

Procedure and Material for Experiment 1

Experimental procedure

Participants were recruited outside the Sorbonne University in Paris and invited to sign up for a session within the next three days. Six participants participated in each session. All instructions were given in French.

Upon arrival to the laboratory, each participant received an instruction sheet which briefly described the general procedure of the experiment and reminded them that throughout the experiment everyone remained anonymous to the other participants. In addition, the sheet contained a unique user ID that identified each participant throughout the experiment. Once six participants had arrived and given their written consent to participate in the experiment, each of them was assigned to a small closed room with a computer and an instruction booklet. The experiment was fully computerized. Participants stayed in their room until the end of the experiment and used a computer program to work through the instructions, answer quiz questions, and indicate their decisions. All participants were informed that their computers were connected to the computers of the other participants via a network connection.¹

Participants started the experiment by reading the instructions on the computer screen. The instructions on the screen were identical to those contained in their instruction booklet. After reading the instructions, participants were required to answer nine quiz questions. The questions were identical across the four conditions, although the correct answers differed in some cases. Participants were not allowed to go on with the experiment until they had answered all questions correctly. They were allowed an unlimited number of trials and had the possibility to ask the experimenter for further guidance. No one was dismissed from the experiment on the basis of poor understanding, and all participants who started the experiment also finished it.

Upon the completion of the quiz questions, participants were allowed to start the actual game. First, the computer randomly assigned three participants to the role of “A-players” (trustors) and three others to the role of “B-players” (trustees). Afterwards, each participant was informed that she was paired with another participant of the opposite role. For example, a participant with the userID “Player1” might have been informed that she has been assigned to the role of B-player and plays the game with “Player2.” In addition to their own counterparty in the game, participants were also informed about the other two pairs. For example, participants in the first pair would have been informed that “Player5” plays the game with “Player3” and that “Player4” plays with “Player6”.

The three A-players started the game by deciding how many points to send to their B-players. After that, they were asked to answer the following questions:

QA1: How many points do you think the B-player will send back to you?

QA2: How many points do you think the other two A-players have sent to their B-players, on average?

¹ To emphasize that participants were indeed playing with real people, when waiting for others to finish the instructions, the current status of the others (e.g., “logged on to the system,” “reading instruction,” “finished instructions,” and so on) was displayed on the screen. During the debrief no one reported a concern related to this point.

Once A-players made their decisions, B-players were informed about how many points they received and asked how many points they wanted to send back. After that, they were asked to answer the following questions:

QB1: How fair do you think the decision made by your A-player is? (Answer scale from 1 to 4.)

QB2: How selfish do you think the decision made by your A-player is? (Answer scale from 1 to 4.)

QB3: How many points do you think the other two B-players have received on average?

QB4: How many points do you think the other two B-players have sent back on average?

After that, A-players were informed how many points they received back from their B-players and asked to answer the following questions:

QA3. How fair do you think the decision made by your B-player is? (Answer scale from 1 to 4.)

QA4. How selfish do you think the decision made by your B-player is? (Answer scale from 1 to 4.)

All participants were then informed about the final amount of points they gained in the game and asked to provide the following demographic information: gender, age, profession, major (if student), native language. The feedback on the number of points gained by the other two participants who played the game in the same role was then provided, along with their relative standing. Ties were resolved at random (the procedure was explained to participants in the instructions).

Finally, participants were told that if they wished they could donate some of their earnings to charity (*Medecins sans Frontieres*). If they wished to do so, they could put their donations in a small envelope that they would receive together with their earnings and leave it on their desks. The experimenter then went to each room and handed out closed envelopes that contained their earnings in cash and a smaller envelope for donations.² Participants were then debriefed and had the opportunity to ask questions if they wished.

² We took care that in all conditions payment consisted of different types of coins such that participants had sufficient change in case they wanted to make a donation.

