the President pro tempore of the Senate:

As economists, we want to express to Congress our
great concern for the plan proposed by Treasury
Secretary Paulson to deal with the financial crisis. We
are well aware of the difficulty of the current financial
situation and we agree with the need for bold action to
ensure that the financial system continues to function.
We see three fatal pitfalls in the currently proposed
plan:

- 1) Its fairness. The plan is a subsidy to investors at
taxpayers' expense. Investors who took risks to earn
profits must also bear the losses. Not every business
failure carries systemic risk. The government can
ensure a well-functioning financial industry, able to
make new loans to creditworthy borrowers, without
bailing out particular investors and institutions whose
choices proved unwise.

Heavy drinkers to be considered for NHS liver transplants

Patients with severe alcohol-related liver disease will receive transplants for first time under pilot scheme



About a fifth of liver transplants already involve patients whose condition is linked to their drinking, including the late footballer George Best. Photograph: Kieran Doherty/Reuters

James Meikle

Thursday 3 April 2014 20.14 BST



Shares

949

Comments

1,034

This article is 2 years old

People with a severe drink-related liver disease are to be considered for transplant for the first time, reopening the debate over whether people who are thought to bring ill health on themselves deserve expensive treatment.

The decision by the NHS's blood and transplant service (NHSBT) comes at a time when there is a national shortage of suitable organs, and amid concerns that donors would be reluctant to support schemes of this nature.

🏠 > News

Obese patients and smokers banned from routine surgery in 'most severe ever' rationing in the NHS



Opinion

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OPINION | COMMENTARY

The Doctor Will See You Now—Wait, Not You

Physicians, losing patience with their patients, forget their obligation to care.

HEALTH

Florida doctor to refuse in-person treatment for unvaccinated patients



Emily Adams

USA TODAY

Published 7:27 p.m. ET Sept. 5, 2021



Introduction

- Do people embrace choice egalitarianism or some other fairness principle?
- Use naturally occurring and field data

Previous literature

- Choice egalitarianism attracts a considerable proportion of participants (design: two-stage dictator game **in the laboratory**)

| | Konow (2000) Benevolent Dictator | Cappelen et.al. (2007) Standard Dictator | Cappelen et.al. (2013) Third-Party Spectator | Cappelen et.al. (2013) Standard Dictator |
|----|---|---|---|---|
| SE | | 43.5% | 27.4% | 30.2% |
| L | | 18.4% | 41.1% | 42.7% |
| CE | ✓ | 38.1% | 31.5% | 27.2% |

Three studies

- Study 1: Cancer Research UK - "My project" online platform
 - a naturally-occurring data on charitable contributions
 - Sample size: 4,129 real donations
- Novelty of study 1 - **donors can choose destinations themselves**
- Study 2: Maximiles survey platform
 - Sample size: 246 valid responses
- Study 3: Maximiles survey platform
 - Sample size: 166 valid responses

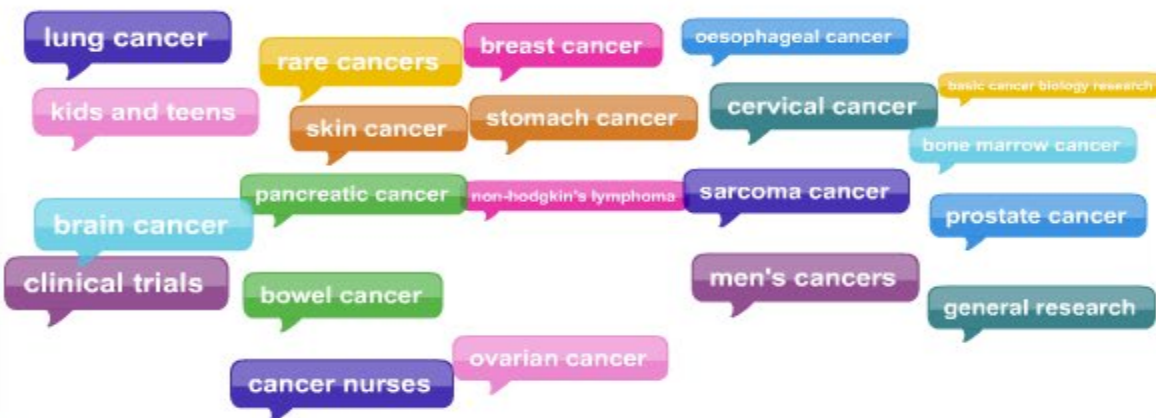
Predictions of the Theoretical Model

- The choice egalitarian donor donates smaller amounts to cancers with high prevention rates.
- The non-choice egalitarian donor's contribution is unaffected by the prevention rate.


[MyProjects](#)
[Research projects](#)
[Fundraise](#)
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Choose the cancer you want to beat

Donate to the research work that means the most to you.



Create your own online fundraising page now

It's simple to set up and really easy to get your friends and family involved

[Create a page ▶](#)

Find an existing online fundraising page to support

[View all pages](#)
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Featured

Featured Project



[Cancer information nurses: Help our nurses support patients and their families](#)

About MyProjects



Recent donors



Jules Jewe... donated £1,277.65 to [Kate's Project](#)

“ Money raised having turned ... a moment ago



Gill donated £125.00 to [Breast cancer: Support ...](#)

“ Thank you to Mary for givin...

[MyProjects](#) > [Projects](#)

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Project Category:

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[Breast cancer: Help us defeat breast cancer completely](#)



Breast cancer still claims the lives of around 32 women in the UK every single day. With your help, we will beat this di...

Total donations: **£51,056.97**



Project target: **£70,000**

[Support this Project](#) ▶

[Breast cancer: Support life saving research into new treatments](#)



Breast cancer is the most common cancer in the UK, help us beat breast cancer sooner....

Total donations: **£29,126.53**



Project target: **£40,000**

[Support this Project](#) ▶

[Breast cancer: Support our lifesaving research](#)



11,000 women still die every year from breast cancer and we urgently need to find new ways to help them



Tell a friend

Invite your friends and family to get them involved

Recent donors [What's this?](#) | [View all](#)



Jules Jewe... donated £1,277.65

[Through Kate's Project](#)

Money raised having turned Tesco at Gallows Corner pink... [more](#)



Gill donated £125.00

Thank you to Mary for giving me some fantastic box plan... [more](#)



Carl donated £18.75

[Through MJStride](#)

Great cause, well done everyone involved!!



