

ECONOMIC EXPERIMENT: INSTRUCTIONS

Introduction

Today you are participating in an experiment with focus on behavior under time restrictions. These instructions describe how the experiment will be conducted and the decision task you will undertake. You will see the important part of instructions before each part of the experiment again on the screen. Your payoffs in this whole experiment will depend only on the choices made by you, and will not depend on choices made by other participants. You will be given 100 CZK for coming on time and completing a questionnaire in the end. This 100 CZK and any money that you earn during the experiment will be paid to you, in cash, at the end of the experiment. It is impossible to lose money in this experiment. You should feel free to make as much money as possible. Money for this experiment has been provided by the J&T Bank a.s..

Experimental Currency

All experimental payoffs are denominated in experimental currency units (ECUs). Your ECU earnings will be converted to CZK at the end of the experiment at a conversion rate of 10 ECUs equal to 1 CZK. You will be paid at the end of the experiment privately, and no other player will be told what you earned for the experiment. If you have any questions while these instructions are being read, please raise your hand and we will attempt to answer your questions.

Please do not talk to the other participants during the experiment, or else your participation in the experiment will be terminated without any payment.

Task

The decision task constitutes of several rounds. Your task should substitute the real routine concentration effort you normally make in a real life. In each round, your task will be to **count zeros** from a table shown on the screen on the left and type in your **estimate** of this number. All parts of the experiment are based on this task and differ only in some additional features. In any given round, the task is identical across all participants.

In all parts of the experiment, you will be paid for the **accuracy** of your estimate:

If you estimate the number exactly, you get 100 ECU.

If you miss by one, you get 80 ECU.

If you miss by two, you get 50 ECU.

If you miss by more than two, you get 0 ECU.

The table with the zeros and ones has 20 rows and 20 columns and the numbers are generated randomly. Figure 1 (or later Figure 4) provides an example.

0	0	1	0	0	0	1	0	0	1	0	0	0	1	1	0	1	0	0	1
1	1	1	0	1	0	0	1	1	0	1	0	1	0	0	0	0	1	1	1
0	1	1	1	0	1	0	1	0	1	1	1	0	1	0	1	0	0	1	1
1	1	0	0	0	1	1	0	1	0	0	0	1	1	0	1	1	1	1	0
0	0	0	0	0	1	0	0	1	0	1	1	0	0	0	1	0	1	1	1
1	0	0	1	1	1	0	0	0	1	1	0	1	1	1	1	0	1	1	1
1	1	1	0	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0
1	0	1	1	0	0	0	1	1	1	0	1	1	0	1	1	0	0	1	1
1	0	1	1	1	1	0	0	0	1	1	0	0	1	0	0	0	0	0	0
1	0	0	0	0	0	1	1	1	0	0	0	1	0	0	1	1	0	0	0
1	1	1	0	1	0	0	0	1	0	1	1	1	0	1	1	1	1	0	1
0	1	1	0	0	0	1	1	0	0	1	0	0	0	1	1	0	1	1	1
0	0	0	0	1	1	0	0	1	1	0	0	0	0	1	1	0	1	0	1
1	0	1	1	0	1	1	1	1	0	0	1	0	0	0	1	1	1	1	1
1	1	0	0	0	1	1	1	0	1	0	1	0	1	1	0	0	1	0	0
0	0	1	0	0	0	0	1	0	0	1	0	1	1	1	0	1	0	0	1
1	0	0	1	1	0	1	1	0	0	1	1	0	1	0	1	0	0	1	1
1	0	1	0	1	1	0	0	1	0	0	0	0	1	1	0	0	1	0	1
1	1	1	1	0	1	1	1	1	1	1	1	1	1	0	1	0	1	0	0
1	1	0	1	1	0	1	1	1	1	0	0	0	1	0	1	1	1	0	0

OVERVIEW

You are **Player 1**

Count the number of zeros:

Figure 1

After each round, you will see the summary with the following information: your estimate, the true number of zeros, and your payoff (Figure 2). To begin with the next period, you will have to wait for others to complete the task. Please, always click “Continue” so that the experiment can continue.