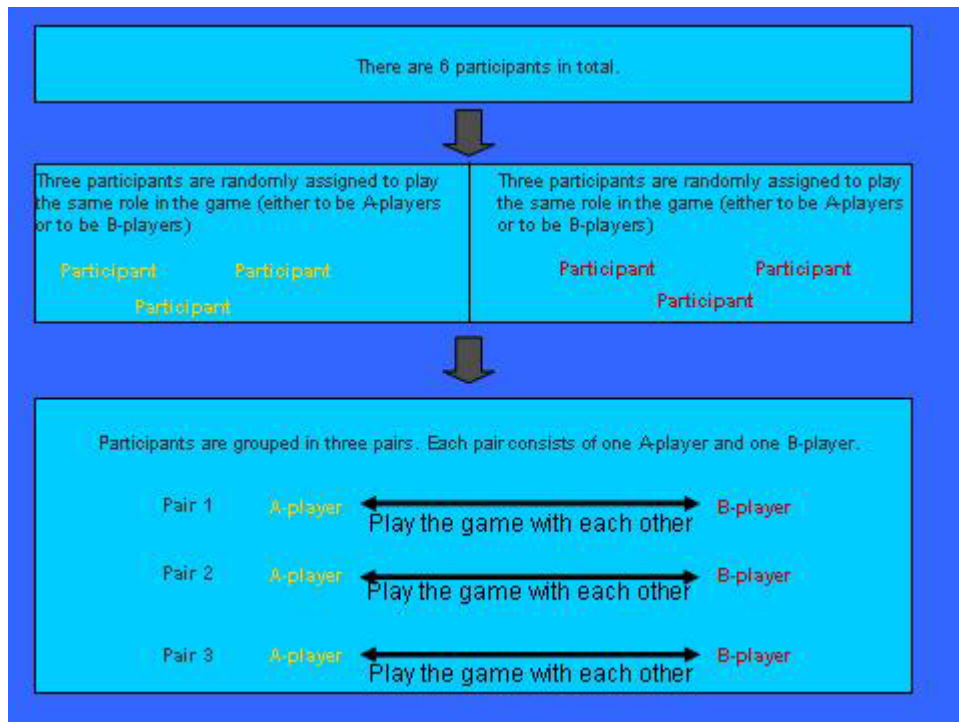
Instructions given to participants (English translation)³

Today you will take part in a game in which you will interact with 5 other participants. The following instructions explain the rules of the game in detail. Please note that next to your computer you will find a sheet that contains exactly the same instructions as those shown to you now on the computer screen. You can have a look at the sheet later once the game has started in case you forgot about some points of how the game works. The decisions you and the other players make during the game will directly affect how much money you will get at the end. It is therefore important that you read the instructions carefully.

Your computer is connected with 5 other computers in different rooms. In each of these rooms sits another participant who has been recruited for this study just like you. Just like you these participants are currently working through the instructions. The instructions are the same for all. Once you have finished studying the instructions all of you will be assigned to one of two roles in the game. The two roles in the game are called “A-player” and “B-player”. This means that among the six of you there will be three participants in the role of A-player and three participants in the role of B-player. The role you are going to play will be determined randomly by the computer. Therefore who is playing which role is determined completely by chance and none of you have any influence on this.

Out of the 6 participants the computer will then create three pairs of players with different roles. So if you have been assigned to be an A-player you will be paired with one of the three B-players. If you have been assigned to be a B-player you will be paired with one of the three A-players. For further clarifications, please refer to the picture below:

³ Instructions presented here are for the trustor- and trustee-tournaments condition. Instructions for the other three conditions are identical except for the explanation of how final payoffs are determined.



For all game you remain anonymous to the other players and they remain so to you. At no point will any of the participants know which player sits in which room.

The rules of the game

Once you have been paired with a player of the opposite role the game starts.

The game consists of three different stages:

Stage 1: A-players start the game and are shown the screen below:

Please make your decision!
You have received 40 experimental points for this game.

How many of these points do you want to send to the B-player you are paired with? Please type in the number of points in the box below and click on ok.

