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Lords and Vassals: Power, Patronage, and the Emergence of Inequality

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Lords and Vassals: Power, Patronage, and the Emergence of Inequality

Robert Akerlof, Hongyi Li, and Jonathan Yeo*

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Abstract

This paper uses a laboratory experiment to study competitions for power — and the role of patronage in such competitions. We construct and analyze a new game — the “chicken-and-egg game” — in which chickens correspond to positions of power and eggs are the game’s currency. We find that power tends to accumulate, through a “power begets power” dynamic, in the hands of “lords.” Other subjects behave like their vassals in the sense that they take lords’ handouts rather than compete against them. We observe substantial wealth inequality as well as power inequality. There are also striking gender differences in outcomes — particularly in rates of lordship. In a second treatment, where we eliminate patronage by knocking out the ability to transfer eggs, inequality is vastly reduced and the “power begets power” dynamic disappears.

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1 Introduction

There are many real-world settings where agents compete for power: such as government, firms, and criminal enterprises. Winning such competitions requires a base of support; and such support is often obtained through patronage. Take Tammany Hall, for instance, which courted New York’s newly arrived immigrants with jobs, social services, firewood, and coal. Likewise, the Medici plied Florence’s prominent families with generous loans and sweetheart business deals; and gained favor with the general citizenry by building churches, giving to the arts, and distributing food to the poor.¹ This paper uses a laboratory experiment to study competitions for power — and the role of patronage in such competitions.

We construct and analyze a new game — the “chicken-and-egg game” — in which agents compete for power and can engage in patronage. In this game, (finitely-lived) chickens correspond to (finitely-tenured) positions of power and the eggs laid by chickens are the game’s currency. The game is played by a group of subjects over multiple rounds. Each round, an election takes place to determine the owner of a newborn chicken. Each subject chooses whether to be a voter or run in the election as a candidate.² Prior to voting, candidates can pledge eggs from their existing stock of chickens to voters in return for their votes.

We run the chicken-and-egg game in the laboratory with groups of six subjects, who play for thirty rounds. Seven main results emerge.

First, power distributes unequally — and tends to accumulate in a single person’s hands. The number of chickens reaches a steady state in round 6; from that point on, we refer to subjects who own at least 80 percent of chickens as “lords.” Lords are extremely common, arising in 40 percent of all rounds. Other subjects, furthermore, tend to behave like their vassals — in the sense that they take lords’ handouts the majority of the time, rather than run or vote against them.

Second, lords’ power is relatively stable. 53 percent of lord tenures are 9 rounds or

¹See Golway (2014) on Tammany Hall and Hibbert (1974) on the Medici.

²Our experiment therefore relates to the literature on citizen-candidate models (see Osborne and Slivinski, 1996 and Besley and Coate, 1997).

more. The average lord tenure is 10.1 rounds.

The emergence and stability of lords reflects a basic force at work in our setting that tends to concentrate power: powerful subjects (i.e., those with chickens) can pledge eggs to voters, which helps them win elections and amass more power. We estimate that winning an election increases the chances of winning future elections by anywhere from 12.4 to 16.6 percent.³

Third, lords' power is not perfectly stable. 24.9 percent of lord tenures are 4 rounds or less. In 52 percent of groups where a lord emerges, the first lord is toppled and replaced by another lord.

The fragility of lords reflects the presence of a countervailing force that tends to disperse power: a preference among voters for underdogs. We find that, after controlling for pledge size, candidates with more chickens receive fewer votes. Our post-experiment survey suggests that voters favor underdogs in part because they care about equity, and in part out of a desire to induce competitive elections, in which candidates have a strong incentive to pledge eggs.

Fourth, we observe substantial wealth inequality as well as power inequality. The wealthiest group member ends the game with 35.5 percent of all eggs on average. While there is considerable wealth inequality, it is less pronounced than power inequality because the powerful transfer eggs to the less powerful. Lords, for instance, give away 28.4 percent of their eggs on average. Such generosity may be a response to voters' propensity to topple lords — especially those who are stingy.

Fifth, some groups are substantially more unequal in power and wealth than others. For instance, in the top quintile of groups — as ranked by their wealth Gini coefficients — the wealthiest subject acquires 52.6 percent of total wealth, compared to 22.6 percent in the bottom quintile. We suspect that group differences are driven by different norms regarding what is fair. In line with this view, subjects in low-inequality groups vote for underdogs more often and report greater concern with equity in our post-experiment survey.

³Relatedly, there is an empirical literature that measures incumbency advantage in various electoral settings. For example, Ansolabehere et al. (2000) estimate a 7-10% incumbency advantage in 1980s and 1990s US House elections (see also Gelman and King, 1990 and Levitt and Wolfram, 1997).

Sixth, in a second treatment, where we eliminate patronage by knocking out the ability to pledge eggs, inequality almost vanishes. Lords never arise and the wealthiest group member captures a much smaller share of the surplus (20.4 percent of all eggs, on average, compared to 35.5 percent in the baseline). Furthermore, we do not see a “power begets power” dynamic. In contrast to the baseline, winning an election does not increase the chances of winning subsequent elections — in fact, it slightly *reduces* the chances.

Finally, in our baseline treatment, there are striking gender differences in outcomes. Women are less powerful and less wealthy. In the tail of the distribution, the differences are particularly dramatic. For instance, women are lords only 32 percent as often as men. These differences in outcomes come about because of small gender differences in style of play, which are compounded by the game’s “power begets power” dynamic.⁴

2 Literature Review

Most closely related to our paper is Acemoglu and Robinson’s theory of the evolution of political institutions (see Acemoglu and Robinson, 2005, 2012). Acemoglu and Robinson (hereafter, AR) argue that political institutions determine the distribution of economic resources; and economic resources allow agents to shape future political institutions. A vicious cycle can develop where wealthy agents use their resources to amass power; they use their power, in turn, to amass more wealth.⁵ Consequently, power and wealth can become concentrated in the hands of a few. A version of AR’s vicious cycle arises in our baseline treatment.⁶

Altering one feature of our experiment — the ability to engage in patronage — eliminates vicious cycles. This finding is in line with AR’s emphasis on “good institutions” as bulwarks against vicious cycles — and suggests that an effective way to reduce inequality

⁴We can attribute gender differences in outcomes to style-of-play differences — rather than gender discrimination — because subjects do not know the genders of other participants.

⁵Zingales (2017) makes a similar argument, with particular reference to political rent-seeking by large firms. Glaeser et al. (2003), likewise, point out that subversion of institutions by the wealthy — specifically, the courts — can exacerbate inequality.

⁶Acemoglu and Robinson’s theory fits into a broader literature on institutions as a driver of growth and a determinant of inequality. See, for instance, Glaeser and Shleifer (2002), Rodrik et al. (2004), La Porta et al. (2008); for a review of the literature, see Acemoglu et al. (2005).

may be to curtail patronage systems. The United States, for instance, introduced a series of reforms which were successful in addressing patronage: most notably, the Pendleton Act of 1883, which established a Civil Service Commission, and the Hatch Act of 1939 which forbid bribery of voters and restricted the political activity of government officials.

Importantly, while we allow certain institutions in our experiment to evolve (i.e., who holds power), we take others as fixed. In particular, we impose democratic elections. In so doing, we suppress a force that AR highlight as exacerbating vicious cycles: democratic institutions tend to erode when power and wealth are concentrated.⁷ Even absent this force, we observe vicious cycles — an outcome that Acemoglu and Robinson (2008) refer to as “captured democracy.”

The literature on clientelism is also concerned with vote buying by politicians (see Dixit and Londregan, 1996; Stokes, 2011; Wantchekon, 2003; and Robinson and Verdier, 2013 for a review of the literature). Issues that have been studied include (1) whether politicians buy votes from marginal or core supporters; (2) the policy consequences of clientelism; and (3) why clientelism is associated with poverty and inequality. Our experiment contributes to this literature by showing how clientelism can, over time, lead to concentration of power.

Our paper, of course, fits into an experimental literature on elections (see Palfrey, 2006 for a review). Topics studied include voter turnout, strategic voting, and candidate competition. Our experiment is the first, to our knowledge, to focus on political evolution and vicious cycles.

Finally, we contribute to a literature on inequality, where small differences in initial endowments can lead to large differences in outcomes. For instance, Frank and Cook (2010) argue that the emergence of winner-take-all markets has magnified differences in wealth between stars and other market competitors. Piketty (2014) suggests that a

⁷Take, as an example, the newly formed republics of postcolonial Latin America — many of which modeled themselves explicitly on the United States, adopting presidentialism, bicameral legislatures, and supreme courts. Vicious cycles, nonetheless, led to the emergence of autocrats in most cases — such as Perón in Argentina and Getúlio Vargas in Brazil — who eroded democratic institutions (see, Levitsky and Ziblatt, 2018, Chapter 5). Perón, for instance, came to power through vote buying and dispensing political favors. Once in power, he packed the courts with loyal judges who helped keep him in power: by upholding, for example, the conviction of Ricardo Balbín, the leader of the main opposition party (see, Acemoglu and Robinson (2012), p. 330).

