

# Instructions

Welcome to the experiment.

During this experiment, please follow the instructions of the experimenters at all times. Please do not communicate with any other participants or anyone outside the lab, either directly or via mobile devices. If you do not follow these rules, you may be removed from the experiment without payment and you may not be allowed to participate in future experiments.

Please switch off your mobile phones and other electronic devices.

Once you have finished reading the instructions, please sign the **consent form** on your desk.

## Experiment

The experiment starts with a short survey on general demographics and your views about some political topics. All the data that you enter are completely anonymous and no personal information will be recorded.

Later on, you will take part in a series of group decision-making periods in which each of you will propose how to divide £17.00 amongst the members of your group. Participants will be randomly allocated to groups of 3 by the computer. You will complete 10 periods and in each period you will be rematched into a different group. All of the interaction with your group will be conducted via your computer.

Each period will happen as follows:

1. In the **Proposal Stage** you will make an offer to each participant in your group. You can offer any quantity, by increments of 10 pence, to each player. The offers must add up to a ‘pie’ of £17.00.
2. Once all offers have been made, the computer will choose **one** of the proposals randomly and present it to all of the group members. If you **accept** the offer, then press the ‘Accept’ button. If you do not want to accept the offer, then **reject** it by pressing the ‘Reject’ button.
3. If more than half of the group members ‘Accept’ the offer it will be approved and each group member will be allocated that amount for the current period. If more than half of the group members ‘Reject’ the offer, it will be rejected by the group and all group members will be asked to propose a new division of the ‘pie’, but this time you will only have £11.90 to divide. Again, one proposal will be chosen randomly and presented to all group members. If the new proposal is rejected you will repeat the process, but the ‘pie’ will again be reduced, this

time to £8.30. Each of these steps is called a ‘round’ and you can play up to 5 rounds per period, but in each round the ‘pie’ will get smaller. If the proposal is rejected in the fifth round, all group members will be allocated £0.00 for that period and you will all pass on to a new negotiation with a new group.

4. When you finish the 10 periods, you will be asked to complete a final decision making process. This time you will have to divide £3.00 amongst three group members and, in this section, whatever you allocate to each person is what they will get. In this section there will be **no voting**.
5. At the end of the experiment we will ask you to fill in a few questions regarding your experience in the lab. Once again, all the data that you enter are completely anonymous and no personal information will be recorded. After you finish the survey, a screen will appear indicating which period was chosen for payment and how much you will be paid.

## **Payment**

In this experiment you will be paid according to the decisions that you have made. One of the ten negotiation periods will be chosen at random, and each will have a 1/10 chance of being chosen. You will also be paid for the decisions you make in the ‘decision’ section and a £2.50 show-up fee. At the end of the experiment you will be informed of how much you have earned in each section and your total payment.

## Treatment Information - Provided after the survey

The information you have provided has been used to allocate each participant one of the following avatars.



There are only 6 avatars, so more than one participant will be allocated the same image, based on the race and gender each person stated in the survey.

The survey data has also been used to calculate a score that places each participant and their political views on the left right political spectrum.

## Materials

You have several types of handouts on your desk. First you have a copy of these instructions which you can look at any time during the experiment. The second item is the consent form I have previously mentioned. The third is an information sheet with relevant data regarding the ESSEXLab and experiments in general. The fourth is a receipt for the payment of the experiment. At the end of the experiment you will be provide with all the information you need to fill out the receipt. Leave it as it is until then. The last handout is a number of blank papers for you to take notes on during the experiment. However, please remember that all of these notes must be handed in at the end. There is also a calculator on the desk that you may use.

## Information Sheet

The current experiment aims to analyse how people make decisions in different situations. On-screen instructions will explain exactly how the experiment works.

This is a voluntary experiment. You may withdraw at any time without any penalty. If you withdraw you may lose the possibility to gain cash rewards from parts of the experiment in which you do not participate.

You will be paid a £2.50 show-up fee. In addition, you will be paid based on the choices made by you and others during the experiment. Details will be given in the on-screen instructions.

The experiment will last about 1 hour.

Data collected during the experiment will be linked only to your seat number, which was assigned randomly. It will not be linked to your name. Therefore, your behaviour during this experiment is completely anonymous. The anonymous data will be analysed by the researchers, and will be stored afterwards at the Economic and Social Data Service, where it may be downloaded by other researchers for reanalysis.

You have signed an attendance sheet and after the experiment you will sign a receipt for the money you receive. Your attendance will be recorded in the ESSEXLab On-line Recruitment System and the receipt will be stored at ESSEXLab.

You may have heard about experiments in which participants are deceived. This is an economic experiment. Economic experiments do not involve deception by the experimenters. That is, everything the experimenters tell you, and all on-screen instructions, are true and accurate. If you have any questions about this, please email [essexlab@essex.ac.uk](mailto:essexlab@essex.ac.uk).

If you wish to know more about the research behind this experiment, or if you have any questions or complaints about the experiment, please contact [dalaro@essex.ac.uk](mailto:dalaro@essex.ac.uk).

## Consent Form

I confirm that I have read and understood the information sheet which I may keep for my records.

I agree to take part in the experimental session by undertaking a number of computer-based tasks.

I understand that the data generated during the session will be entirely anonymous, so that my name and university ID will not be linked to the data that is generated. The anonymous data will be analysed by the researchers and subsequently stored by the Economic and Social Data Service, where it may be downloaded by other researchers.

I understand that my participation is voluntary and that I am free to withdraw at any time.

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Name of Participant

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Date

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Signature