Summary of this round:

True number of zeros in the sheet above: 202

Number of zeros entered: 213

Profit from the task 0

Your profit from this period 0.0

Your total profit so far 0.0

OVERVIEW

You are **Player 1**

Time needed: 2.7

Please click "Continue" when you are ready.

Figure 2

The parts of the experiment (treatments)

The **first part** of the experiment is intended for you to practice the task. There will be two rounds without any time restrictions.

The **second part** of the experiment will proceed under **time constraint** and will last for 3 rounds.

There will be three levels of time constraint - "Low", "Medium" and "High", out of which one gets randomly selected. For completing the task, you will have 150 seconds in the "Low" time constraint, 130 seconds in the "Medium" and 100 seconds in the "High" level of time constraint.

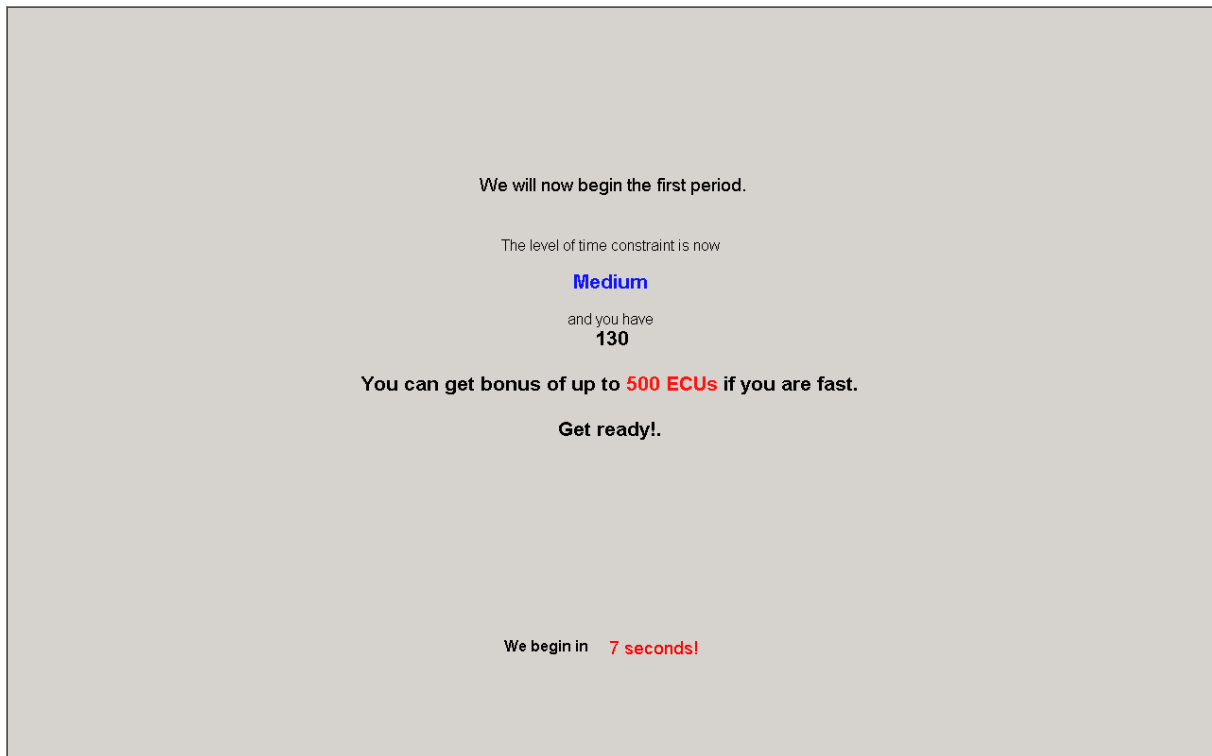


Figure 3

You will get a **bonus** for being fast. The bonus will **decrease with time**. In "Low" time constraint, the bonus starts at 400 ECUs at the beginning of a period and decreases by 3 ECUs with each second; in "Medium" time constraint, the bonus starts at 500 ECUs and decreases by 4 ECUS with each second; in "High" time constraint, the bonus starts at 600 ECUs and decreases by 5 ECUs with each second. You will get the bonus **only** if you do not miss it by more than 2. Otherwise your bonus will be 0.

