

# On the Social Resource Theory of Money

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## Abstract

Money has powerful symbolic power. Zhou et al. proposed a social resource theory of money in 2008 to explain the negative impact of money on individual behavior. This theory points out that money, as an important social resource, can replace social relationship as the core source of individual security and pain. When money replaces social relationship, people may reduce their demand for social relationship, thus weakening the positive effect brought by social relationship. This paper summarizes the social resource theory of money from the aspects of its content, origin, key literature and the latest research progress.

## Keywords

Social resource theory of money; Social relationship; Pain.

## 1. Introduction

Money is everywhere, it penetrates into every aspect of people's life and work, and profoundly affects people's psychology and behavior. Money seems to have many negative effects on an individual's behavior. Previous studies have found that money can drive people into materialism, depriving them of the pursuit of social connections and reducing life satisfaction and happiness. In order to answer these questions, researchers proposed a money as social resource theory [1, 2]. Money, as an important social resource, can replace social relations as the core source of individual security and pain [3]. Importantly, when money replaces social connections, people may reduce the need for social connections, and the positive effects of social connections may be diminished. This theory was published in *Psychological Inquiry*, an important journal of social psychology, and has received extensive attention and follow-up research.

The social resource theory of money further suggests that when people are disappointed with their social relationships, they become more dependent on money. The social resource theory of money builds on these evidences and proposes that social support is the primary pain protection mechanism and money is the surrogate pain protection mechanism.

## 2. Introduce the Experiments of Key Literatures

Can money really ease pain? In order to provide evidence to support the social resource theory of money, Zhou conducted a research on the symbolic meaning of money with some Chinese undergraduates as subjects. The results showed that money alleviated pain and maintained self-esteem in the face of social rejection. In the high-pain group, counting money significantly reduced pain. The last two experiments showed that financial loss increased the social pain of social rejection and the physical pain of soaking in hot water.

### **3. Research progress of money social resources theory**

#### **3.1. Money can Reduce the Individual's Pain Feeling**

FMRI found that monetary compensation after social exclusion reduced self-reported pain [4]. Event-related potential (ERP) technique found that money priming reduced sensitivity to painful stimuli in the early stage; Research on neural aging has shown that monetary rewards inhibit activity in the anterior insula, which is associated with both physical and social pain.

#### **3.2. Money can Reduce an Individual's Negative Emotions**

##### **3.2.1. Anxiety**

A "money buffer effect" was found in a study of 900 blue-collar workers and 546 white-collar employees in China [5]. Having money didn't make people happier, but it did make them worry less.

##### **3.2.2. Fear**

Money can inhibit fear conditioning responses [6]. In the experiment, the subjects were all stimulated by electric shock, but compared with the group without monetary reward, the skin conductive responses (SCRS) and subjective fear intensity of the group with monetary reward were lower. This suggests that money, as a positive and secondary reinforcer, can block the learning phase of the fear conditioned response and reduce people's fear.

##### **3.2.3. Fatigue**

Recent research has also found that money priming leads to more thoughtful work behavior in tired individuals [7]. In other words, when people are tired at work, money can reduce fatigue, make them more energetic and more willing to help others. Money is also a powerful antidote to fatigue when it comes to individual work performance.

##### **3.2.4. Jealousy**

Researchers conducted an experiment with 96 American college undergraduates [8]. The participants were randomly divided into three groups, with those in the secure attachment group receiving help when they had a problem, those in the material reward group winning a brand new computer with state-of-the-art features, and those in the neutral group needing to buy some groceries. They were then asked to imagine a scenario in which their romantic partner was flirting with an attractive member of the opposite sex, and to report how jealous they felt. Both secure attachment and material reward priming attenuated romantic jealousy compared with the neutral group. In other words, people were less likely to feel jealous when their relationship was threatened by the opposite sex. It follows that money can alleviate feelings of jealousy.

##### **3.2.5. Unpleasantness**

Ma used event-related potential (ERP) to study the neural effects of money priming on negative emotions. In the experiment, participants were randomly assigned to look at either a 100 yuan picture or a neutral one, followed by unpleasant pictures [9]. The researchers also recorded electroencephalogram (EEG) changes. They found that after the money was primed, participants' sensitivity to unpleasant images was reduced.

#### **3.3. Money can Increase Individual Confidence, Strength and Efficacy**

Money priming can also stimulate higher self-esteem and inhibit more death thoughts, thus alleviating death anxiety. Money priming also improves customers' sense of creative self-efficacy, which in turn increases their creativity.

### 3.4. Pain can Increase an Individual's Desire for Money

Studies have found that social exclusion increases the instrumental value of money, leading people to make riskier, but potentially more lucrative, financial decisions. That is, social exclusion causes people to love money more, which further supports the social resource theory of money.

When individuals receive social support, their desire for money decreases. When individuals feel more secure in their relationships, they reduce their need for money. Xu, Zhou, Ye and Zhou (2015) conducted an experiment. They randomly divided the subjects into two groups. One group was asked to write down the names of three people who had helped them, and the other group was asked to write down the names of three celebrities, and then measured the importance of money to the subjects. Perceived social support was found to reduce participants' desire for money.

## 4. Conclusion

The social resource theory of money points out that money, as an important social resource, can replace social relations as the core source of individual security and pain. When money replaces social relations, people may reduce their demand for social relations, thus weakening the positive effects brought by social relations. This paper summarizes the social resource theory of money from its content, origin, key literature and the latest research progress. Most of the social resource theory of money currently focuses on: money priming can reduce the individual's pain perception (neurological research evidence + real life); As a social resource, money can not only reduce individual pain, but also help to reduce individual anxiety, fear, fatigue, jealousy, unhappiness and other negative emotions. Money will increase our sense of self-esteem, control, self-efficacy, power and self-sufficiency. Pain increases an individual's desire for money, and decreases the desire for money when the individual receives social support. Future studies can explore this further.

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