Paul donated £30.75

My name is daniel I am 7 years old and decided to have... [more](#)

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[MyProjects](#) > [Projects](#) > Breast cancer

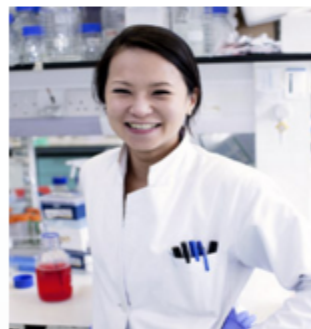
Breast cancer: Help us defeat breast cancer completely

Last updated: 13/04/2016

Why this research is needed

Breast cancer is the UK's most common cancer, with nearly 50,000 women diagnosed each year. We now have treatments that help more than 2 out of 3 women to survive the disease for over 20 years. And that's all thanks to groundbreaking research – much of which we've funded, thanks to our generous supporters.

But we can't rest on our laurels. Breast cancer still claims the lives of around 32 women in the UK every single day. We've made incredible progress. But we need your support to bring forward a time when everyone is able to beat breast cancer.

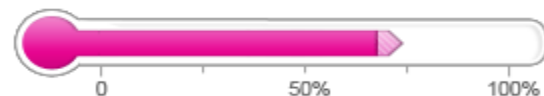


The impact of our work

No other UK research organisation has done more to improve the outlook for women with breast cancer. We're behind many of the treatments being used today. Our scientists are hard at work researching new ways to prevent, control and cure breast cancer to create more tomorrows for women affected by this disease.

Donated so far
£51,056.97

Target amount
£70,000



Rollover to find out more

[Donate to this project](#)
[Create a Fundraising Page](#)

Project Update – April 2016

Thank you to everyone who has donated or fundraised for this project. We've almost reached our £50,000 target!

Thanks to your generosity, we've been able to extend our target to £70,000, continuing to

Like 77 people like this. Be the first of your friends.

[Fundraising Pages](#)
[Recent Donors](#)

Make a donation

Your donation

Payment information

Confirmation

Make payment

Donating online is really simple and quick. Your transaction will be carried out on a secure connection.

If you want to send in your donation by cheque, please still fill in this form and download a copy once you are done, and include this with your cheque payment.

Fields marked with asterisk (*) must be completed.

Your donation

Donate to: [Breast cancer: Help us defeat breast cancer completely](#)

* **Amount to donate:** £15 £30 £50

Other: £

I would like my donation and comment below to be shown as anonymous on the site

* **Who are you making this donation on behalf of?** This is my own money
 This is money I have collected from others

Share with others

Tell others why you're supporting this project, and why you think it's important to join in. Your comments will be posted on the project page alongside your donation.

Your comment:

160 characters remaining

Study 1

- For some research projects, it is explicitly stated in the project description whether the cancer is hereditary or lifestyle-related.
- Cancer prevention rate is a proxy for the degree the cancer is lifestyle-related.

Table 3. Prevention and Ten-Year Survival Rates
by Cancer Type^{†,‡}

| Cancer Type | Prevention Rate | Ten-Year Survival Rate |
|----------------------------|-----------------|---------------------------|
| Bone | 0.5 | 33 |
| Bowel | 54 | 57 |
| Brain | 0.5 | 13 |
| Breast | 27 | 78 |
| Lung | 89 | 5 |
| Lymphoma | 6 | 63 |
| Oesophageal | 89 | 12 |
| Ovarian | 21 | 35 |
| Pancreatic | 37 | 1 |
| Prostate | 0 | 84 |
| Cervical/Womb [‡] | 54 | 73 |
| Skin | 86 | 89 |
| Stomach | 75 | 15 |