Information about the level of time constraint for the period, time for the task and the bonus will appear on the **welcome screen (Figure3)** before you start a round.

Time left: 116																								
0	0	0	0	1	1	0	1	1	1	1	0	1	1	0	0	0	0	1	0					
1	0	0	1	1	0	0	1	0	0	1	1	0	0	1	0	0	1	1	0					
1	0	1	1	0	0	0	0	1	1	1	0	0	0	1	0	0	1	1	1					
1	1	1	0	0	0	0	0	0	0	1	1	1	0	0	1	1	1	0	0					
1	0	0	1	0	1	1	1	1	0	1	1	0	1	1	1	1	0	0	1					
1	0	0	0	1	1	1	0	1	1	1	1	1	0	0	0	0	1	1	0					
1	0	0	1	0	1	1	0	1	1	0	1	1	1	0	1	1	0	0	0					
0	1	0	0	1	1	1	1	0	1	0	1	1	1	1	0	0	0	0	1					
0	0	1	1	0	1	1	1	1	1	0	0	1	1	0	0	1	1	1	0					
0	0	0	1	1	0	0	1	0	0	0	1	1	1	1	0	0	1	0	1					
0	0	1	0	0	1	0	0	1	1	0	1	1	0	1	1	0	0	0	0					
0	1	0	0	1	1	1	1	1	0	1	0	1	1	0	1	0	1	0	0					
0	0	0	0	0	1	0	0	1	1	1	1	1	1	0	1	0	0	1	1					
0	1	0	0	1	1	0	1	1	1	0	1	1	0	1	1	0	0	1	0					
1	1	1	0	1	0	0	1	0	0	0	1	0	0	0	0	0	1	1	1					
1	1	1	1	0	1	1	0	1	0	1	0	0	0	1	1	1	0	0	1					
0	1	1	1	1	0	1	1	1	1	0	0	1	1	0	1	1	0	0	0					
1	1	1	1	1	0	1	0	1	0	0	1	0	1	0	1	0	0	0	0					
0	0	0	1	0	1	0	1	1	1	0	1	1	1	0	1	0	0	1	1					
1	1	1	1	0	1	1	0	0	0	1	0	0	0	0	0	0	1	1	1					
1	1	1	1	0	1	1	0	1	0	1	0	0	0	1	1	1	0	0	1					
0	1	1	1	1	0	1	1	1	1	0	0	1	1	0	1	1	0	0	0					
1	1	1	1	1	0	1	0	1	0	0	1	0	1	0	1	0	0	0	0					
0	0	0	1	0	1	0	1	1	1	0	1	1	1	0	1	0	0	1	1					
1	1	1	1	0	1	1	0	0	0	1	1	0	0	0	0	0	0	0	0					

OVERVIEW

You are **Participant** 1

Degree of time constraint: Medium

Time left: 116

Bonus for being fast: 444.0

Count the number of zeros:

OK

Figure 4

After you enter your estimate, the summary screen (Figure5) appears. There is one question in the bottom left corner on the level of pressure you subjectively felt during the task that you have to answer.

Summary of this round:

You managed to answer in time.