“capital begets capital” process can lead to the entrenchment of a rentier class. Cunha and Heckman (2007) make a “skills beget skills” argument: because of dynamic complementarities in skill formation, small differences in early childhood education can lead to large disparities in later outcomes. Akerlof and Holden (2016) develop a theory in which “social connections beget social connections,” leading to the emergence of “movers and shakers” who command large rents. In our paper, inequality stems from a “power begets power” dynamic. Powerful “lords” emerge who play an outsize role in determining the distribution of income.

3 Experimental Design

Subjects in our experiment played a version of the “chicken-and-egg game.” The game was played in groups of six over thirty rounds. Subjects were randomly allocated to groups and groups were assigned to either a “baseline treatment” or a “no pledge” treatment. All choices in the game were publicly observable; to preserve anonymity, subjects were given pseudonyms.

Baseline Treatment

In each round of the game, except the final one, an election takes place. The election winner is awarded a chicken, which lays two eggs per round for the next five rounds — or until the end of the game — and then “retires.” Eggs are the game’s currency and are converted to cash at the end of the experiment.

The outcome of each election is determined by a randomly-selected deciding voter. Candidates can pledge to give some of their eggs to the deciding voter if they win. Elections proceed as follows.

1. Each subject decides whether to be a candidate or a voter. The list of candidates is then publicly announced. In the event that there are no candidates — or no voters — the computer randomly allocates the chicken.
2. Candidates choose how many eggs to pledge to the deciding voter. Candidates

can only pledge eggs out of their stock of “fresh eggs” (i.e., eggs laid in the current round). Candidates’ pledges are then publicly announced.

3. Voters simultaneously cast votes for candidates. These votes are then made public, and the computer randomly (and publicly) selects a “deciding voter” whose vote determines the election winner.
4. Finally, the election winner gives the pledged amount to the deciding voter. Subjects keep the eggs that they do not give away and accumulate them over the course of the experiment.

In the final round, subjects simply collect the eggs laid by their chickens.

No-Pledge Treatment

The no-pledge treatment differs from the baseline in only one respect: candidates do not have the option to make pledges.

Procedural Details

The experiment was conducted at Nanyang Technological University in Singapore between August 2018 and September 2019 and was programmed in zTree (Fischbacher, 2007). Subjects were recruited by email from the undergraduate population. A total of 456 subjects participated in the experiment over 21 sessions.⁸

At the start of the experiment, subjects received written instructions, which were also read aloud, and played two non-incentivized practice rounds. At the end of the experiment, subjects were asked to complete a non-incentivized survey about their motivations during the experiment.⁹

Subjects’ eggs were converted to Singapore dollars at the rate of 5 eggs to \$1. Subjects also received a \$5 show-up fee. The experiment lasted about 90 minutes and subjects earned an average of \$14.30.

⁸Randomization into treatments took place at the session level. There were 15 baseline-treatment sessions and 6 no-pledge-treatment sessions. Each session contained at least 3 groups (18 participants).

⁹In our first three baseline-treatment sessions, subjects received a different survey with more open-ended questions. The results we report in the paper come from the later version of the survey.

Discussion

We will now take a moment to highlight several features of our design.

Elections. Power is acquired in our experiment through elections, so it is natural to think of the experiment as speaking to the democratic process. We like to think of voting in our experiment, though, as simply an act of fealty or support. Under this interpretation, the experiment speaks to a wide range of settings — not just those where power is contested through formal elections. The experiment might also speak, for instance, to military conflicts between warlords or power struggles within gangs.

Only fresh eggs can be used to make pledges. In our baseline treatment, only fresh eggs (eggs laid in the current round) can be used to make pledges. Consequently, power (chickens) — rather than wealth (eggs) — is what determines a subject's ability to pledge. This design choice highlights that many common forms of patronage (e.g., public-sector jobs) are only possible with political power; we recognize, of course, that the ability to engage in patronage depends upon both power and wealth in most political settings.

Chickens retire after five rounds. Chickens in our game have finite lifespans. Hence, a subject must continually win elections in order to hold onto power. A further implication is that, from round 6 onwards, there are always five living chickens, since each chicken "birth" is offset by a retirement. A subject's power can be measured, from round 6 onwards, by the number of chickens they own out of five.

Fixed number of chickens and eggs. The game is zero-sum, with a fixed surplus of 270 eggs. As such, we will be principally interested in the division of this surplus. There is also a fixed amount of power allocated over the course of the game. We will also be interested in the distribution of this power.

Deciding voter. We chose to have a deciding voter — who receives the entirety of the election winner's pledge — because it reduces strategic complexity. For instance, if the election winner's pledge were divided between the winner's supporters, voters would need to take into account the likely split of the pledge. If, additionally, there were plurality voting, voters would need to factor in each candidate's chances of winning.

4 Results of the Baseline Treatment

We will start by relating the findings of our baseline treatment, where candidates can pledge eggs to voters.

Emergence of Lords

Our first finding is that power tends to concentrate in the hands of a single person. From round 6 onwards, we refer to subjects as “lords” when they own at least four out of five living chickens. 87.2 percent of groups have a lord in at least one round. Across all groups, 40 percent of rounds have a lord.¹⁰

Furthermore, power is relatively stable. Figure 1 shows how long lords tend to stay in power. Following Clark and Summers (1979), the distribution shown in Figure 1 is weighted by tenure length. While there are some short tenures, 53 percent of tenures are 9 rounds or more. The average lord tenure is 10.1 rounds.¹¹

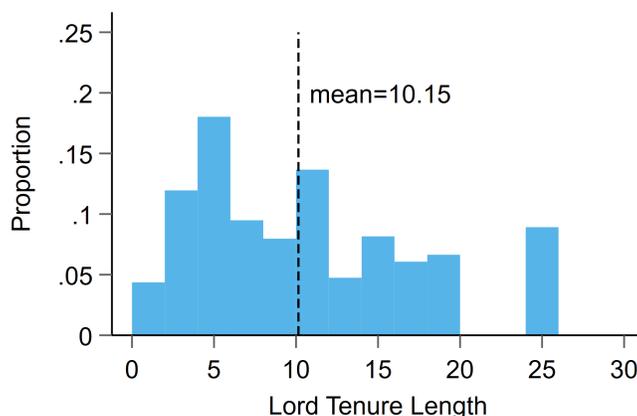


Figure 1: Distribution of Lord Tenures¹²

¹⁰Figure A.1 shows that the prevalence of lords is more-or-less constant over the course of the game. There are two time trends of note in Figure A.1, though. First, candidates pledge slightly less in the final four rounds — most likely because the chickens-to-be-won are less productive (they lay eggs for less than five rounds). Second, there is a decline over time in the number of candidates.

¹¹To understand why we weight by tenure length, consider the following example adapted from Clark and Summers (1979). Suppose there are 20 lords with tenures of one round and one lord with a tenure of 20 rounds. The mean lord tenure is only 1.9 rounds; however, half of all rounds with a lord are accounted for by a 20-round tenure. Hence, focusing on mean tenure underweights long tenures. Clark and Summers (1979) argue that a solution is to look at the distribution of tenures one would expect to observe in a given round. Weighting by tenure length accomplishes this.

Why do lords emerge? We find that there is a “power begets power” dynamic in the game: that is, having power (i.e., chickens) makes it easier to win elections and acquire more power. We believe that this dynamic accounts for the emergence of lords.

Figure 2 provides some suggestive evidence of such a dynamic. It shows that having chickens is positively correlated with winning elections.

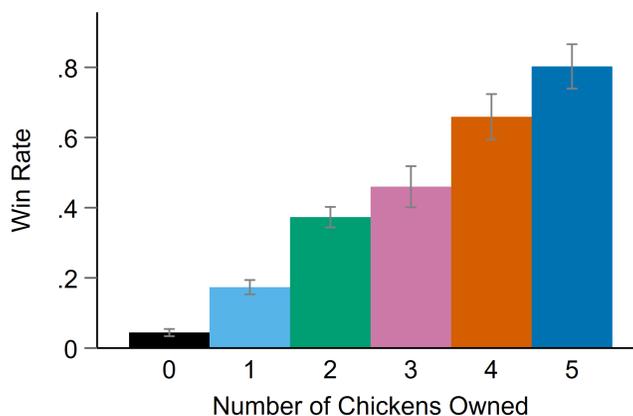


Figure 2: Power and Win Rates¹³

We can exploit randomness in election outcomes to formally test whether such a dynamic exists. In some elections, several candidates receive the same number of votes; and one wins rather than the others purely due to chance. We find that winners of such “balanced” elections have a 12.4 percent higher win rate in subsequent rounds of the game than equally-popular losers (see Table 1).

Alternatively, we can use the first election to test for a “power begets power” dynamic. In the first round, all candidates look the same given that there is no prior history of play and no candidate has eggs to pledge. Consequently, it is (essentially) random which subject, among those who run, wins the first election. We find that first-round winners have a 16.6 percent higher win rate in subsequent rounds of the game than first-round losers (see Table 1). The only potential concern is that subjects may systematically vote for certain pseudonyms over others; but the results remain similar after including pseudonym fixed

¹²A tenure is defined as a continuous spell as a lord. Some subjects have multiple spells as a lord and therefore appear more than once.

¹³Figure 2 restricts attention to Rounds 6 - 29. Observations are at the candidate-round level. Standard errors are clustered at the group level. As further evidence of a relationship, in an OLS regression of whether one won on number of chickens owned, the coefficient on number of chickens owned is positive and significant ($p=0.000$).