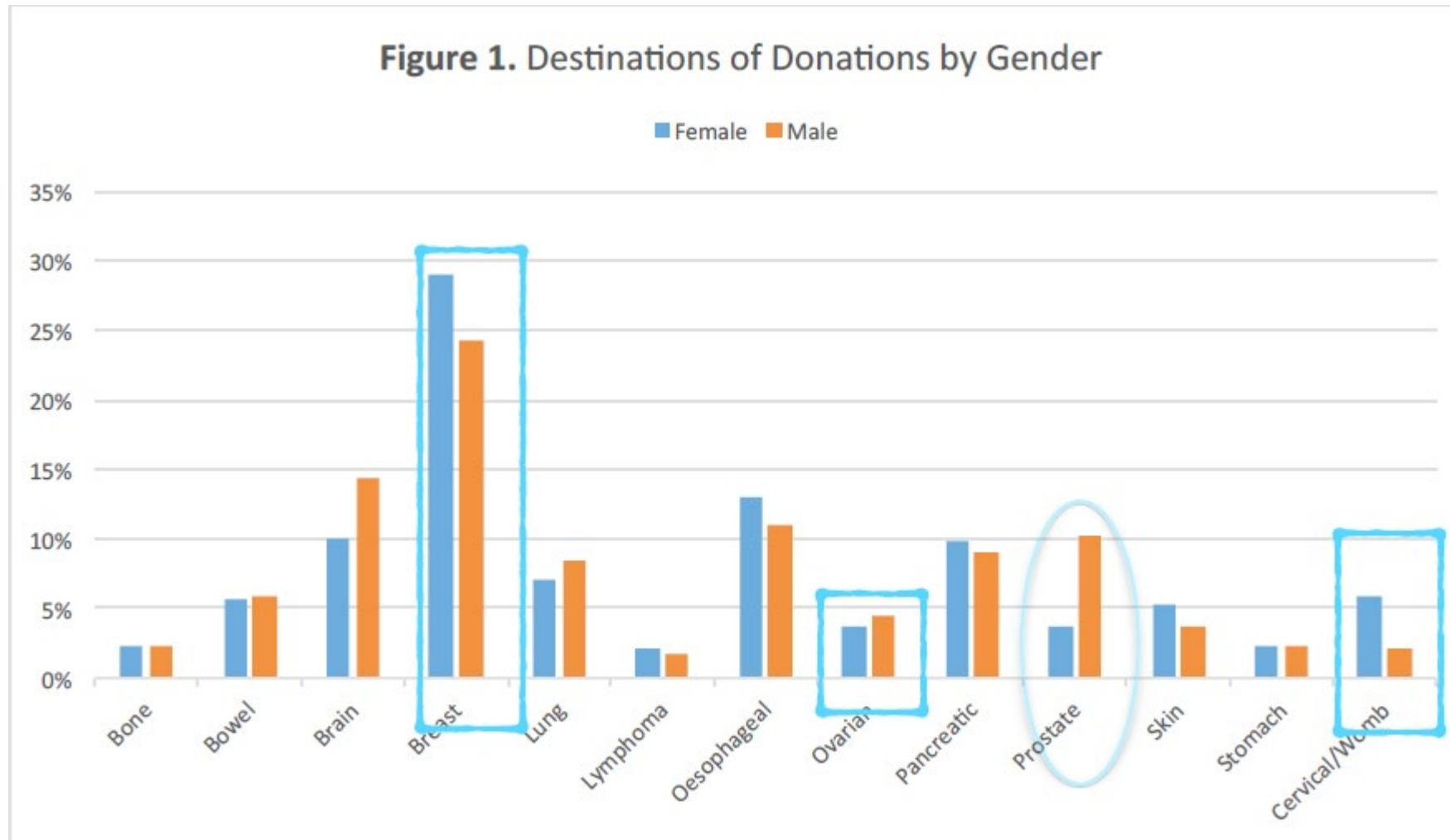
Control Variables

- Who: gender, institution or not
- Why: attend, loss, fighting, gift
- When: month
- Cancer type / prevention rate

Findings

- Adding information on hereditary causes of a cancer to the description has a positive effect on donations (16.0% ↑).
- Adding information on lifestyle-induced causes of a cancer to the description has a negative effect on donations (17.4% ↓).
- Donors contribute more to cancers with smaller prevention rates.
- Males expected to donate more (23.7% ↑), while females are more likely to donate (52% ↑).

In-group favoritism



Study 2:

- Suppose you have been asked to donate to research on cancer treatment of two cancers: non-Hodgkin lymphoma and melanoma.

Non-Hodgkin lymphoma is a type of cancer that develops in the lymphatic system, which is a network of vessels and glands spread throughout one's body. The percentage of preventable cases of NHL in the United Kingdom is around 3%, which means that about 3% of the cases could have been prevented by adopting alternative lifestyles (the remaining 97% are associated with hereditary genetic defects or other causes).

Melanoma is a type of skin cancer that develops from the pigment-containing cells known as melanocytes and that can spread to other organs in the body. The percentage of preventable cases of Melanoma in the United Kingdom is around 86%, which means that about 86% of the cases could have been prevented by adopting an alternative lifestyle (avoiding UV radiation associated with excessive exposure to sunlight).

- Now you can decide whether to donate to one, both, or none of them.
- Decide on amount between 0 and 200.



Table 7 Descriptive statistics of choice questions

| Variables | Mean | Standard deviation | Median | Min | Max | Skewness | Kurtosis |
|--|-------|--------------------|--------|------|--------|----------|----------|
| Donations for the whole sample (n = 246, 100.0%) | | | | | | | |
| NHL | 23.39 | 40.49 | 5.00 | 0.00 | 200.00 | 2.57 | 9.88 |
| Melanoma | 18.28 | 32.46 | 5.00 | 0.00 | 200.00 | 2.78 | 12.04 |
| Donations to NHL only (n = 37, 15.0%) | | | | | | | |
| NHL | 39.24 | 56.57 | 15.00 | 1.00 | 200.00 | 1.97 | 5.80 |
| Donations to melanoma only (n = 17, 6.9%) | | | | | | | |
| Melanoma | 32.82 | 35.46 | 20.00 | 5.00 | 150.00 | 2.36 | 8.18 |
| Donations to both cancers (n = 130, 52.9%) | | | | | | | |
| NHL | 33.10 | 41.46 | 12.50 | 1.00 | 200.00 | 1.96 | 6.80 |
| Melanoma | 30.31 | 37.62 | 10.00 | 1.00 | 200.00 | 2.11 | 8.11 |

Findings

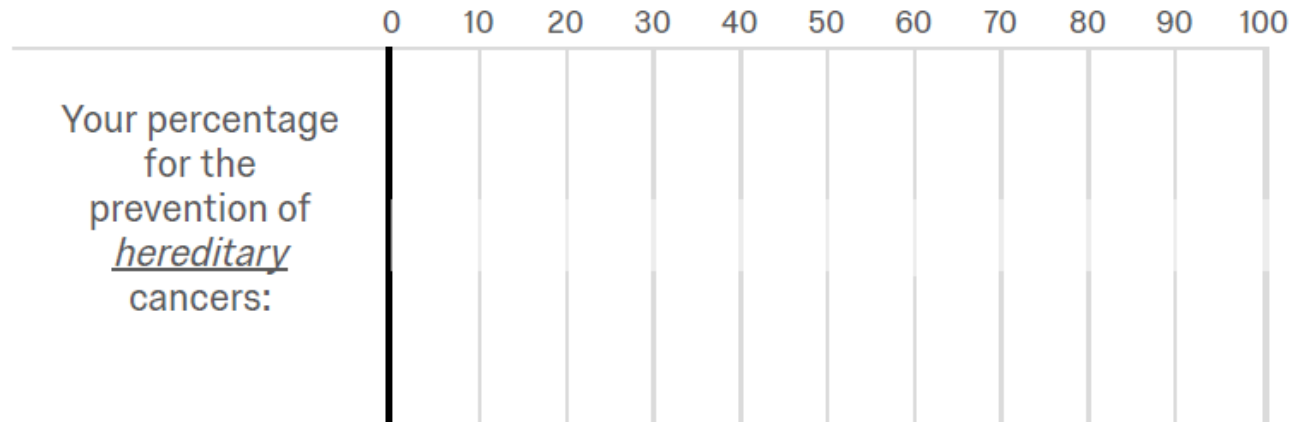
- Individuals on average donate significantly more to NHL than to melanoma.
- Individuals who indicated the choice-egalitarian motive in their comments would donate significantly more to NHL and significantly less to melanoma.

Study 3

■
Q2-1



Suppose that £100 would be donated on your behalf to research on cancer prevention (such as genetic testing). Please indicate the percentage of this amount that you would allocate to the prevention of hereditary cancers (caused by an inherited genetic defect). The rest of the funds will go to the prevention of lifestyle-related cancers (such as smoking, poor diet, and physical inactivity).