True number of zeros in the sheet above: **194**

Number of zeros entered: **194**

Profit for the accuracy: **100**

Bonus for being fast: **340**

Your profit from this period **440**

Your total profit (this part) **440.0**

OVERVIEW

You are **Participant** 1

Degree of time constraint: Medium

Time left: 89

Time needed: 41.0

Bonus for being fast: 340.0

Please, rate the level of pressure that you felt during the task by clicking on one button from the line below:

No pressure at all Very hard pressure

Please click "Continue" when you are ready.

Continue

Figure 5

The third part

This part will last for 6 rounds and you will have the option to **see the estimates of the other participants** made in the current round and change your mind according to new information. To see it, you have to first type in your guess, click "OK" and then you can click "YES" or "NO" as to whether to see estimates of other participants.

Time left: 88																			
0	1	1	0	1	0	1	1	0	0	1	0	1	0	1	1	1	0	1	0
0	0	0	0	1	1	1	0	1	0	1	1	0	0	0	1	1	0	0	0
1	0	1	0	1	1	1	0	1	0	0	0	0	0	1	0	0	1	0	0
1	0	1	0	1	1	1	0	0	0	1	0	1	0	0	0	1	1	0	0
1	0	0	1	0	0	1	1	1	0	0	1	0	0	1	1	1	1	0	1
1	1	0	1	0	1	1	0	0	0	1	1	1	1	1	1	1	1	0	0
1	1	0	1	1	0	1	1	0	1	1	0	1	1	1	0	0	0	1	1
0	0	1	0	0	0	1	1	1	0	1	0	0	0	1	1	1	1	1	0
0	0	0	0	1	1	1	1	0	1	0	1	0	0	0	0	1	0	1	1
0	0	1	1	1	0	1	1	0	1	1	0	0	1	0	1	1	0	0	0
1	1	0	1	1	1	1	0	1	0	0	0	1	0	0	0	1	0	1	0
0	0	1	1	0	1	0	1	0	1	1	0	0	0	0	1	0	1	1	1
0	0	1	0	1	0	1	0	0	0	1	1	1	0	0	1	1	0	1	1
1	1	0	1	0	0	0	0	0	0	1	1	1	0	0	0	1	0	0	1
0	1	0	1	1	0	0	1	0	0	0	0	1	1	1	0	1	0	1	1
1	1	0	0	0	1	1	1	0	0	0	1	0	0	1	0	1	0	1	1
1	1	1	1	0	0	1	0	0	1	0	0	1	0	1	0	0	0	1	1
0	0	0	0	0	0	0	1	1	1	0	0	0	0	1	1	1	0	0	0
0	0	1	1	0	0	1	0	0	1	1	0	1	1	1	0	1	1	1	0
1	0	1	0	0	0	1	0	1	0	1	1	0	1	1	1	0	1	0	0

OVERVIEW

You are **Participant 1**

Degree of time constraint: **High**

Time left: **88**

Bonus for being fast: **540**

Show information about others' estimates?

Figure 6

If you click "NO", the experiment will proceed as in the previous parts– the estimate will be set and you will see the summary of the round.

If you click "YES", you will see a table with the **original** estimates typed in by the other participants that entered them **before** you clicked on "YES". The estimates will be arranged in a table with a fixed order of participants, including you. You will see your own Participant number in the "Overview" part of the screen. While examining these estimates, your **time** will still be **running** out, so be careful.

In the screen with the estimates of the others (Figure 7), you will have a chance to enter a **new estimate**. If you want to use your own first estimate, click on "NO (Keep my original estimate)". If you want to enter a new estimate, click on "OK (enter a new estimate)". There is no penalty for changing your estimate.