Table 1: Tests of the “Power begets Power” Dynamic

<i>Dep var: Future win rate</i>	Balanced Election	First Election	First Election
Won	0.124*** (0.023)	0.166*** (0.040)	0.164*** (0.042)
Three-way tie	-0.026 (0.018)		
Constant	0.204*** (0.015)	0.134*** (0.009)	0.154*** (0.033)
Pseudonym fixed effects			✓
Observations	617	231	231

* 0.10 ** 0.05 *** 0.01, OLS with candidate-level observations. Standard errors are clustered at the group level. An election is balanced if two or three candidates tie for first in votes obtained. “Three-way tie” is a dummy for whether, in a balanced election, three candidates tied for first.

effects.

As one might expect given the game’s “power begets power” dynamic, it is incredibly valuable to win the first election. First-round winners earn 35.7 more eggs than first-round losers on average; and first-round winners have a 55.6 percent chance of becoming lords, compared to 16.4 percent for first-round losers.¹⁴

Why does power beget power? Patronage is critical to the emergence of a “power begets power” dynamic. Indeed, we find that the dynamic vanishes completely in the no-pledge treatment (see Section 5). This result is intuitive. A chicken gives a subject eggs to pledge; and pledging eggs (presumably) helps a subject win further chickens. Indeed, in contested elections, we observe a positive correlation between winning and the amount pledged (see Table 2, Column 1). We also find that lords who pledge a larger share of their eggs have longer tenures (see Table 2, Column 2).

Emergence of Vassals

When a lord is present, other subjects tend to behave like “vassals”: they vote for the lord rather than run or vote against the lord the majority of the time. On average, when

¹⁴The differences in earnings and in chance of becoming a lord are significant under a Wald test (p=0.000).

Table 2: Pledging Behavior and Electoral Success

	Won Election	Tenure as a Lord
Amount pledged	0.621*** (0.043)	
Proportion pledged during tenure		8.615** (3.419)
Observations	3724	104

* 0.10 ** 0.05 *** 0.01. Column 1: conditional logit regression with candidate-round level observations (Rounds 6 - 29). Column 2: OLS regression with candidate-tenure level observations; for candidates with multiple contiguous tenures as lord, each tenure period is a separate observation. For both columns, standard errors are clustered at group level.

a lord runs for election, 50.3 percent of other subjects vote for the lord, compared to 13.9 percent who vote for another candidate and 35.9 percent who challenge the lord. Vassal-like behavior makes it easier for lords to retain power, and thus reinforces the “power begets power” dynamic.

More generally, electoral competition is weaker when power is more concentrated. Figure 3 shows that there are fewer candidates, on average, when the most powerful group member has more chickens.

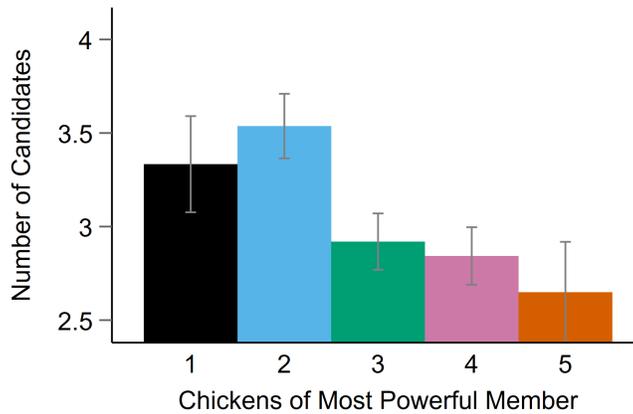


Figure 3: Power Concentration and Run Rates¹⁵

Why do lords face few challengers? There is a strong economic case to be made for behaving like a “vassal.” First, challengers rarely beat lords. In rounds where a lord is

¹⁵Figure 3 restricts attention to Rounds 6 - 29. Observations are at the group-round level. Standard errors are clustered at the group level. As further evidence of a relationship, in a group-round level OLS regression of number of candidates on chickens of the most powerful group member, the coefficient on chickens of the most powerful group member is negative and significant (p=0.000).

challenged, the lord wins 72.3 percent of the time. Second, lords give substantial handouts to subjects who vote for them: subjects who vote for a lord receive 1.04 eggs, on average. Subjects forgo the opportunity to partake of these handouts when they challenge a lord. Our post-experiment survey suggests that these economic considerations were at the forefront of subjects' minds (see Table A.1).

Fragility of Lords

Since “power begets power,” one might expect lords to hold onto power indefinitely. However, we find that power is not perfectly stable. While Figure 1 shows that some lord tenures are long, it also shows that many are short. 24.9 percent of tenures are 4 rounds or less. Furthermore, power often changes hands. The first lord to emerge is toppled and replaced by another lord in 52 percent of groups where at least one lord emerges.

Why is power fragile? One possibility is that lords lose power because they do not pledge enough — or do not run for election. We find that this is at most a small part of the story, however. Lords choose not to run only 4.4 percent of the time; and lords are out-pledged when they run only 0.8 percent of the time. In 84.1 percent of rounds where a lord's tenure ends, the lord runs for election and makes the (strictly) largest pledge. In these rounds, voters oppose the lord even though they lose eggs in that round by doing so.

Lords largely lose power, we think, because voters favor “underdog” candidates. We find, for instance, that owning chickens hurts — rather than helps — candidates after controlling for pledge size (see Table 3, Column 2). Subjects also indicated in our post-experiment survey that they were inclined to vote for underdogs. There appear to have been two reasons for this preference (see Table A.1).

One reason was concern about equity. In our survey, subjects indicated that they sometimes voted against the candidate with the most chickens because they saw it as fair. Furthermore, subjects saw winning chickens as largely a matter of luck, which may have particularly inclined them to vote against lords.¹⁶

¹⁶The average response was 6.6 out of 10 to the question: “To what extent do you think winning chickens was a matter of luck?” (see Table A.1). Consistent with our findings, Fehr and Schmidt (1999) have

Table 3: Determinants of Candidate Vote Share

<i>Dep var: voted for candidate</i>	Column 1	Column 2
Candidate's Number of Chickens	0.425*** (0.024)	-0.096*** (0.036)
Candidate's Pledge		0.507*** (0.043)
Candidate Made Largest Pledge		0.482*** (0.094)
Observations	9464	9464

* 0.10 ** 0.05 *** 0.01. Both columns: conditional logits (Rounds 6 - 29), with candidate-voter-round level observations. Standard errors are clustered at the group level.

Subjects also had an economic rationale for supporting underdogs. In our survey, they indicated that they voted against the candidate with the most chickens because they thought competition would increase the size of pledges. We do, in fact, find that candidates pledged more when competition was greater. Figure 4 looks at rounds where there is a single challenger to the leader. It shows that the largest pledge is strictly increasing in the challenger's size.

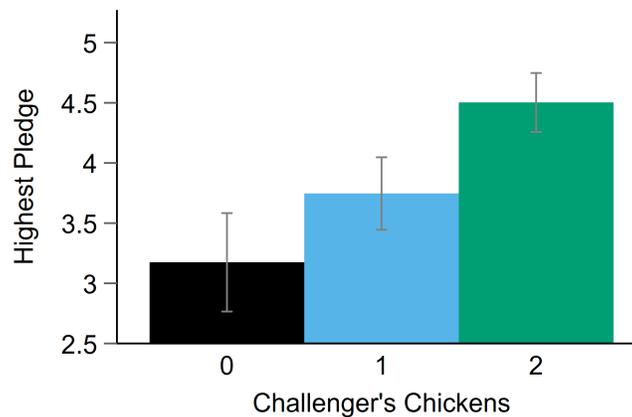


Figure 4: Competition and Pledge Sizes¹⁷

shown that people are willing to act against their economic interest for the sake of equity; and Alesina and Angeletos (2005) and Benabou and Tirole (2006) find that people are particularly concerned with equity when they see outcomes as due to luck.

¹⁷Figure 4 restricts attention to Rounds 6 - 29 and to cases where the top 2 candidates own all five chickens. Observations are at the group-round level. Standard errors are clustered at the group level. As further evidence of a relationship, in an OLS regression of highest pledge on challenger's size, the coefficient on challenger's size is positive and significant ($p=0.000$).