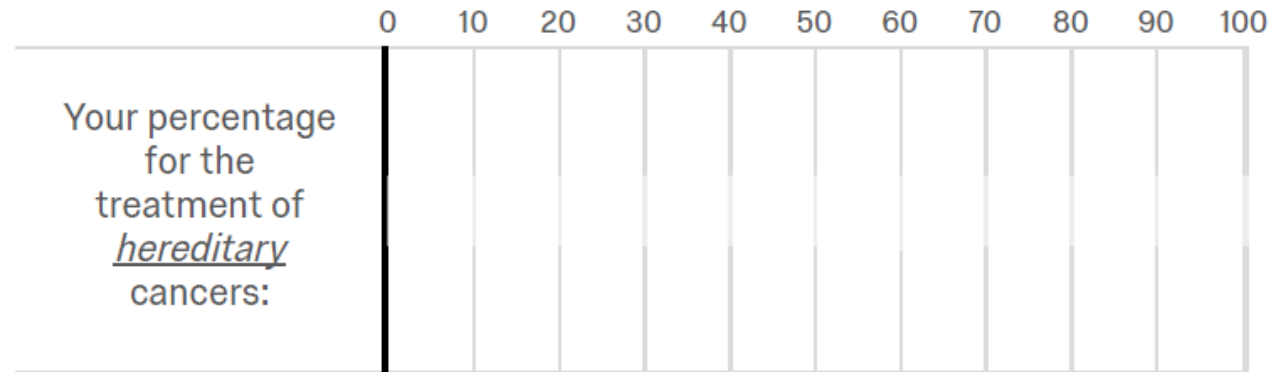
Study 3



Q2-2



Suppose that £100 would be donated on your behalf to research on cancer treatment (such as chemotherapy and radiotherapy). Please indicate the percentage of this amount that you would allocate to the treatment of hereditary cancers (caused by an inherited genetic defect). The rest of the funds will go to the treatment of lifestyle-related cancers (such as smoking, poor diet, and physical inactivity).



Study 3



Q2-3



Consider the following scenario. Suppose that a segment of general population has been exposed to a cancer hazard (for example, due to negligence by some third party). After this incident, some proportion of the exposed population contracted lung cancer. In response to this adverse outcome, the government allocated a fixed amount of funds to compensate the individuals that were exposed to the hazard.

Consider the compensation scheme of the following two individuals; both were exposed to the hazard and contracted the disease, while the first was a heavy smoker and the second not. A fixed amount of money has been allocated to compensate these two individuals. Please indicate the percentage of this amount that you would allocate to compensating the smoker (the rest of the funds will go to the non-smoker):

| | 0 | 10 | 20 | 30 | 40 | 50 | 60 | 70 | 80 | 90 | 100 |
|---------------------------------|---|----|----|----|----|----|----|----|----|----|-----|
| Your percentage for the smoker: | | | | | | | | | | | |

Findings

- The respondents allocated significantly more to the hereditary cancer and nonsmokers.
- Awareness of highly publicized or similar cases affects the relative allocations in favor of the publicized cancer type.
- Self-interest:
 - Allocate more to the smoker in the hazard question for the respondents who reported smoking compared to the nonsmokers and the respondents with relatively unhealthy lifestyles.
 - Allocate more to the lifestyle-related cancer in the prevention question when they perceive a larger minimal individual likelihood of contracting it.

COVID-19 study (Till Grüne-Yanoff, Yaniv Hanoch, Tigran Melkonyan, Zvi Safra, Zijing Yang)

- A sample consisting of 301 UK and 222 Sweden responses (using Prolific)
- Elicit perceptions of fairness with respect to COVID-19 health policies

COVID-19 study

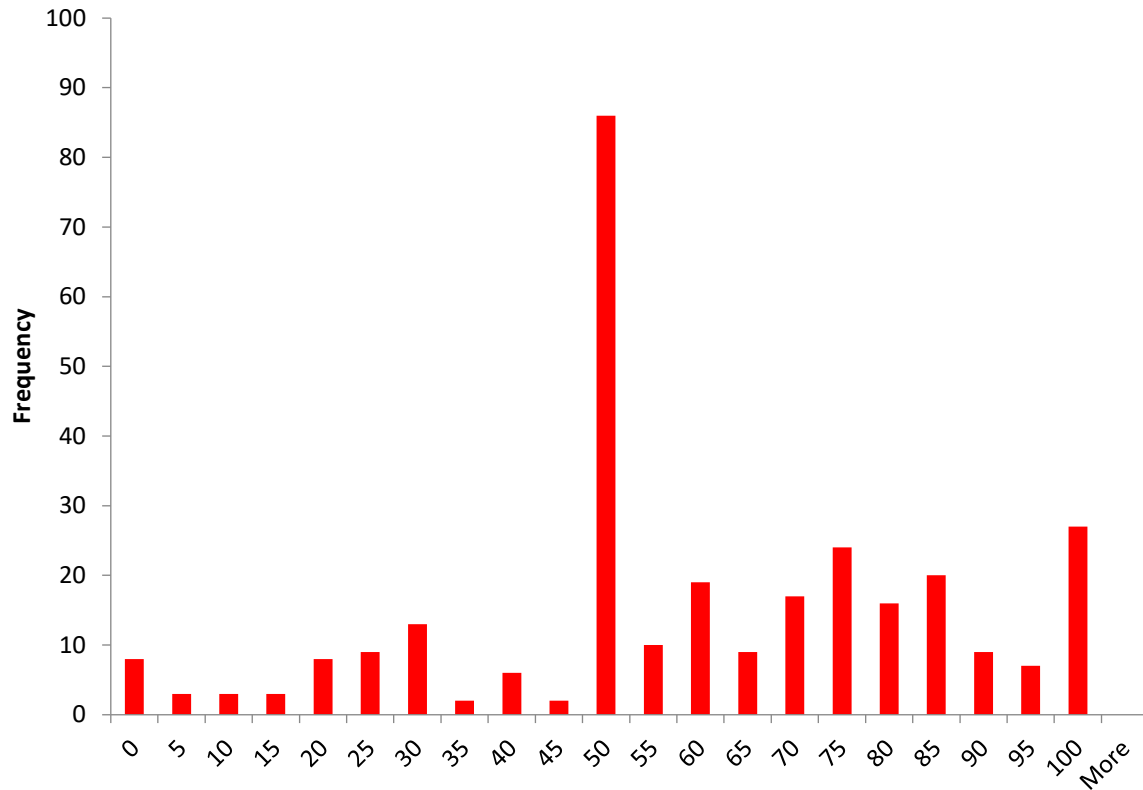
- Imagine a situation where, during the COVID-19 pandemic, **2 patients** need treatment in an Intensive Care Unit and **only 1 bed** is available. The only difference between the patients is their **ages**, which has no effect on the treatment's success. Assume that **life expectancy is 80 years**, meaning patients' expected years of life after a successful treatment is 80 minus their current age (that is, a 60 years old patient is expected to live for 20 more years).

