The Ultimatum Game

You will be paired with another student. One of you will be the ‘proposer’ the other will be the ‘responder’. Flip a coin to determine who takes which role. You have $1 to split between you.

There are eleven ways in which the money can be divided.

|  |  |  |
| --- | --- | --- |
| **Method** | **Proposer** | **Responder** |
| 1 | $1.00 | $0.00 |
| 2 | $0.90 | $0.10 |
| 3 | $0.80 | $0.20 |
| 4 | $0.70 | $0.30 |
| 5 | $0.60 | $0.40 |
| 6 | $0.50 | $0.50 |
| 7 | $0.40 | $0.60 |
| 8 | $0.30 | $0.70 |
| 9 | $0.20 | $0.80 |
| 10 | $0.10 | $0.90 |
| 11 | $0.00 | $1.00 |

The proposer must choose one method and then pass it on paper to the responder who can choose to accept or reject the method. Do not negotiate. Do not discuss anything about this activity with the other person. Acceptance indicates that both parties will be paid he amounts and rejection indicates no money will be paid to either party. The responder should NOT tell the proposer whether the method was accepted or rejected. The responder should give the paper to the instructor. Be sure to write both your names on the paper. At the end of the activity, the teacher will randomly choose one pair for which he will award the $1 to be split (or not) accordingly.

Proposer Name: Responder Name:

**Proposer:**

Method Number Selected: \_\_\_\_\_\_\_\_\_

The proposer will receive $ \_\_\_\_\_\_\_\_\_\_ and the responder will receive $ \_\_\_\_\_\_\_\_\_\_.

**Responder:**

Circle your choice:Accept Reject