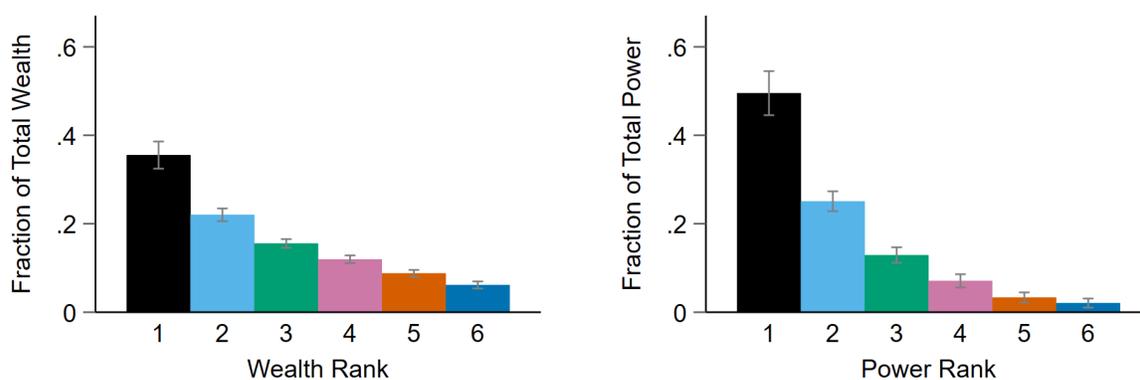


Figure 5: Wealth and Power Inequality¹⁸

Wealth Distribution

Considerable inequality — in power and wealth — emerge in our experiment. We measure a subject’s power (wealth) by the total number of chickens won (eggs accumulated) over the course of the experiment. Figure 5 shows that, on average, the most powerful subject acquires 49.5 percent of total power — compared to 2.1 percent for the least powerful subject. The wealthiest subject acquires 35.5 percent of total wealth, compared to 6.2 percent for the least wealthy subject. The figure shows that, while wealth inequality is substantial, it is less pronounced than power inequality. Overall wealth inequality — as measured by the average group Gini coefficient — is 0.32, compared to 0.51 for power (this difference is significant in a paired t-test, $p=0.000$).

Wealth inequality is less pronounced because the powerful transfer some of their eggs to the less powerful. For instance, lords give away 28.4 percent of their eggs on average. Figure 6 shows that, within groups, less-wealthy subjects obtain most of their eggs from transfers; in contrast, wealthy subjects obtain most of their eggs from their own chickens. In the average group, transfers make up 41.3 percent of total earnings.

Why do people give away eggs? Subjects may give away eggs because they consider it fair. Alternatively, they may give away eggs to acquire or retain power. Power may be its

¹⁸In Figure 5, observations are at the subject level, and standard errors are clustered at the group level. Ties in rank are broken at random.

¹⁹In Figure 6, observations are at the subject level, and standard errors are clustered at the group level. Ties in rank are broken at random. As further evidence of a relationship, in a OLS regression of fraction of wealth from chickens on wealth rank, the coefficient on wealth rank is negative and significant ($p=0.000$).

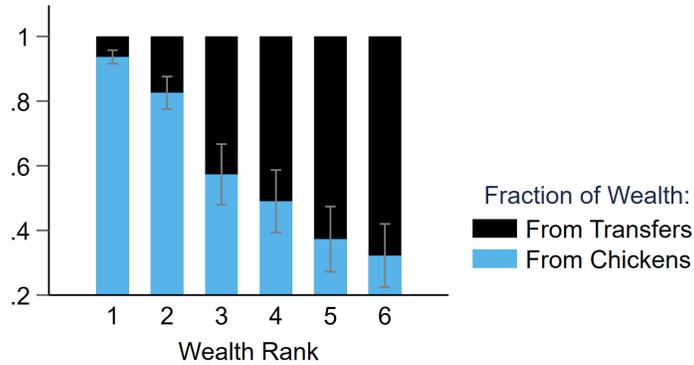


Figure 6: Sources of Wealth, by Subject Rank¹⁹

own reward; it may also, ultimately, lead to a higher egg payoff.

Figure 7 shows that subjects pledge a larger fraction of their eggs when they have fewer chickens. If subjects were concerned solely with fairness, it seems natural that they would pledge a smaller fraction of their eggs when they have fewer chickens. Hence, Figure 7 provides suggestive evidence that subjects give away eggs, at least in part, because they value power. Likewise, our survey indicates that, while fairness was a concern, pledging was more driven by subjects' desire to win elections (see Table A.1).

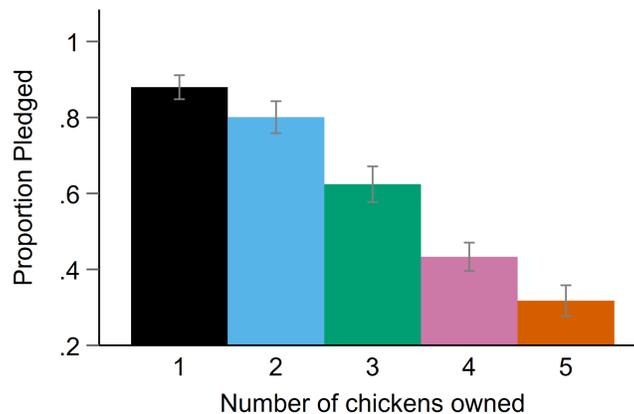


Figure 7: Power and Pledging Behavior²⁰

²⁰The data in Figure 7 is from Rounds 6 - 29. Observations are at the candidate-round level. Standard errors are clustered at the group level. As further evidence of a relationship, in an OLS regression of proportion pledged on chickens owned, with standard errors clustered at the group level, the coefficient on chickens owned is negative and significant ($p=0.000$). The coefficient on chickens owned remains negative and significant ($p=0.000$) when we include individual fixed effects.

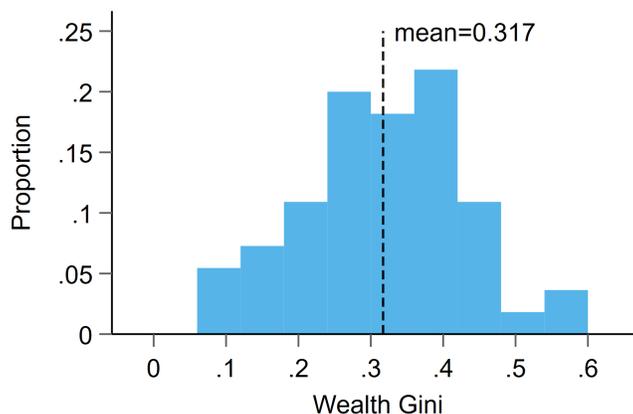


Figure 8: Wealth Inequality Across Groups

Differences Across Groups

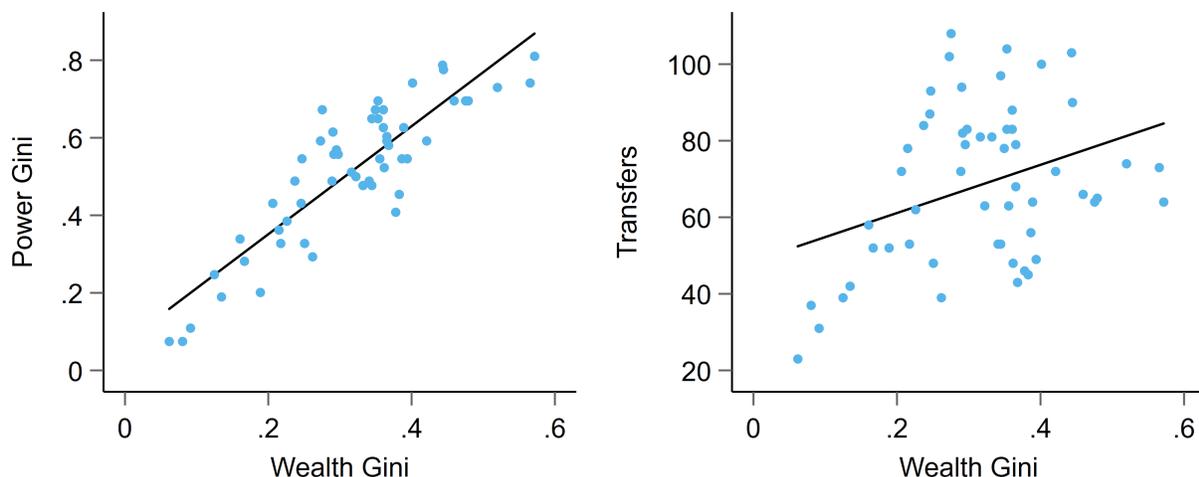
Some groups are substantially more unequal than others (see Figure 8). Suppose we rank groups by their wealth Gini coefficients. In the top quintile of groups, the average Gini coefficient is 0.47 and the wealthiest subject acquires 52.6 percent of total wealth (on average). In the bottom quintile, inequality is much lower: the average Gini coefficient is 0.15 and the wealthiest subject only acquires 22.6 percent of total wealth (on average).²¹

Groups in the bottom quintile achieve equal outcomes by distributing power equally rather than by transferring wealth. Figure 9 shows that wealth inequality and power inequality are highly correlated; it also shows that transfers are not particularly large in low-inequality groups (transfers are actually lower than in high-inequality groups).

Why do groups differ? We suspect group differences are driven by different norms regarding what is fair. In line with this view, we find that voters show a greater preference for underdogs in low-inequality groups (see Table 4). We also find, in our post-experiment survey, that subjects in low-inequality groups are more concerned with fairness and less concerned with winning eggs (see Table A.4).

²¹The wealth Ginis of the top and bottom quintiles are significantly different in a two-sided t-test ($p=0.000$), as are the power Ginis ($p=0.000$).

²²Figures 9a and 9b depict group-level OLS regressions of (a) power Gini on wealth Gini and (b) transfers on wealth Gini. The wealth Gini coefficients for both regressions are positive and significant: (a) $p=0.000$, $R^2=0.766$; (b) $p=0.008$, $R^2=0.124$.