Please indicate how likely you would prioritize the bed to the first patient in each of the following pairs. Please use the scale below to indicate your response.

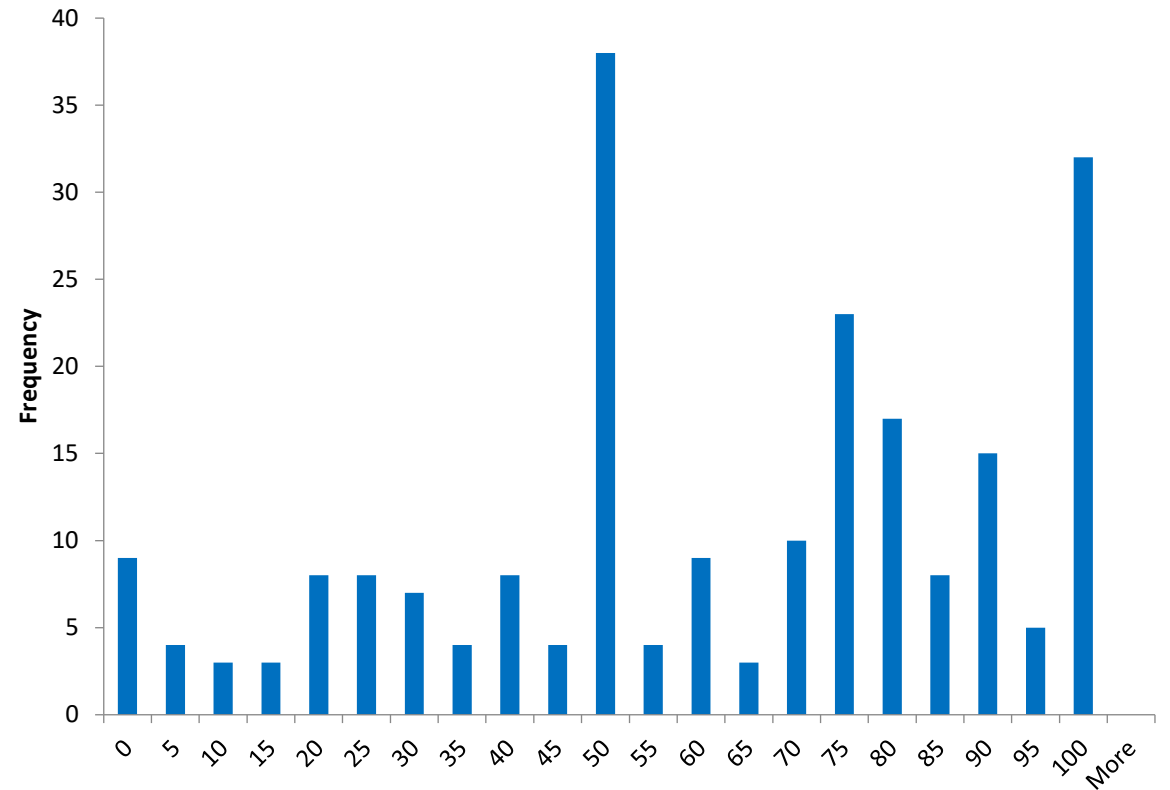
| | Fully prioritise the second patient | Fair chance to both | Fully prioritise the first patient |
|--|-------------------------------------|---------------------|------------------------------------|
| a 60-year-old over a 20-year-old patient | | | |
| a 60-year-old over a 40-year-old patient | | | |
| a 61-year-old over a 59-year-old patient | | | |

Comparison of the UK and Sweden samples

ICU bed for a 60 year old versus a 20 year old
(UK respondents)

