

Incentives and motivations

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An article by prof. Carbajo-Núñez M., published on the Accademia Alfonsiana [blog](#)

As indicated in a [previous post\[1\]](#), the ethics of self-denial has been replaced by an ethics of self-fulfillment, which emphasizes the importance of inner motivations. The Zurich school, [\[2\]](#) represented by Bruno S. Frey (1941–), has emphasized the importance of intrinsic motivations and developed the theory of motivational crowding-out. This phenomenon occurs when a person's intrinsic motivations (values, ideals) are replaced by extrinsic ones.

According to this school, both positive stimuli (money or rewards) and negative ones (punishments, strict regulations) can weaken an individual's ethical and social sense. Values and ideals are displaced by the desire to obtain superficial compensation. The person thus ceases to act out of conviction and begins to act solely in pursuit of external or superficial results.

1. Positive incentives (bonuses)

In a classic study conducted in 1970, Richard Titmuss compared the British system of voluntary blood donation with the American one, which was run by private for-profit companies. Surprisingly, he found that people were more generous when they did not receive monetary compensation. When donors were paid, both their internal motivation and the social recognition of their altruistic act (social reward) were devalued.

Luigino Bruni provides a revealing example: a girl who had lovingly cared for her disabled brother for years began asking for money to do other household chores after her parents decided to reward her financially for taking care of her brother. In other words, her emotional motivation was replaced by an economic one. This phenomenon, known as the "*spillover effect*," shows how monetary incentives affect not only the specific action but also other related motivations. Bruni also mentions the case of families who used to separate their waste out of ecological commitment but stopped doing so when the local council began to pay for it: "If what we did is only worth that much, we might as well do something else."

Giuseppe Regiani recounts similar stories: a child who began demanding money for any household chore after receiving a payment for taking out the trash; or neighbors who changed their attitude

when one of them was rewarded for allowing a water purifier to be installed on his land. In all these cases, external incentives stifled internal motivations.

2. Negative incentives (fines, punishments)

An experimental study conducted in 1998 at various nurseries in Israel showed that sanctions that affect intrinsic motivation can produce the opposite effect to that intended.

In those nurseries, many parents often arrived late to pick up their children, thus causing additional costs. The experiment divided the nurseries into two groups. In the first group, a monetary fine was introduced to discourage late pick-ups, while no changes were made in the second group. Surprisingly, after 12 weeks, late pick-ups increased in the first group: parents began paying the fine and arriving late more frequently. In the other group, levels remained stable.

The negative incentive (the fine), therefore, had the opposite effect to what was intended, as it undermined the intrinsic motivations that had previously been present. Before the sanction was imposed, most parents tried to arrive on time out of consideration and respect for the educational staff. However, after the introduction of the financial penalty, the behavior was reinterpreted: paying the fine came to be perceived as an acceptable fee for being late. Even after the fine was removed, the experiment continued for four additional weeks, during which the absence of the penalty did not lead to a significant decrease in late arrivals.

3. Rewards instead of incentives

A positive alternative to instrumental incentives are symbolic or social rewards. A concrete example is the Nobel Prize, which not only includes a financial award but, more importantly, represents a high level of public recognition. Similarly, medals of honor function along the same lines, symbolizing distinguished acknowledgment beyond material value. Indeed, "prizes have a persistent effect on motivation and performance and this effect survives the withdrawal of prizes. However, this does not occur when incentives are at play"[3].

For their effect to be positive, it is essential that the recipient perceives them not as a hidden form of control or as part of a transactional logic ("do this and you'll get a reward"), but rather as a genuine, unconditional, and meaningful expression of recognition ("thank you for your contribution"). Under these conditions, rewards not only avoid undermining intrinsic motivations, but they actually strengthen them, while also promoting autonomy, mutual trust, and a sense of belonging.

Conclusion

The theory of incentives rests upon a negative anthropological conception, one that places little trust in the human person and, as a consequence, seeks to direct or control their conduct. Yet we have seen that such an approach does not constitute an adequate path for moral formation.

It is no coincidence that incentive theory was consolidated between the two world wars, a period marked by anthropological pessimism and the rise of fascist and totalitarian ideologies. In that context, economic liberalism, based on the idea that cost-benefit calculation is the main driver of human behavior, proposed incentives as a more civilized form of control compared to the coercive methods of collectivist regimes.

Morality is either autonomous, or it ceases to be genuinely moral. This entails the cultivation of intrinsic motivations, so that the subject assumes responsibility and embraces, with joy, the logic of gift.

[1] Post: "La moral en la era digital", in *Blog of the Alfonsian Accademy*. The following paragraphs are taken from our article: Carbajo-Núñez Martín, "Artificial intelligence and leadership: A

Franciscan Perspective", in *Collectanea Franciscana* 97 (2026) [printing]

[2] This school is part of the *behavioral economics*.

[3] Bruni Luigino et al., "The Pied Piper: Prizes, Incentives and Motivation Crowding-In," in *Journal of Business Ethics* 166 (3/2020) 643-658, here 657.