(a) Wealth Inequality and Power Inequality

(b) Wealth Inequality and Transfers

Figure 9: Correlates of Wealth Inequality²²

Table 4: Determinants of Candidate Vote Share

	Voted for candidate
Candidate's Pledge	0.590*** (0.045)
Candidate Made Largest Pledge	0.538*** (0.095)
Candidate's Number of Chickens	-0.720*** (0.097)
Candidate's Number of Chickens \times Group's Wealth Gini	1.540*** (0.242)
Observations	9464

* 0.10 ** 0.05 *** 0.01. Conditional logits (Rounds 6 - 29) with candidate-voter-round level observations. Standard errors clustered at group level.

5 The Role of Pledges

We turn now to the results of the no-pledge treatment. Our theory is that patronage gives rise to a “power begets power” dynamic in the baseline treatment, which in turn generates inequality. The no-pledge treatment allows us to test this hypothesis. In the no-pledge treatment, we eliminate patronage by knocking out the ability to pledge eggs. If our hypothesis is correct, we should see less inequality in the no-pledge treatment; furthermore, the “power begets power” dynamic should disappear. This is indeed what

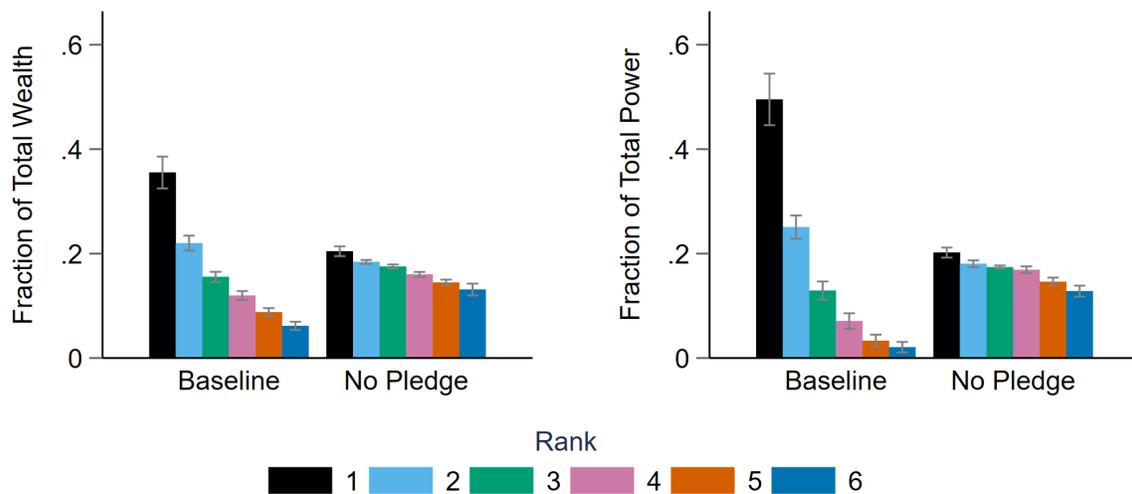


Figure 10: Wealth and Power Inequality, by Treatment²³

we find.

Inequality is dramatically lower in the no-pledge treatment (see Figure 10). The average wealth Gini is 0.08 (versus 0.32 in the baseline) and the wealthiest group member captures just 20.5 percent of the total surplus on average (versus 35.5 percent in the baseline). The average power Gini is 0.08 (versus 0.51 in the baseline) and the most powerful group member captures just 20.2 percent of total power (versus 49.5 percent in the baseline). Furthermore, in the no-pledge treatment, we never see a lord, compared to 40 percent of rounds (87.2 percent of groups) in the baseline treatment.²⁴

The “power begets power” dynamic is also absent in the no-pledge treatment. In fact, we find that winning an election *hurts* rather than helps in subsequent rounds — perhaps due to subjects’ concern about equity. The winners of “balanced” elections win 7 percent less often in subsequent rounds of the game than equally-popular losers (see Table 5). Similarly, the first-round winner wins 1.3 percent less often in subsequent rounds of the game than first-round losers.

²³Observations are at the subject level. Standard errors are clustered at the group level.

²⁴These differences are all significant ($p=0.000$) under two-sided t-tests.

Table 5: Tests of the “Power begets Power” Dynamic in the No-Pledge Treatment

<i>Dep var: Future win rate</i>	Balanced Election	First Election	First Election
Won	-0.070*** (0.014)	-0.013 (0.009)	-0.012 (0.009)
Three-way tie	-0.022 (0.013)		
Constant	0.209*** (0.009)	0.168*** (0.002)	0.165*** (0.007)
Pseudonym fixed effects			✓
Observations	317	95	95

* 0.10 ** 0.05 *** 0.01, OLS with candidate-level observations. Standard errors are clustered at the group level. An election is balanced if two or three candidates tie for first in votes obtained. “Three-way tie” is a dummy for whether, in a balanced election, exactly three candidates tied for first.

Comparing Inequality Against a Benchmark

It is almost inevitable that some inequality will arise in the game simply due to chance. To assess whether subjects’ behavior results in additional inequality — beyond this background level — it is useful to compare our two treatments against a benchmark. Consider a benchmark where subjects are completely passive: they always run for election (or, equivalently, never run for election). The outcome in this case is that, each round, the chicken is randomly allocated and no transfers take place.

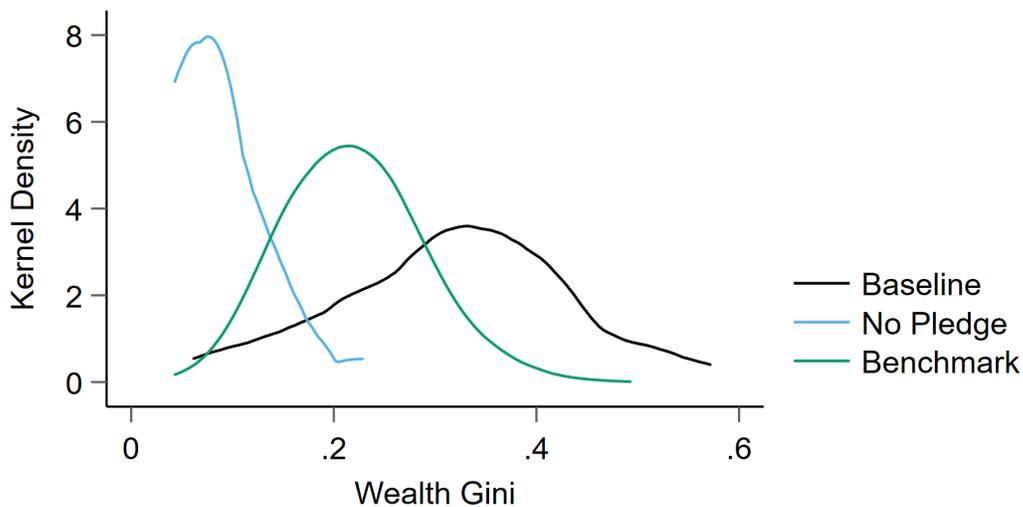


Figure 11: Wealth Gini Distributions by Treatment

Table 6: Candidate Vote Shares vs. Candidate Power, by Treatment

<i>Dep var: Voted for Candidate</i>	No Pledge	Baseline
Candidate's No. of Chickens	-1.598*** (0.224)	0.425*** (0.024)
Observations	3690	9464

* 0.10 ** 0.05 *** 0.01. Conditional logits with candidate-voter-round level observations (Rounds 6 - 29). Standard errors clustered at group level.

Figure 11 compares wealth inequality in the two treatments against this passive benchmark. We obtained a distribution of outcomes for the benchmark by simulating play for 10,000 groups. It is not surprising, given the “power begets power” dynamic, that inequality in the baseline treatment (average Gini of 0.32) is higher than the benchmark (average Gini of 0.22). Interestingly, inequality in the no-pledge treatment is lower than the benchmark (0.08 versus 0.22); in other words, subjects actually reduce inequality rather than contribute to it.

One way in which subjects reduce inequality in the no-pledge treatment is through their voting behavior. In the no-pledge treatment, candidates with more chickens receive fewer votes — in contrast to the baseline treatment where they receive more (see Table 6). Presumably, absent pledging, voters are freer to express an underdog preference. Subjects also reduce inequality in the no-pledge treatment by taking turns at winning. Figure 12a shows that election winners rarely run in the next round: they run 21.2 percent of the time, compared to 61.5 percent for election losers. By contrast, in the baseline treatment, election winners run in the next round 75.5 percent of the time, compared to 45.1 percent for election losers.

We speculate that the taking-of-turns reflects, at least in part, a relational contract that restrains subjects from running too frequently. Such a relational contract may be easier to enforce in the no-pledge treatment than the baseline, where patronage can create temptations to renege. Figure 12b shows that run rates increase in the no-pledge treatment towards the end of the game, which we interpret as a breakdown of the relational contract in the final rounds.

²⁵The data in Figure 12 is from rounds 1 to 29. In Figure 12a, observations are at the candidate-round level and standard errors are clustered at the group level.

