

Experiment Instructions

Message Condition

This part of the experiment describes a situation involving you and one other person.

In each decision you will be asked to select between two messages, where the message that you choose will be sent to the other person. After reading your message, the other person will have to make a choice, which will determine the payoffs for both of you.

There are 12 questions altogether. Consider each question separately. That is, treat each decision as if it alone will determine the final payoffs. Although the questions are hypothetical, please do your best to respond as if the decisions are for real money.

Example: In this example, two possible payments are available to you and the other person. The two payment options are:



The other person will have to choose either option A or option B. The only information the other person will have is information sent by you in a message. That is he or she will not know the monetary payments associated with each choice.

We now ask you to choose one of the two possible messages, which you will send to the other person:

Message 1: “ Option A will earn you more money than option B.”

Message 2: “ Option B will earn you more money than option A.”

We will show the other person your message, and ask him or her to choose either option A or option B.

To repeat, the other person’s choice will determine the payments in the experiment. However, the other person will never know what were actually offered in the option not chosen (that is, he or she will never know whether your message was true or not). Moreover, he or she will never know what to be paid to you according to the different options, nor will he or she know the actual amount you receive according to the selected option.

I choose to send (please circle one message):

Message 1

Message

Quiz:

1. In Message 1 “ Option A will earn you more money than option B”, who does “you” refer to?
 - a. Own
 - b. The other person
2. Is Message 1 true?
 - a. Yes
 - b. No
3. Is Message 2 true?
 - a. Yes
 - b. No
4. The other person will select between Option A and Option B after receiving the message you selected.
 - a. True
 - b. False
5. Will the other person know whether or not the message you send him is true?
 - a. Yes
 - b. No
6. How much will you receive, if the other person selects option A?
 - a. \$7
 - b. \$10
7. How much will the other person receive, if they select option A?
 - a. \$7
 - b. \$10
8. Will the other person know the amount to be paid to you according to option B, if they select option A?
 - a. Yes
 - b. No

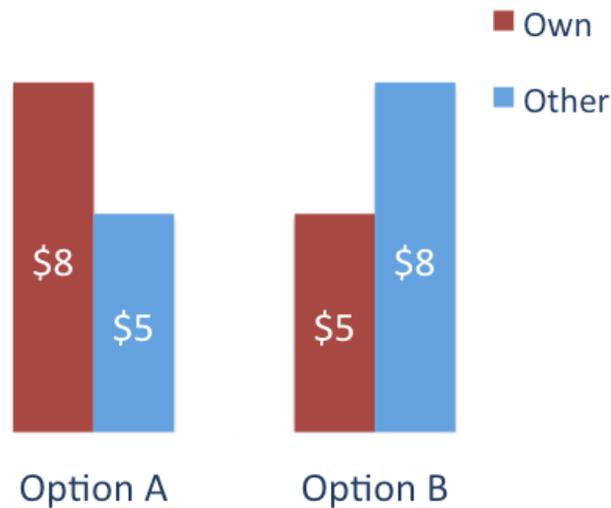
Choice Condition

This part of the experiment describes a situation involving you and one other person.

In each decision you will be asked to select between two options, where the option that you choose will determine the payoffs for you and the other person.

There are 10 questions altogether. Consider each question separately. That is, treat each decision as if it alone will determine the final payoffs. Although the questions are hypothetical, please do your best to respond as if the decisions are for real money.

Example: In this example, we will ask you to choose one of the two possible payment options. The two options are:



Your choice will be executed with 80 percent of chance, while in the other 20 percent the alternative option will be implemented.

The other person will never know what sums were actually offered in the option not chosen. Moreover, he or she will never know the sums to be paid to you according to the different options, nor will he or she know the actual amount you receive according to the selected option.

I choose (please circle one option):

Option A

Option B

Quiz:

1. Which option will give you more money on average?
 - a. Option A
 - b. Option B

2. Which option will give the other person more money on average?
 - a. Option A
 - b. Option B

3. Will the other person know how much you receive?
 - a. Yes
 - b. No