Points to be send to the B-player (0-40):

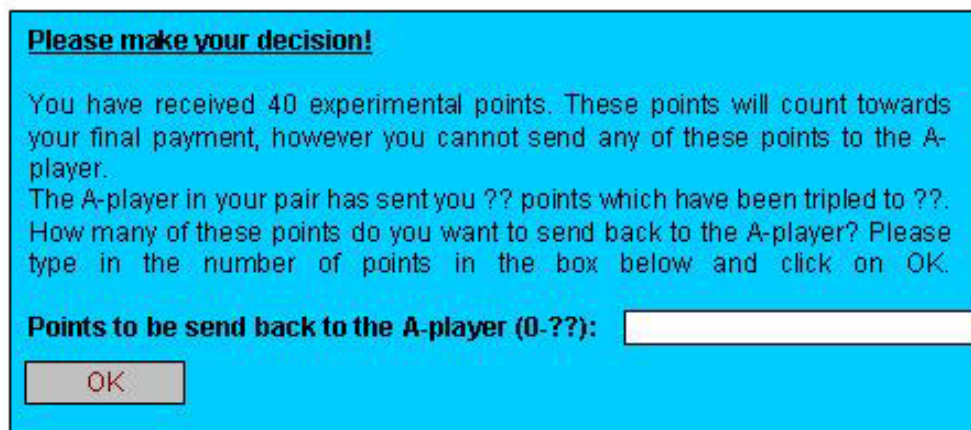
As you can see A-players have been given 40 experimental points by the computer. The players now have to make a decision about how many of these points to send to the B-players they have been paired with. These points will then be tripled by the computer and sent to B-players. For example, if the A-player decides to send 20 point, the B-player would receive $3 \times 20 = 60$ Points. Please note that A-players are free to

choose any amount of points from 0-40 and have no obligation to send any points at all.

Stage 2: Once A-players have made a decision it is the B-players' turn:

Like already said, the amount the A-player has sent is tripled by the computer and given to the B-player in the pair. Note that in addition to the points received from the A-player, the B-player also receives 40 points from the computer. These points cannot be used in the game, however **they will add** to the final number of points when the B-players' final payment is determined.

To make their decision B-players will be shown the following screen:



Please make your decision!

You have received 40 experimental points. These points will count towards your final payment, however you cannot send any of these points to the A-player.

The A-player in your pair has sent you ?? points which have been tripled to ??. How many of these points do you want to send back to the A-player? Please type in the number of points in the box below and click on OK.

Points to be send back to the A-player (0-??):

OK

B-players have to make a decision about how many points to send back to the A-player in their pairs. Note, however, that these points are not tripled. So that if, for example, the B-player decides to send 25 points back, the A-player will receive exactly 25 points. Please also note that B-players are free to choose any amount of points and have no obligation to send back any points at all.

Stage 3: After B-players have made their decisions the game ends. All players now learn how many points they have gained.

For A-players the final amount of points gained in the game is given by:

40 (the points given to the player initially)
– the number of points send to the B-player
+ the number of points the B-player sent back

For the B-player the final amount of points gained in the game is given by:

40 (the points given to the player initially)
+ 3 * the number of points sent by the A-player
- the number of points the B-player sent back

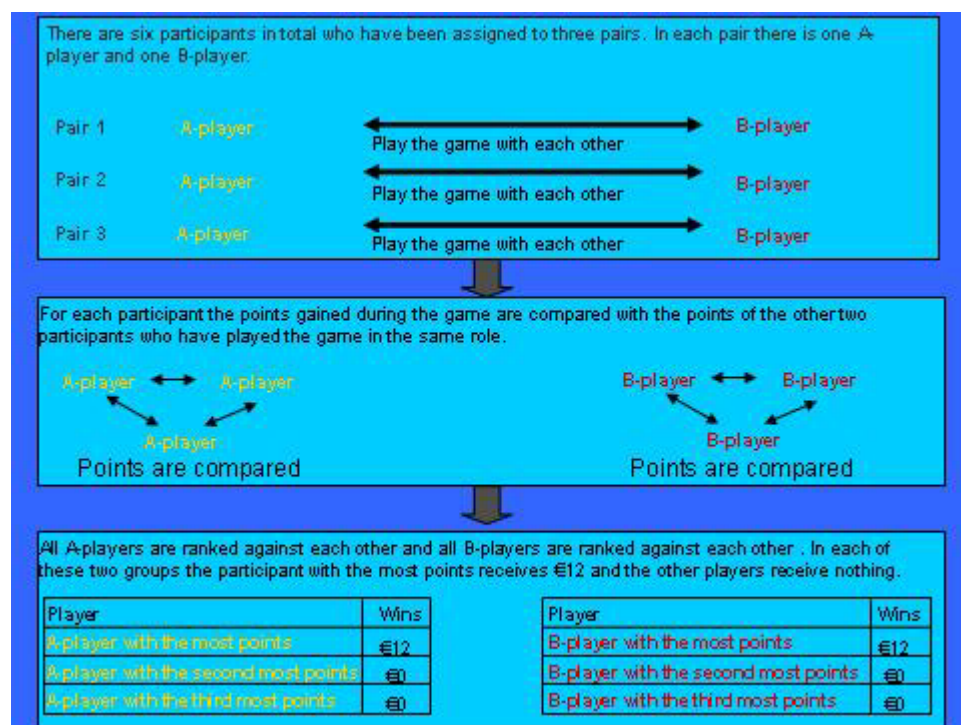
How much money are you going to win?

