

## Participant Instructions for Public Goods Game

This simulation involves multiple participants. Each participant is presented with the same series of choices. Your payoff from the simulation is dependent on the decisions you make as well as the decisions of other participants.

Once logged in to EconVision, you will be provided with a set number of private points called an **endowment**. You will be given the choice of how much, if any, of this endowment to allocate toward the communal purchasing of a **public good**.

Your total payoff from this simulation is a function of multiple factors: (a) the total size of your endowment, (b) the amount you decide to allocate toward the public good, and (c) the amount other participants decide to allocate. More explicitly, your individual **payoff function** is expressed as follows:

$$\text{payoff} = M \times C + (E - A)$$

- **payoff**: your total individual payoff.
- **C**: the sum total of all public goods contributions (pooled from all participants).
- **M**: multiplier rate, or the multiplication factor that determines the rate at which the sum of all participants' contributions ( $C$ ) are converted toward your individual payoff. The value of  $M$  is between 0 and 1. The values of the multiplication factor ( $M$ ) and your endowment ( $E$ ) are presented to you before any decisions are made.
- **E**: the size of your endowment.
- **A**: the amount you personally choose to allocate toward the public good.

You will repeat this game several times, finding out after each round how much has been contributed by the group as a whole. This will constitute one match of the experiment.

Then we will repeat the experiment again. This time you will have the opportunity to see what each individual participant has contributed. You will also be given an opportunity to **punish** each person. You will punish someone by indicating how many points you would like subtracted from that person. For every point you have subtracted off of someone else, you will also have a point subtracted from your own endowment.

Your total payoff from this simulation is a function of multiple factors: (a) the total size of your endowment, (b) the amount you decide to allocate toward the public good, (c) the amount other participants decide to allocate, (d) the sum of points you spend to punish other individuals (**P**), and (e) the sum of punishment points that you receive from other individuals (**R**). More explicitly, your individual **payoff function** can be expressed as follows:

$$\text{payoff} = M \times C + (E - A) - \mathbf{P} - \mathbf{R}$$

This is the end of the instructions. As you prepare to login, please be patient as others finish reading the instructions.