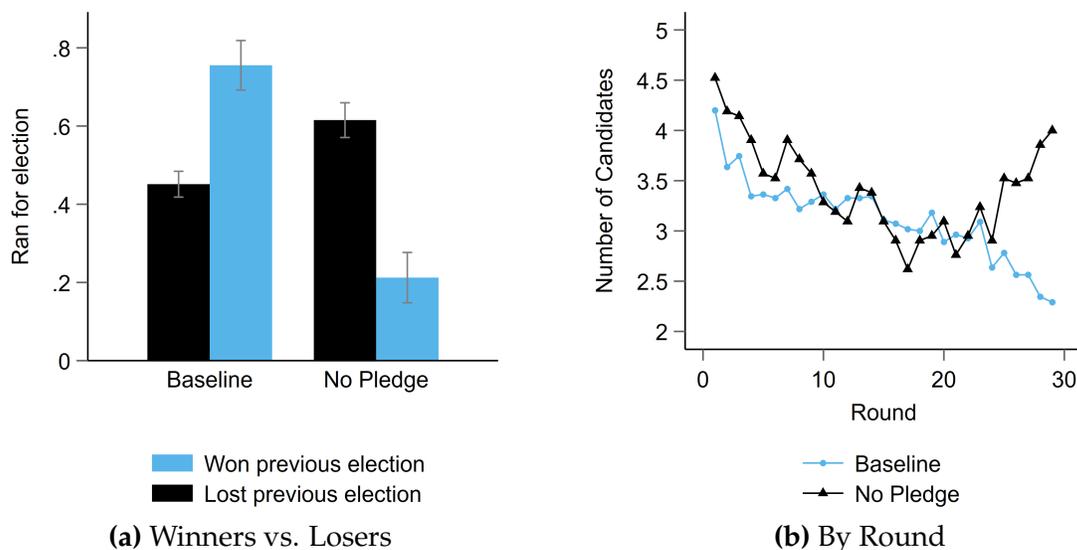


Figure 12: Run Rates²⁵

6 Gender Differences

There are large gender differences in outcomes in our baseline treatment (see Table 7). On average, women have only 84.7 percent of the wealth of men and only 70.4 percent of the power. The differences are particularly striking in the tail of the distribution. Women are only 56.3 percent as likely as men to end the game as the wealthiest group member; they are only 45.6 percent as likely as men to ever become lords; and they are lords only 31.9 percent as often. In the no-pledge treatment, by contrast, there are no significant differences between the genders.

What accounts for differences in the baseline treatment? The differences in outcomes must be due to gender differences in style of play — rather than discrimination. Subjects cannot be discriminated against for their gender since they are only identified by gender-neutral pseudonyms — such as “Mushroom” and “Spinach.”

While there are gender differences in style of play, they are small — and they seem to belie the dramatic gender disparities in outcomes. The most notable style-of-play difference is that women run for election less often than men: 12.5 percent less often in the first round and 5.5 percent less often overall (see Table 8). This is probably not the only style-of-play difference, though, since women win less often when they run for election,

Table 7: Gender Differences in Outcomes

	Baseline			No Pledge		
	Female mean (sd)	Male mean (sd)	Difference b (p-value)	Female mean (sd)	Male mean (sd)	Difference b (p-value)
Wealth	41.467 (24.554)	48.971 (34.858)	-7.505*** (0.007)	44.333 (8.358)	45.549 (7.710)	-1.216 (0.496)
Power	4.007 (4.160)	5.690 (6.377)	-1.683*** (0.002)	4.704 (0.944)	4.930 (0.799)	-0.226 (0.246)
Was ever a Lord	0.147 (0.355)	0.322 (0.469)	-0.175*** (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (.)
Rounds as a Lord	0.793 (2.400)	2.483 (5.085)	-1.689*** (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (.)
Was Wealthiest Group Member	0.120 (0.326)	0.213 (0.410)	-0.093** (0.020)	0.167 (0.376)	0.169 (0.377)	-0.002 (0.974)

* 0.10 ** 0.05 *** 0.01. Tests of differences use standard errors clustered at group level.

controlling for number of chickens owned (see Table 9). For example, women with three chickens — who are on the cusp of becoming lords — have a win rate of only 42.8 percent, compared to 59.9 percent for men. Women in our sample pledge less than men (see Table 8), which we suspect is one reason for their lower win rates. Women with three chickens, for instance, pledge 54 percent of their eggs on average, compared to 61 percent for men.²⁶

Given the small size of the style-of-play differences, it is difficult to reach firm conclusions about what drives them. Nor does our survey offer any helpful clues: the responses of men and women are very similar.²⁷ It is possible that women are less proactive than men about seizing power — just as other work has shown that women are less likely than men to seek out job promotions. For instance, in a laboratory experiment, Small et al. (2007) find that men are nine times more likely than women to ask for higher compensation (see also Babcock and Laschever, 2003; Dittrich et al., 2014; Leibbrandt and List, 2014; Card et al., 2015; Exley et al., forthcoming). Women have also been shown to shy away from competition (see Niederle and Vesterlund, 2011 for a review). For instance, Niederle and Vesterlund (2007) find that women — of equal ability to men — are less than half as

²⁶We do not observe any significant differences in how men and women vote. Both genders vote similarly in response to candidates' pledges, and earn similar amounts per round (see Tables A.2 and A.3). Consequently, gender differences in wealth and power do not seem to be driven by gender differences in voting behavior.

²⁷None of the survey responses exhibit gender differences at a 10-percent significance level under standard t-tests.

Table 8: Gender Differences in Style-of-Play

	Female mean (sd)	Male mean (sd)	Difference b (p-value)
Run Rates			
Round 1	0.633 (0.484)	0.759 (0.429)	-0.125** (0.015)
Overall	0.492 (0.199)	0.547 (0.231)	-0.055** (0.035)
Proportion pledged conditional on running and[†]			
1 Chicken	0.854 (0.240)	0.905 (0.189)	-0.051* (0.058)
2 Chickens	0.774 (0.201)	0.839 (0.188)	-0.065* (0.053)
3 Chickens	0.540 (0.173)	0.610 (0.239)	-0.070** (0.046)
4 Chickens	0.342 (0.124)	0.409 (0.171)	-0.067* (0.061)
5 Chickens	0.306 (0.128)	0.287 (0.157)	0.019 (0.68)

* 0.10 ** 0.05 *** 0.01. Tests of differences use standard errors clustered at group level.

[†]Data is from Rounds 6 - 29. Observations are at the subject level; variables are averaged for each subject.

Table 9: Gender Differences in Win-Rates

	Female mean (sd)	Male mean (sd)	Difference b (p-value)
Win rates conditional on running and			
0 Chickens	0.158 (0.224)	0.193 (0.266)	-0.035 (0.299)
1 Chicken	0.319 (0.320)	0.304 (0.318)	0.014 (0.770)
2 Chickens	0.410 (0.351)	0.522 (0.340)	-0.112** (0.037)
3 Chickens	0.428 (0.382)	0.599 (0.363)	-0.170** (0.035)
4 Chickens	0.460 (0.398)	0.661 (0.280)	-0.201** (0.044)
5 Chickens	0.650 (0.275)	0.719 (0.268)	-0.069 (0.454)

* 0.10 ** 0.05 *** 0.01. Tests of differences use standard errors clustered at group level.

Data is from Rounds 6 - 29. Observations are at the subject level; variables are averaged for each subject.

likely to enter a tournament. One could interpret our findings in these terms. However, women do compete in our experiment: they run for election only slightly less often (14.3 times, on average, versus 15.9 times for men).

We believe that the game’s “power begets power” dynamic explains why small style-of-play differences translate into large disparities in outcomes. For instance, because of the game’s “power begets power” dynamic, it is quite important to run in the first round. We estimate that gender differences in run rates in the first round alone — while small — account for 11.1 percent of the total gender wealth gap.²⁸

7 Conclusion

This paper uses a new game — the “chicken-and-egg game” — to study the political process. Our main finding is that patronage, through a “power begets power” dynamic, generates considerable inequality between individuals and between genders.

The chicken-and-egg game can easily be adapted to explore issues beyond those focused on in this paper. For instance, one potential direction for future work could be to study non-zero-sum political conflicts where politicians destroy surplus in pursuit of power. Take, for instance, pork-barrel politics resulting in “bridges to nowhere,” or destructive wars between feudal lords. Within the chicken-and-egg game, “bridges to nowhere” could be modeled as inefficient transfers from candidates to voters; wars could be introduced as a technology that gives candidates the ability to destroy others’ chickens.

Given that political institutions are a key driver of development and a major determinant of the distribution of resources, it is critical to understand how they evolve and change. We believe that the time is ripe to study political evolution in the laboratory and we see the chicken-and-egg game as a promising vehicle for doing so.

²⁸If women increased their run rates in the first round by 12.5 percent — to the level of men — we would expect them to earn an additional $0.125 \times 29.1 \times 0.230 = 0.837$ eggs since: (i) women who win, rather than lose, the first election earn an additional 29.1 eggs, and (ii) women have a 23.0 percent chance of winning when they run. The overall gender wealth gap is 7.51 eggs, so 0.837 eggs constitutes 11.1 percent.