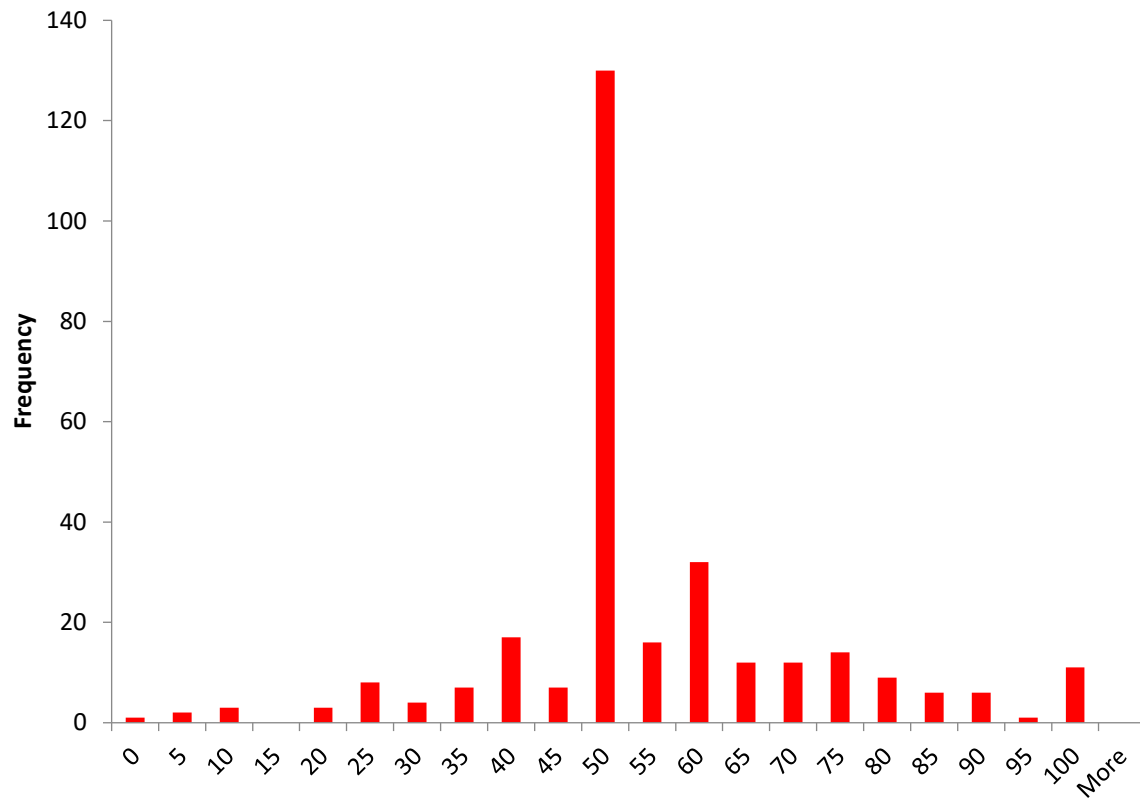


ICU bed for a 60 year old versus a 20 year old
(Sweden respondents)

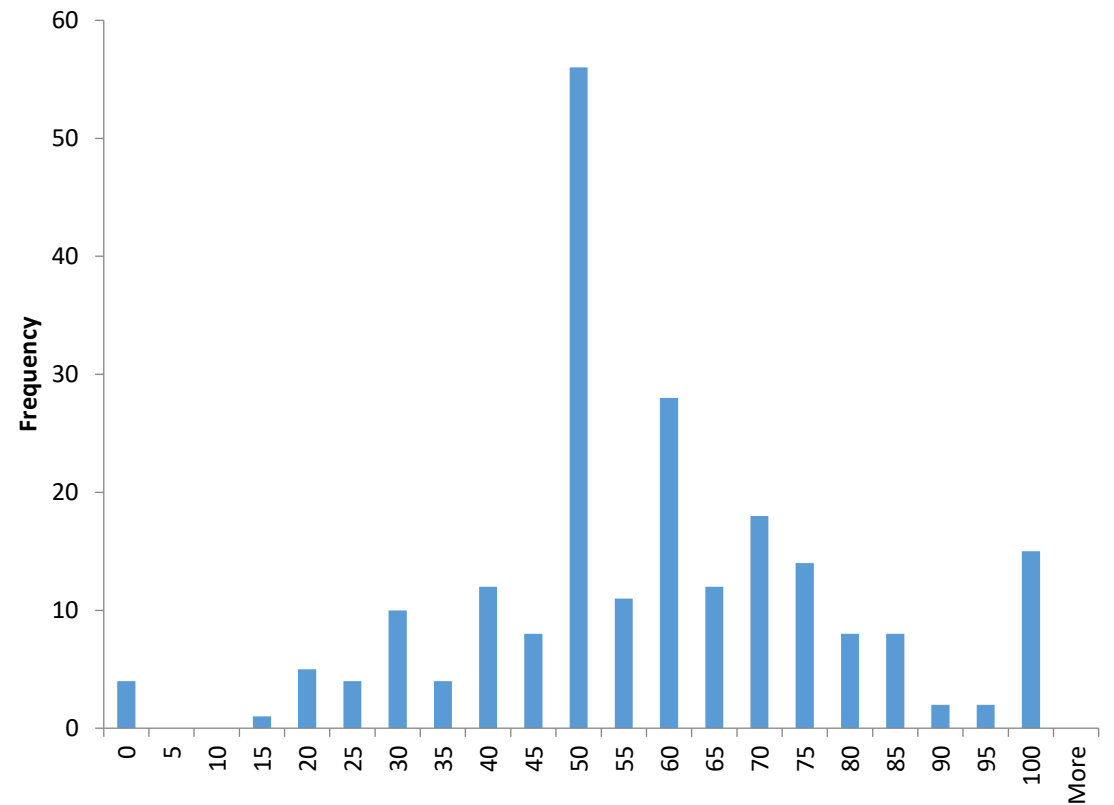


Comparison of the UK and Sweden samples

ICU bed for a 60 year old versus a 40 year old
(UK respondents)