Remember that in this game there are 6 participants including you. Three of them are assigned to the role of A-players and three of them assigned to the role of B-players.

The amount of points you have gained during the game is compared to the amount of points won by the other two players who have played the game in their pairs in the same role as you do. So if you are an A-player your points are compared to the points gained by the other two A-players in the game. If you are a B-player the amount of points is compared to the points by the other two B-players in the game. The player with the most points among the three players in the same role will receive €12 while the other two players will not receive anything. So at the end of the game one A-player and one B-player will receive €12 while the other four players will receive nothing.

In case two or all three players who are ranked against each other have gained the same number of points the draw will be resolved by a lottery. The computer will randomly draw a number between 0-100 for each of the drawing players. The player with the higher number will then be ranked higher than the ones with lower numbers.

For further clarifications, please refer to the example below.



You will receive all your money in a sealed envelope. Please remember that it is completely unknown to all participants which of the six players in the game sits in which room. It means none of the other participants will be able to know who they played with and who has won how much money.

You have now finished reading the instructions. Next we will ask you a number of brief questions to make sure you fully understood the rules of the game. Please note

that all decisions described in the questions are purely hypothetical and should not influence you in your decisions once the game has started.

Quiz questions

1. How many participants are there in total in the game?
2. How many of these participants are assigned to be A-players? How many to be B-player?
3. How many points does an A-player receive at the beginning of the game?
4. How many points does a B-player receive at the beginning of the game?
5. Imagine an A-player has decided to send 15 points to the B-player he is paired with.
 - a) How many points will the B-player receive?
 - b) How many points can the B-player send back maximally?
 - c) How many points will the B-player have at the end if the B-player does not send anything back to the A-player?
 - d) How many points will the A-player have if the B-player does not send anything back?
6. Imagine the A-player has decided to send 15 points to the B-player and the B-player has decided to send 45 points back.
 - a) How many points will the B-player have at the end?
 - b) How many points will the A-player have at the end?
7. Imagine you are assigned to be an A-player and you have gained 47 points in the game. One of the other A-players has gained 40 points and the third A-player has gained 18 points.
 - a) How much money would you receive at the end of the game?
 - b) How much money would the A-player who gained 40 points receive at the end of the game?
 - c) How much money would the A-player who gained 18 points receive at the end of the game?
 - d) How much money would you receive if the third player had gained 78 points instead of 18?
8. Think about the following outcome of the game: The three A-players have gained 78, 38 and 17 points respectively. The three B-players have gained 85, 70 and 57 points respectively.
 - a) Imagine you are the A-player who has gained 78 points. How much money will you receive at the end of the game?
 - b) Imagine you are the B-player who has gained 57 points. How much money will you receive at the end of the game?
 - c) Imagine you are the B-player who has gained 85 points. How much money will you receive at the end of the game?
 - d) Imagine you are the A-player who has gained 17 points. How much money will you receive at the end of the game?

9. Imagine you are an A-player. You have sent 20 points to the B-player. The B-player has sent you 30 points back. The other two A-players have gained 20 and 63 points respectively.

- a) How much money will you receive at the end of the game?
- b) Imagine the B-player had sent you back 45 points instead of 30. How much money would you receive at the end of the game?