Instructions

This is an experiment in decision making. Funds have been provided to run this experiment. If you follow instructions and make good decisions you may earn a substantial amount of money, that will be paid to you in CASH at the end of the experiment. What you earn depends partly on your decisions and partly on the decisions of others.

The entire session will take place through computer terminals, and all interactions between you will be done through the computers. Please, do not talk or communicate in any way during the session. Please, turn off your phones now.

You will be randomly divided in groups of **6** persons, and will make a sequence of **10** decisions as a part of that group. After 10 periods, all groups will be disband and the phase will end. This will be the end of the experiment.

Task Description

Each period, you and every member of your group will choose an integer: **1, 2, 3, 4, 5, 6 or 7**. Your choice and the smallest number chosen in your group (**including yours**) will determine your payoff in that period. Table 1 presents your payoffs in all possible scenarios. For example, if you choose number 5 and the smallest number chosen in your group is 4 you will get 78 Cents ($.78).

<div align="center">

Smallest Number Chosen

		7	6	5	4	3	2	1
	7	1.30	1.10	0.90	0.70	0.50	0.30	0.10
	6	—	1.14	0.94	0.74	0.54	0.34	0.14
	5	—	—	0.98	0.78	0.58	0.38	0.18
Your Choice	4	—	—	—	0.82	0.62	0.42	0.22
	3	—	—	—	—	0.66	0.46	0.26
	2	—	—	—	—	—	0.50	0.30
	1	—	—	—	—	—	—	0.34

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Table 1 – Payoff from different actions

1-minute Countdown

Graph Description

Before the 1-minute countdown, you and every member of your group have to choose a number to be posted on the graph: **1, 2, 3, 4, 5, 6 or 7**. Once every member of your group have made their initial choice of their **graph-number**, the 1-minute countdown begins.
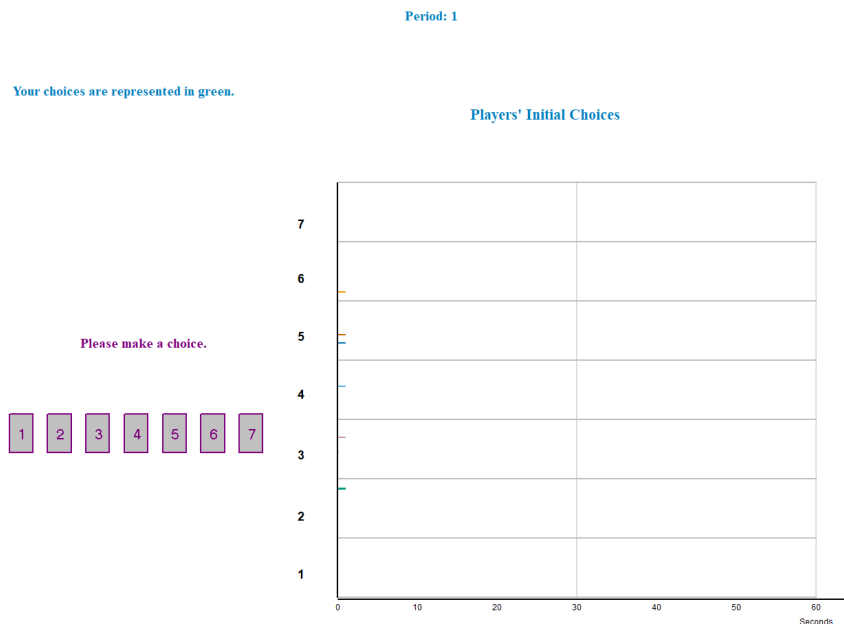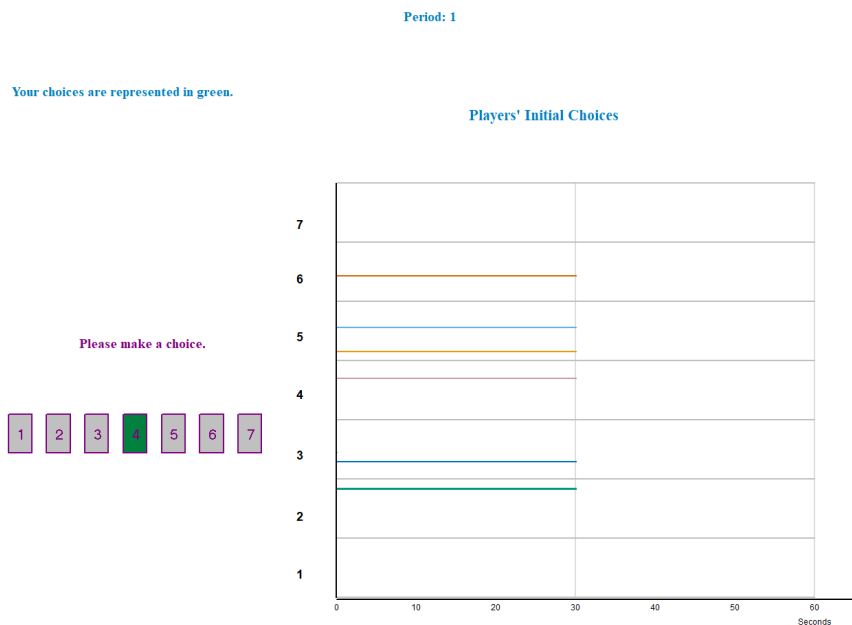

Figure 1 – Screen-shot of one possible scenario, as soon as the 1-minute countdown begins.

When the 1-minute countdown begins your screen will appear as in Figure 1. In Figure 1, we have placed time in seconds on the horizontal axes and the initial number chosen by each of your group members on the vertical axes.

The graph-numbers chosen by you and your cohort are placed along the vertical line above the zero second mark. You will see the graph-number of every participant in your group. For instance, in Figure 1, we see that 2 players have chosen number 5, 1 player has 2, 1 player's graph number is 3, 1 player's number is 4, and 1 player's number is 6. Your graph-number is always represented in the graph with the color green, and those of others by other colors.

Choice

After the graph appears on your screen, you will have to choose a number. **This number combined with the smallest number chosen in your group will determine you payoff in the period.** During the 1 minute, you will be able to change your chosen number at any time by placing your cursor on your desired number to the left of the screen. When you choose a number, it will light up as the number 2 now is. Your chosen number will **not** be displayed in the graph.

Figure 2 – Screen-shot of one possible scenario, after 30 seconds have passed.

When 30 seconds have passed your screen will appear as in Figure 2. You can still see the graph-numbers chosen by all players. Also, you can see on the left side of the screen that player GREEN is currently choosing the number 4 (it is lit up in green).

Note that only the number lit up in green at the end of 1-minute countdown is relevant for your payoff; numbers chosen during the 1-minute countdown or the graph-number DO NOT affect your payoff.

Final Payoffs

At the end of the 1 minute countdown, you will receive a payoff that depends on the number you have chosen (the number lit in green at the end of the countdown) and on the smallest number chosen by a player in your group. *Only the numbers selected at the* **end** *of the countdown matter for your payoff.* The numbers selected before do not matter at all for your payoff.

Your **final payoff** will be the sum of payoffs from all 10 periods plus the show up fee.