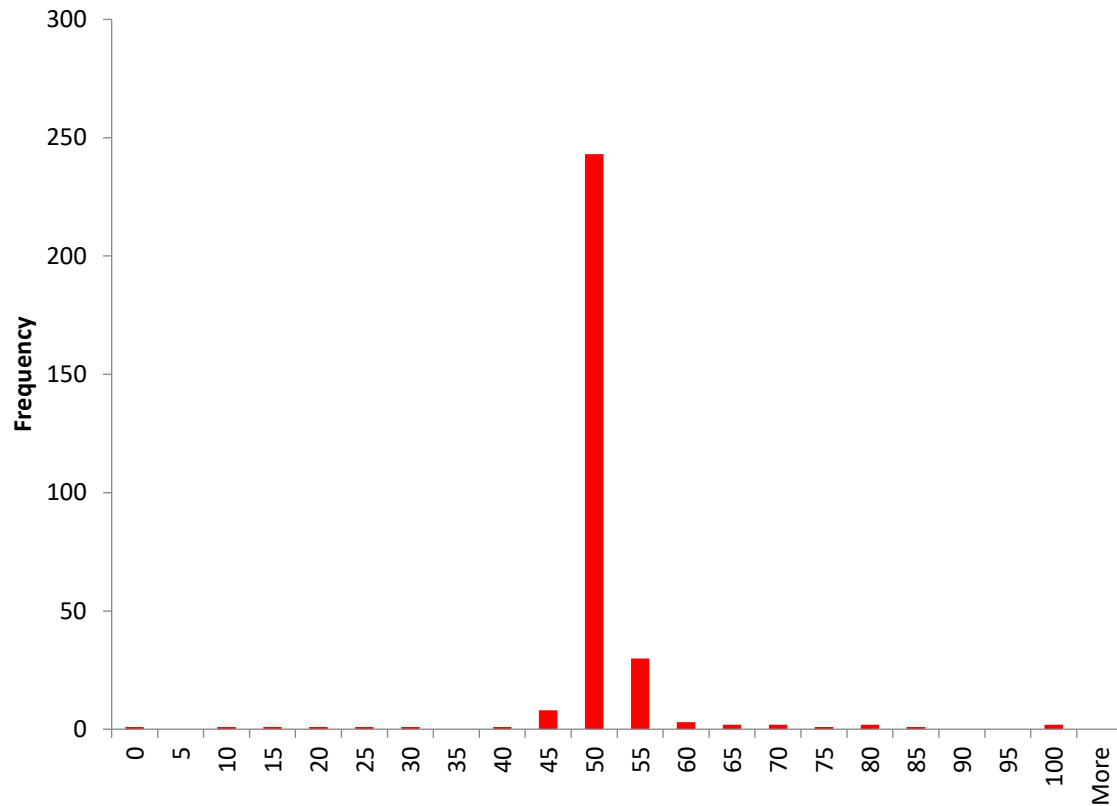


ICU bed for a 60 year old versus a 40 year old
(Sweden respondents)

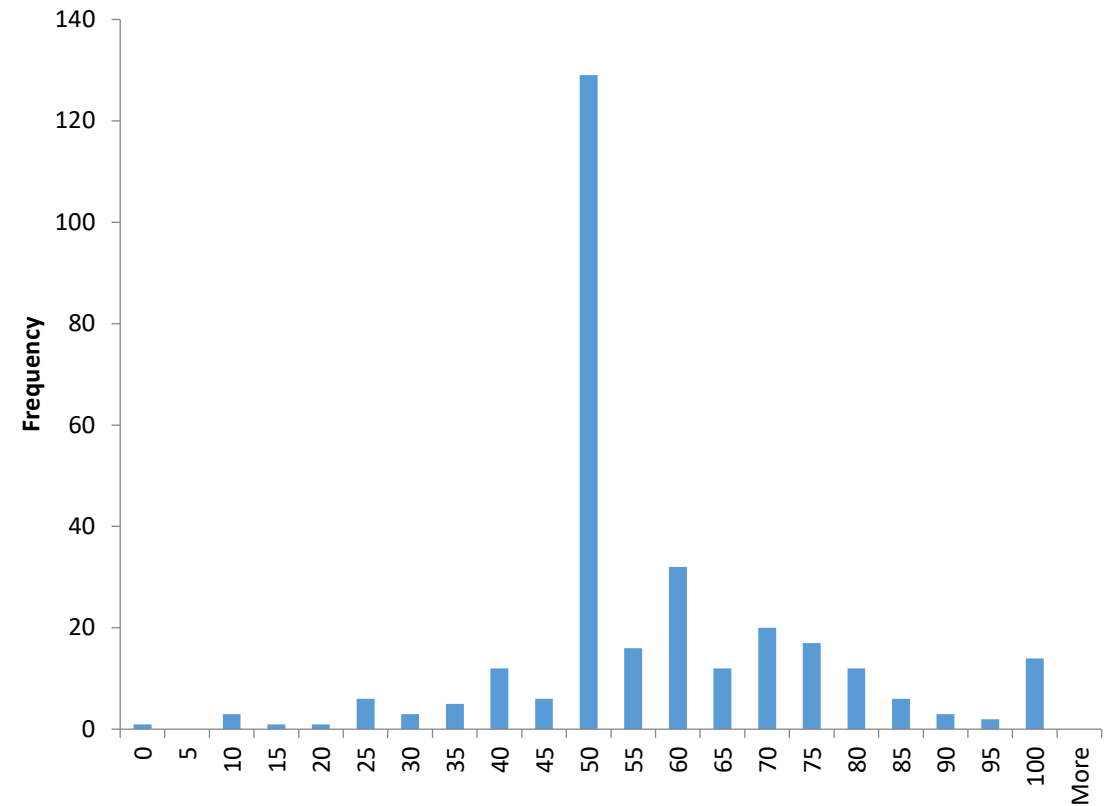


Comparison of the UK and Sweden samples

ICU bed for a 61 year old versus a 59 year old
(UK respondents)