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A Appendix

Table A.1: Survey Results (Baseline)

	Mean Response (SD)
Pledging strategies ranked by importance	
(1) I pledged eggs because I wanted to win elections.	7.409 (2.989)
(2) I pledged eggs because I was concerned with fairness.	4.424 (3.440)
Voting strategies ranked by importance	
(1) I voted for the candidate who pledged the most eggs.	6.432 (2.873)
(2) I voted against the candidate with the most chickens because I thought more competition would increase pledges to voters.	5.652 (3.327)
(3) I voted against the candidate with the most chickens because it was the fair thing to do.	4.924 (3.211)
(4) I voted for candidates who pledged a large share of their eggs, even if they did not pledge the most.	4.811 (3.252)
(5) I voted for candidates who voted for me in the past.	4.436 (3.600)
(6) I was easily bored so I voted more or less randomly.	2.443 (2.976)
Running strategies ranked by importance	
(1) I chose whether to be a candidate or voter depending on what I thought would get me the most eggs.	6.833 (2.791)
(2) I sometimes chose to vote because I wanted to support/oppose a particular candidate, even when I thought it would not get me the most eggs.	5.523 (3.514)
(3) I sometimes chose to be a candidate because I wanted to oppose someone I wanted to see lose, even when I thought it would not get me the most eggs.	4.674 (3.519)
(4) I sometimes chose to vote because I felt it was unfair to be a candidate too often or win too many chickens.	4.580 (3.719)
(5) I was easily bored so I chose whether to be a voter or a candidate more or less randomly.	2.466 (2.965)
Luck?	
To what extent do you think winning chickens was a matter of luck?	6.614 (2.826)

Responses are on a likert scale from 0 to 10.

Table A.2: Gender Differences in Amounts Received as a Voter (Baseline)

	Amount Received
Male	0.019 (0.070)
Constant	0.889*** (0.044)
Observations	3817

* 0.10 ** 0.05 *** 0.01. OLS with voter-round level observations (Rounds 6 - 29). Standard errors clustered at group level.

Table A.3: Gender Differences in Voting Behavior (Baseline)

	Voted for Candidate
Candidate's Number of Chickens	-0.106*** (0.039)
Candidate's Pledge	0.507*** (0.061)
Candidate Made Largest Pledge	0.549*** (0.145)
Candidate's Number of Chickens × Male Voter	0.013 (0.064)
Candidate's Pledge × Male Voter	0.008 (0.081)
Candidate Made Largest Pledge × Male Voter	-0.178 (0.199)
Observations	9284

* 0.10 ** 0.05 *** 0.01. Conditional logits with candidate-voter-round level observations (Rounds 6 - 29). Standard errors clustered at group level.

Table A.4: Group's Survey Responses and Inequality (Baseline)

	Wealth Gini
Group voted based on winning eggs	0.032*** (0.011)
Group voted based on fairness	-0.026** (0.011)
Constant	0.234** (0.091)
Observations	44

* 0.10 ** 0.05 *** 0.01, Group level OLS.

Table A.5: Survey Results (No-Pledge)

	Mean Response (SD)
Voting strategies ranked by importance	
(1) I voted against the candidate with the most chickens because it was the fair thing to do.	6.976 (3.525)
(2) I voted for candidates who voted for me in the past.	6.720 (3.340)
(3) I was easily bored so I voted more or less randomly.	1.632 (2.441)
Running strategies ranked by importance	
(1) I sometimes chose to vote because I wanted to support/oppose a particular candidate.	6.432 (3.342)
(2) I chose whether to be a candidate or voter depending on what I thought would get me the most eggs.	6.256 (3.255)
(3) I sometimes chose to vote because I felt it was unfair to be a candidate too often or win too many chickens.	6.064 (3.512)
(4) I sometimes chose to be a candidate because I wanted to oppose someone I wanted to see lose	3.504 (3.585)
(5) I was easily bored so I chose whether to be a voter or a candidate more or less randomly.	1.336 (2.016)
Luck?	
To what extent do you think winning chickens was a matter of luck?	5.256 (2.932)

Responses are on a likert scale from 0 to 10.

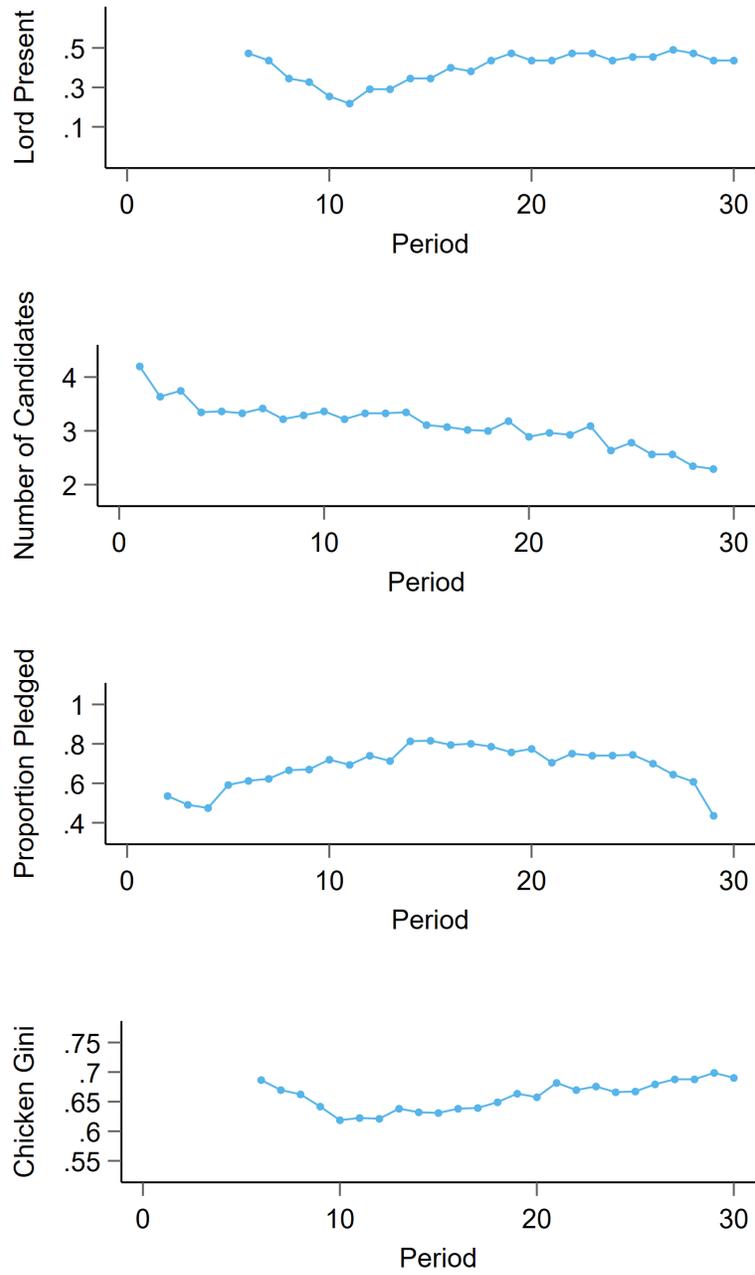


Figure A.1: Time Trends (Baseline)

B Supplementary materials

B.1 Instructions (Baseline)

Ground Rules

Welcome to the experiment. Please read the instructions below carefully.

Communication between participants is not allowed. Also, please refrain from using any communication devices. If you have any questions at any time, please raise your hand and an experimenter will come over to see you.

If you need to write anything, please use the paper and pen provided. Please do not write anything on this instruction sheet.

Groups and Privacy

The computer will randomly assign you to a group of six participants. You will interact only with the participants in your group. The computer will randomly select an ID for you, such as “Cabbage” or “Potato.” You will keep the same ID throughout the experiment.

Your decisions in the experiment will be anonymous, and your anonymity will be strictly preserved. Participants will interact with each other using only their IDs. For example, you may learn that “Cabbage has voted for you”; but you will not be told the real name of “Cabbage.”

Chickens and Eggs

In this experiment, you may win *chickens* that lay *eggs* for you. You may give some of your eggs to other participants. At the end of the experiment, your eggs will be converted into dollars at the rate of 5 eggs to \$1.

Rounds

The experiment will consist of 30 rounds.

In each round, except the final round, an election will take place. The winner of the election receives a chicken. Chickens lay eggs for five rounds, and then retire.

Your Coop and Your Basket

Your chickens live in your chicken *coop*. At the start of each round, each of your chickens lays two eggs in the coop. You may give some of these eggs to other participants.

At the end of the round, the eggs in your coop are transferred to your *egg basket*.

Details of Elections

In each round except the final round, there is an election to determine who will win a chicken. You will have a choice whether to 1) be a candidate in the election or 2) a voter in the election. One voter will be selected at random by the computer to be the *deciding voter*. The election outcome will be determined by the deciding voter's vote.

The election will proceed as follows:

Step 1: If you are a candidate, you may pledge to give some eggs from your coop to the deciding voter if he/she votes for you.

Step 2: If you are a voter, you will choose whom to vote for after observing the candidate's pledges. The computer will then randomly select the deciding voter.

Step 3: At the end of the election, the election winner's pledge will be transferred to the deciding voter's basket.

If nobody chooses to be a candidate or nobody chooses to be a voter, the computer randomly allocates the chicken to one participant.

