PARTICIPANT INSTRUCTIONS

Please read these instructions while you wait for the experiment to begin (two sided). Please wait for directions from the experimenter before using the computer.

EXPERIMENT

- You will be randomly grouped with other subjects and will make decisions that determine how much money you will make from today's experiment.
- All decision will be made through a computer interface, anonymously.
- The experiment will have several rounds, you are paid from one randomly selected round so it is important to pay attention throughout the experiment.
- You will be paid privately at the end of the experiment.
- In the experiment there will be multiple matches. Within each match there will be multiple rounds.

ROLE ASSIGNMENT

- At the beginning of each match you will be randomly assigned to 1 of 3 possible roles: leader, selectorate, or non-voter.
- You will keep your role within a match unless a leader is voted out (more information on voting below) in which case your role may change.
- Each match will have multiple rounds.
- Within each match two groups will be fixed: the **leader/selectorate** group and the **non-voter** group. In the event the leader is voted out, roles are reassigned in the following way:
 - Those in the leader/electorate group will be randomly assigned to leader, eligible selectorate and non-eligible selectorate positions in the next round.
 - However, non-voters will remain non-voters for the entire match.
- If chosen for the **selectorate**, you will then be assigned either the role of **eligible selectorate** or **non-eligible selectorate** member:
 - Eligible members can receive resources from the leader and can vote for a leader.
 - Ineligible members cannot vote or receive resources directly from the leader, *but* have the potential to become eligible members in a given round if roles are reassigned from a leader having been voted out.
- At the start of each match, every individual has an equal chance of being selected to the selectorate with some predetermined probability.
- The probability that someone who is the selectorate is then chosen to be "eligible" is denoted as "Prob. in Eligible Selectorate."
- 1 leader will control how resources are distributed amongst the eligible selectorate and the public.
- Non-voters: during a match you will not be able to make decisions, but there are ways that the leader can give you resources.

ALLOCATION

- In each round the leader is given a budget of B = 100 points and must decide how much he or she wants to allocate.
- There are three ways the leader can use the 100 points:
 - a) Keep some or all of it for self.
 - b) Transfer some fraction of them to eligible members of the selectorate. In this case, the eligible selectorate all receive an equal portion of the payment the leader makes to the eligible selectorate as a whole.

- c) Buy a "public good." The "public good" costs the leader a fixed amount, 40 points, and if bought, everyone (leader, selectorate, and non-voters) receives 5 points.
- After the leader makes his or her decision, everyone observes how much they have been given, and whether a public good was provided.

VOTING

- Eligible members vote whether they would like to elect the same person to be the leader next round or not (by majority rule, ties broken randomly).
- If <u>RE-ELECT</u>: (i.e., a majority of eligible members support the leader) *Points are distributed as proposed by the leader.* All subjects stay in their previous role; the allocation stage is played again.
- If <u>NOT RE-ELECT</u>: (i.e., a minority of eligible members support the leader) Regardless of the leader's proposal, everyone instead receives 1 point. The leader is removed from office and 1 person from the selectorate (both eligible AND ineligible persons) is randomly chosen to be the new leader. *Eligible/ineligible positions within the selectorate are randomly re-assigned*. This means that if you are an eligible selectorate member, if the leader is defeated then in the next round there is a probability that you will be ineligible.

REPETITIONS

- The allocation/voting rounds will be played multiple times in a single match. You will be told when the match ends.
- We will then repeat the experiment with new roles assigned.
- Within each round there is a limited amount of time to make your decision.

PAYOUT

- Points will be transferred to dollars at the rate of 4 points = \$1-i.e., 1 point earns you \$ 0.25.
- To pay you, we will randomly choose one of the rounds. A round will be randomly chosen from ALL the matches you play today. Your pay will be based on your results from ONE round. What you earned in that one round will determine how much you earn at the end of the experiment. *Note: payout is not cumulative across matches.*

REVIEW OF EXPERIMENT PARAMETERS

In the experiment the values of these key parameters will be given at the top of your screen.

Paramater	Description
Role	Whether you are chosen to be a leader, an eligible selectorate, an ineligible
	selectorate, or a non-voter
Prob. in Eligible Selectorate	Probability someone who is in the selectorate is eligible to vote and receive
	direct points from the leader
Selectorate Size	Total number of eligible and ineligible members of the selectorate
Eligible Selectorate Size	Total number of eligible members of the selectorate (less than or equal to
	the Selectorate Size)
Budget	Budget of the leader in each round
Value of PG	Number of points each person gets if the public good is purchased by the
	leader
Cost of PG	The cost of the public good to the leader