

INSTRUCTIONS FOR PLAYER ONE (Page 1)

Instructions

General information. The purpose of this session is to study people’s decision-making. If you have any question, please raise your hand and one of us will help you. From now on, you should not communicate in any way with the other participants until the end of the session.

During the session, you will make some decisions that give you the opportunity to earn some money. The money you earn will be paid to you in cash at the end of the session. Your decisions and earnings are confidential: we will not inform any of the other participants about your decisions during the session, nor about the sum of money you earned.

The session. You will participate in two different decision-making situations. We identify the two situations by **K** and **L**. In each situation, you will be matched with a different person. However, no one will ever know the identity of the person with whom he or she is matched. To emphasize: the identity of who you are matched with will never be revealed (either during or after the session). The matching will be done through personal codes. Your personal code is written at the top of this page, and also on the card that you have been given. If the two codes are not the same, please raise your hand now.

Payments. You will be paid for one of the two situations. The situation for which you will be paid is determined by a flip of a coin after all decisions have been made by all participants. You should therefore make your decision in each situation as if it is the one for which you will be paid. You may leave the room once you have filled out the payment receipt and have been paid.

If your personal code ends in an **EVEN** number:

You will be paid for situation **K** if the coin toss comes up **Heads**,

You will be paid for situation **L** if the coin toss comes up **Tails**.

If your personal code ends in an **ODD** number:

You will be paid for situation **K** if the coin toss comes up **Tails**,

You will be paid for situation **L** if the coin toss comes up **Heads**.

Questions? If you have any questions, or have not understood something, please raise your hand now and we will help you.

When the experimenter instructs you to do so, you may turn to page 2. Read the instructions carefully and indicate your answer to each question (you only have to write something in the boxes). When you have finished with page 2, you may turn to page 3. Read the instructions carefully and indicate your answers. When you have finished with page 3, turn to this first page again and wait for further instructions.

INSTRUCTIONS FOR PLAYER ONE (Page 2)

Situation K

In this situation you will be matched with another participant, who we will refer to as your counterpart. No participant will ever know who was matched with whom.

There are two possible payments for you and for the other participant in this situation. The two options are:

Option A: €4 for you and €2 for your counterpart.

Option B: €5 for you and €4 for your counterpart.

The choice between the two options will be made by your counterpart. **The only information your counterpart will have is the information sent by you in a message.** That is, he or she will know nothing about the two options except what you tell him or her. In particular, he or she will *not* know the payments associated with each option.

We now ask you to choose which one of the following two messages you would like to send to your counterpart.

Message 1: “You will earn more money with option A than with option B”

Message 2: “You will earn more money with option B than with option A”.

We will ask your counterpart to choose one of the two options (A or B) depending on the message you send. To repeat, the choice of your counterpart will determine the payments in this situation. However, your counterpart will never know what sums of money were offered in the option not chosen (that is, he or she will not know whether your message was true or not). Moreover, he or she will never know the sums of money that you could or do earn in the two options.

We will pay you and your counterpart according to the choice of your counterpart.

I choose to send the following message (please circle one):

Message 1

Message 2

To satisfy our curiosity, please answer the following question:

Which option do you think the other participant will choose based upon the message you sent? (Choose only one.)

- Probably he or she will choose option A.
- Probably he or she will choose option B.
- I am not sure.

INSTRUCTIONS FOR PLAYER ONE (Page 3)

Situation L

In this situation, you will be matched with a different participant, who we will refer to again as your counterpart.

In this situation, only you have to make a decision. Your decision will determine your payment as well as the payment to your counterpart. You have to choose between two options:

Option 1: €4 for you and €12 for your counterpart.

Option 2: €5 for you and €4 for your counterpart.

Your counterpart does not know which options are available. Your counterpart only knows that you will make a choice and that that choice determines your payment as well as the payment to your counterpart.

I choose (please circle one):

Option 1

Option 2

INSTRUCTIONS FOR PLAYER TWO (Page 1)

Personal Code

Space for label

Instructions

General information. The purpose of this session is to study people’s decision-making. If you have any question, please raise your hand and one of us will help you. From now on, you should not communicate in any way with the other participants until the end of the session.

During the session, you will make some decisions that give you the opportunity to earn some money. The money you earn will be paid to you in cash at the end of the session. Your decisions and earnings are confidential: we will not inform any of the other participants about your decisions during the session, nor about the sum of money you earned.

The session. You will participate in two different decision-making situations. We identify the two situations by **K** and **L**. In each situation, you will be matched with a different person. However, no one will ever know the identity of the person with whom he or she is matched. To emphasize: the identity of who you are matched with will never be revealed (either during or after the session). The matching will be done through personal codes. Your personal code is written at the top of this page, and also on the card that you have been given. If the two codes are not the same, please raise your hand now.

Payments. You will be paid for one of the two situations. The situation for which you will be paid is determined by a flip of a coin after all decisions have been made by all participants. You should therefore make your decision in each situation as if it is the one for which you will be paid. You may leave the room once you have filled out the payment receipt and have been paid.

If your personal code ends in an **EVEN** number:

You will be paid for situation **K** if the coin toss comes up **Heads**,

You will be paid for situation **L** if the coin toss comes up **Tails**.

If your personal code ends in an **ODD** number:

You will be paid for situation **K** if the coin toss comes up **Tails**,

You will be paid for situation **L** if the coin toss comes up **Heads**.

Questions? If you have any questions, or have not understood something, please raise your hand now and we will help you.

When the experimenter instructs you to do so, you may turn to page 2. Read the instructions carefully and indicate your answer to each question (you only have to write something in the boxes). When you have finished with page 2, you may turn to page 3. Read the instructions carefully and indicate your answers. When you have finished with page 3, turn to this first page again and wait for further instructions.

INSTRUCTIONS FOR PLAYER TWO (Page 2)

Situation K

In this situation you will be matched with another participant, who we will refer to as your counterpart. No participant will ever know who was matched with whom.

There are two possible payments available to you and your counterpart in this situation. The payments depend on whether you choose option A or B. We have shown the payments associated to each option to your counterpart. **The only information you will have is the message your counterpart sends to you.**

The two possible messages your counterpart can send to you are

Message 1: “You will earn more money with option A than with option B”

Message 2: “You will earn more money with option B than with option A”

Now we ask you to indicate the option you would choose depending on which message your counterpart sends you. The chosen option (which will be determined by the message your counterpart sends and your choice for this message) determines the payments in this situation. You will never know the sums of money that were offered in the option not chosen. (That is, you will never know whether the message was true or not.) Moreover, you will never know the sums of money that your counterpart could or does earn in the two options.

If my counterpart sends me message 1, I choose (please circle one option):

Option A

Option B

If my counterpart sends me message 2, I choose (please circle one option):

Option A

Option B

APPENDIX 2 to “Would I Lie to You?...”

INSTRUCTIONS FOR PLAYER TWO (Page 3)

Situation L

In this situation, you will be matched with a different participant, who we will refer to again as your counterpart.

In this situation, only your counterpart will have to make a decision. His/her decision will determine the payments to both of you.

I understand I have no choice in this situation.

Return to page 1 and wait for further instructions.