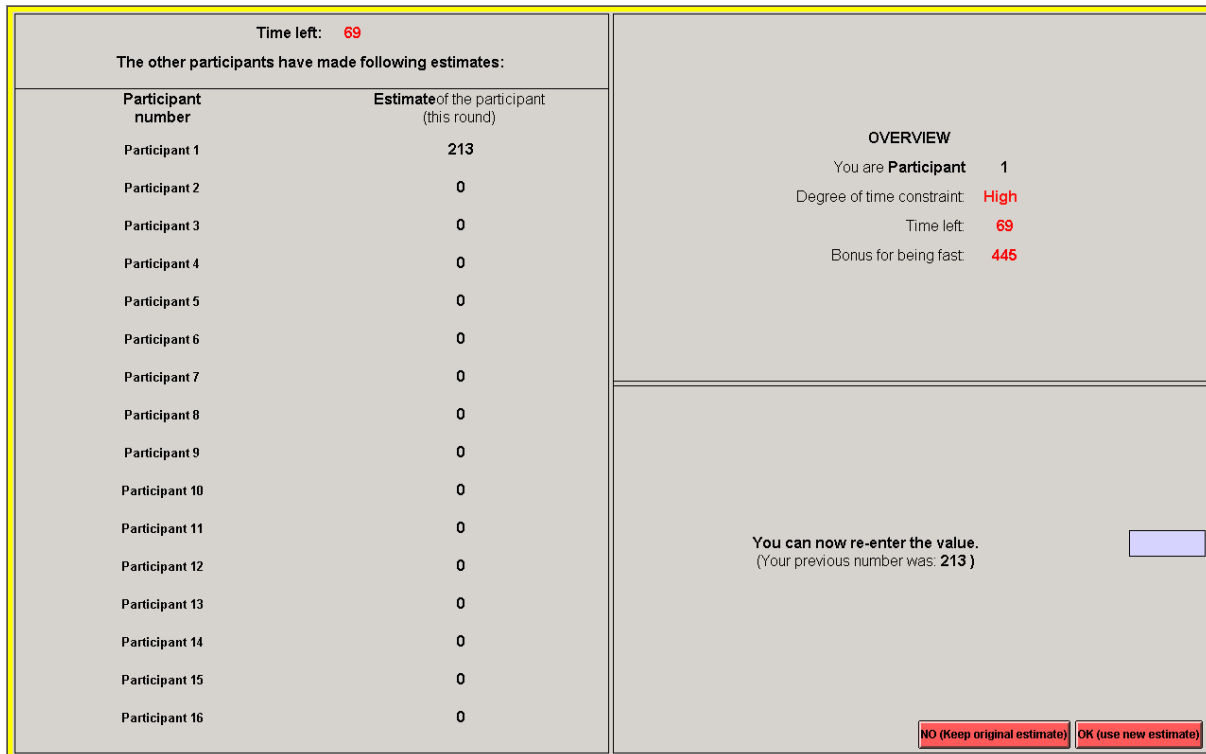


Figure 7

Questionnaire

After concluding the decision tasks, you will fill out questionnaire asking you about:

- your preferences about **fairness** of division of 1000 CZK between you and an anonymous partner
- your **personality profile**
- your important **demographic characteristics** such as gender, field of work/study, etc.

Answers to these questions will be kept strictly confidential and will be used exclusively for research purposes.

There will also be a space for your feedback – please provide comments, suggestions, describe your strategy of solving the task, or comment on how you felt during the experiment. You can get extra bonus if we find the feedback outstanding.

Apart from these, on your table there is a **sheet of paper** with an additional task – choosing between a risky **lottery** and an amount of **cash** received for certain. Each line requires one choice. After you fill this piece of paper out, then me or my assistant will come, throw a dice and will write you the result on the paper. You will get signal when is the time to fill it out.

Summary

The experiment will consist of three parts, each with several rounds and different conditions, followed by a questionnaire at the end. You will be paid in cash at the end of the experiment. All information about your choices and payoffs in this experiment will be kept strictly confidential.

Please do not talk to the other subjects at any point during the experiment, even to ask questions about the instructions. If we hear you talking at any point during the experiment other than talking with me or one of my assistants, your participation in the experiment will be terminated without any payment. If you have any questions about any part of the instructions, please raise your hand now. We want everyone to understand the instructions before we begin the experiment.