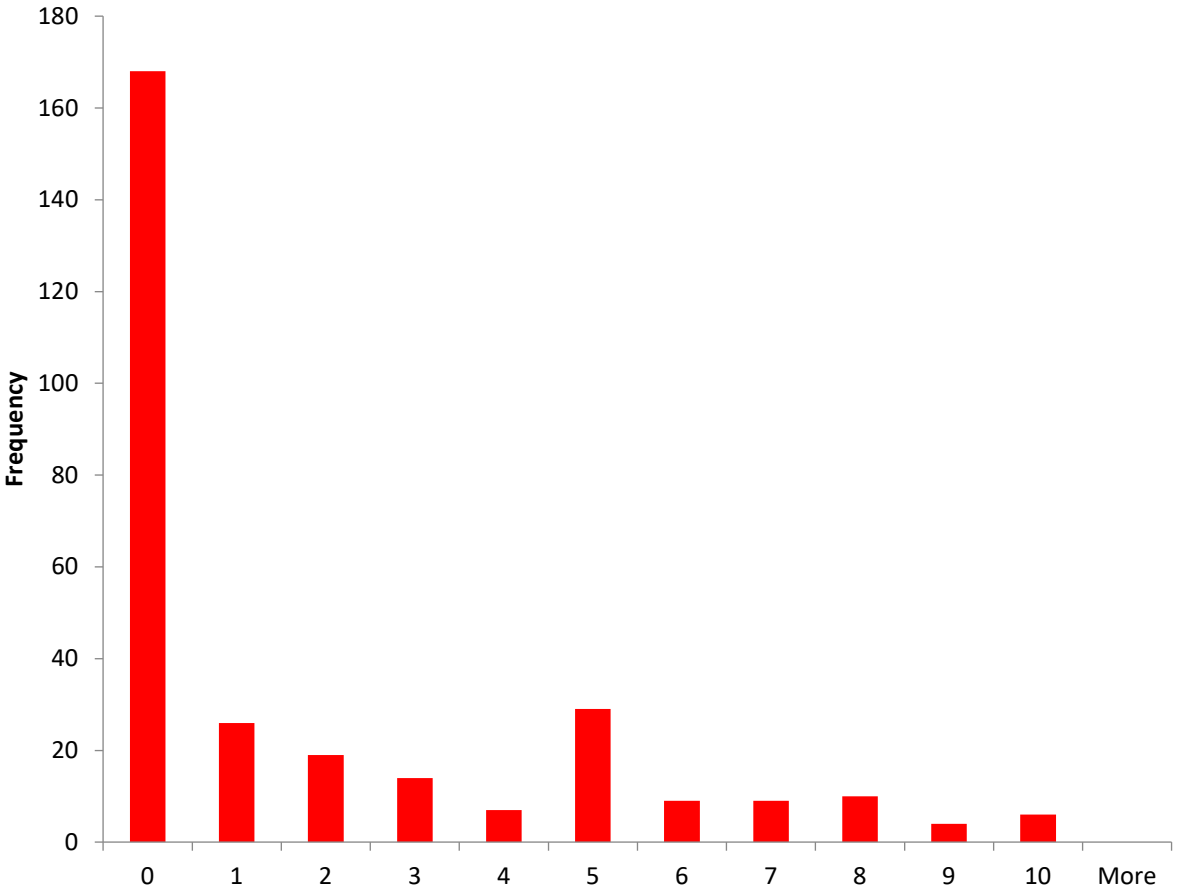


ICU bed for a 61 year old versus a 59 year old
(Sweden respondents)

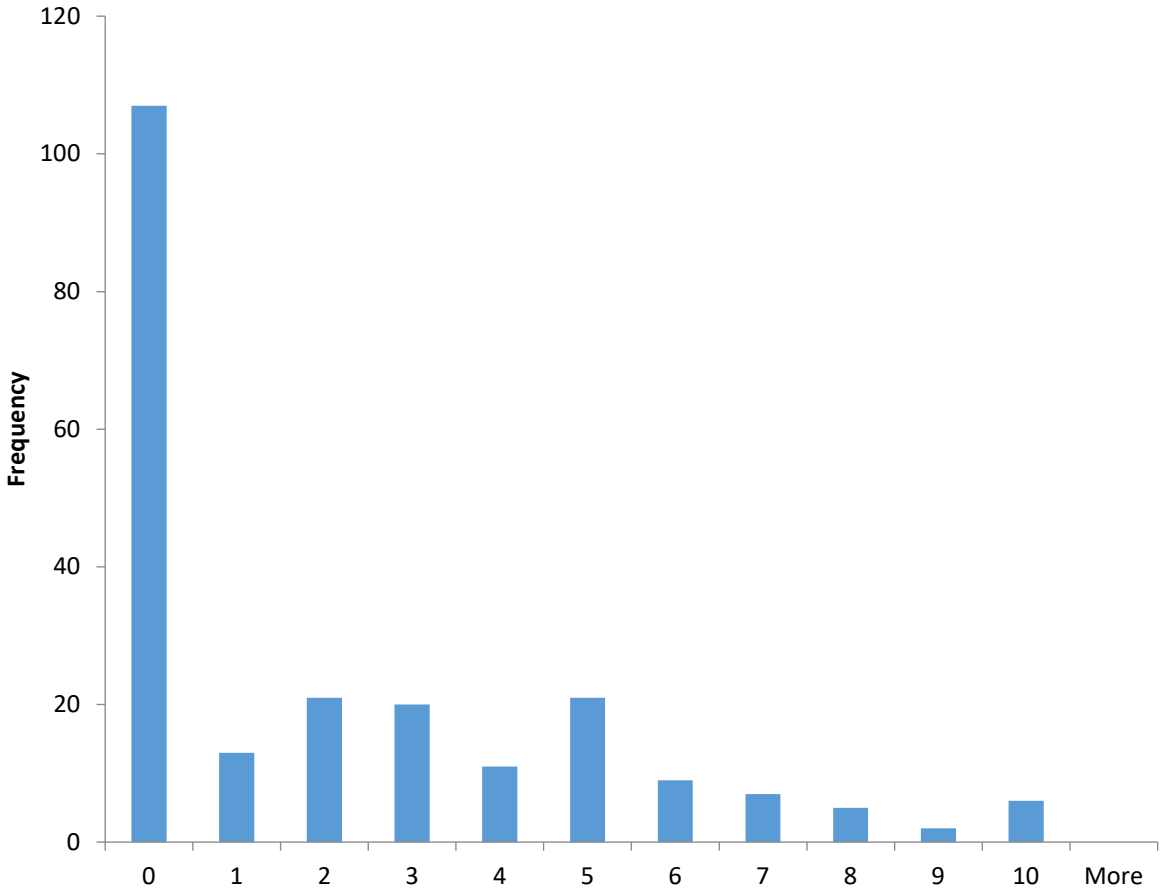


Some decisions may have long term effects on everyone's lives. How likely are you to support a voting system that would allow young voters (under 30 years old) to vote twice?

Voting: UK



Voting: Sweden



UNDP project in the Merged Areas of Pakistan

- Over the last decade, Khyber Pakhtunkhwa's Merged Areas experienced security challenges and large-scale population displacements.
- A combination of military operations (since 2014) and a political reform process culminated in the merger of the Federally Administered Tribal Areas into the neighboring Khyber Pakhtunkhwa province.
- The merger is considered to be one of the most consequential political reforms in Pakistan's 70-year history.
- An unprecedented extension of constitutional rights and governance structures to 5 million of the poorest people in Pakistan.

UNDP project in the Merged Areas of Pakistan

- New legislative, executive and judicial systems
- Border with Afghanistan
- Trust of the area's population in new institutions and government-provided services
- Justice and fairness views of the area's population

UNDP project in the Merged Areas of Pakistan

- What is a just distribution of resources (money, health care, infrastructure)?
- What is a just distribution of decision rights (family, village, province)?
- Distribution between individuals inside and outside of the Merged Areas
- Distribution within the Merged Areas

UNDP project in the Merged Areas of Pakistan

- Is any “bad” choice punished?
- A part of the population are rehabilitated former combatants or sympathizers to the Taliban ideology
- Distribution between different segments of the area’s population conditioning on their past choices
- Comparison of risk aversion and inequality aversion of individuals (given that certain models restrict them to be the same, see Fleurbaey (2018) for a discussion)

Concluding Comments

Elicitation and comparison of justice preferences

- across domains
- for multi-dimensional outcomes
- through incentivized field experiments

Use these to develop new theoretical models



THANK YOU!



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