Final Round

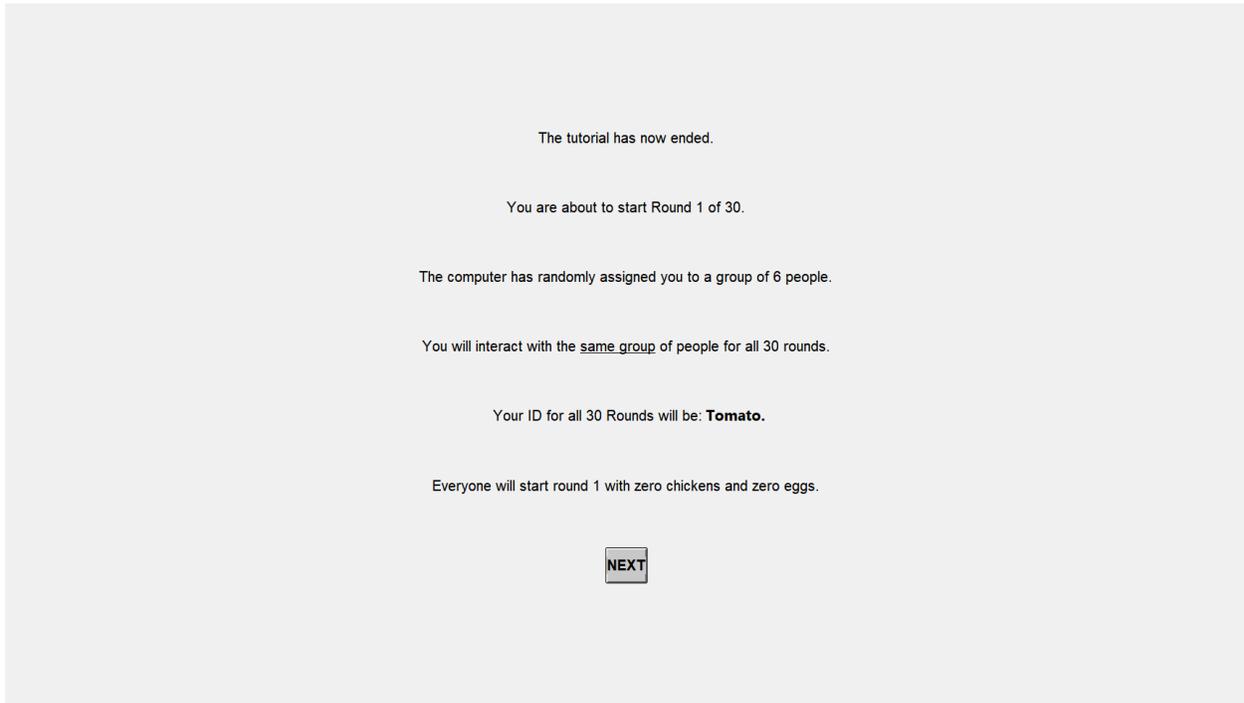
In the final round, there is no election. Each chicken's eggs are immediately placed in its owner's basket.

Payment

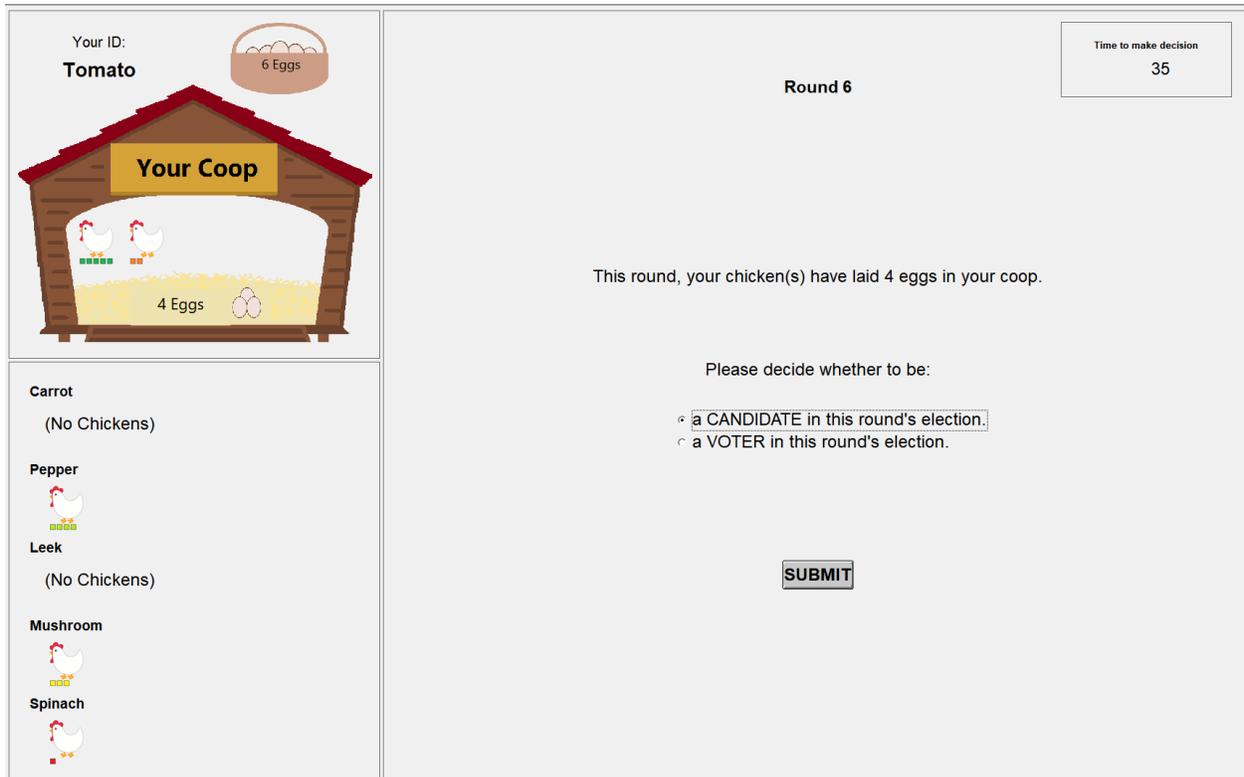
At the end of the experiment, the eggs in your basket will be converted into dollars at the rate of 5 eggs to \$1. You will also receive a show-up fee of \$5. You will be paid privately and confidentially.

You will be asked to fill in a short questionnaire before being paid.

B.2 Screenshots (Baseline)



Start Screen



Screen 1

Your ID:
Spinach



8 Eggs



Your Coop

2 Eggs

Mushroom



Tomato



Carrot

(No Chickens)

Pepper



Leek

(No Chickens)

Round 6

The following candidates are running for election:

- Tomato
- Pepper
- Leek

Please wait while candidates make pledges to voters...

Screen 2 (Voter)

Your ID:
Tomato



6 Eggs



Your Coop

4 Eggs

Carrot

(No Chickens)

Pepper



Leek

(No Chickens)

Mushroom



Spinach



Round 6

Please come to a decision.

The following candidates are running for election:

- You (Tomato)
- Pepper
- Leek

You may pledge to give the deciding voter some eggs from your coop if he/she votes for you.
Please decide how many eggs to pledge:

Egg(s)

Screen 2 (Candidate)

Your ID:
Spinach




Mushroom


Tomato


Carrot
(No Chickens)

Pepper


Leek
(No Chickens)

Time to make decision
37

Round 6

The candidates have pledged to make the following gifts to the deciding voter if he/she votes for them.

Please decide which candidate to vote for:

Candidate	Egg(s) Pledged
<input type="radio"/> Tomato	1 Egg
<input type="radio"/> Pepper	2 Eggs
<input type="radio"/> Leek	0 Eggs

Screen 3 (Voter)

Your ID:
Tomato




Carrot
(No Chickens)

Pepper


Leek
(No Chickens)

Mushroom


Spinach


Round 6

The candidates have pledged to make the following gifts to the deciding voter if he/she votes for them.

Candidate	Egg(s) Pledged
You (Tomato)	1 Egg
Leek	0 Eggs
Pepper	2 Eggs

Please wait while voting takes place...

Screen 3 (Candidate)

Your ID:
Tomato



6 Eggs



Your Coop

4 Eggs

Carrot
(No Chickens)

Pepper


Leek
(No Chickens)

Mushroom


Spinach


Round 6

Election Results

Voter	Voted for	Candidate's Pledge
Carrot	You (Tomato)	1 Egg
Mushroom	Leek	0 Eggs
Spinach	Pepper	2 Eggs

The computer randomly selected Mushroom as the deciding voter.
Consequently, Leek is the election winner.
0 Eggs have been transferred from Leek's coop to Mushroom's basket.

Next

Screen 4

Your ID:
Tomato



10 Eggs



Your Coop

0 Eggs

Carrot
(No Chickens)

Pepper


Leek


Mushroom


Spinach
(No Chickens)

Round 6

The eggs from your coop have been transferred to your basket.

The sidebar has been updated to reflect the chickens each person will have in the next round.

Leek gained a chicken. Spinach's chicken retired.

Next

Screen 5



The experiment is now over.
No chickens were harmed in the making of this experiment.

Next

End Screen 1

Final Egg Totals

	<u>Amount in Basket</u>
You (Tomato)	130.00 Eggs
Mushroom	20.00 Eggs
Carrot	26.00 Eggs
Leek	30.00 Eggs
Pepper	30.00 Eggs
Spinach	34.00 Eggs

Your eggs will be converted into dollars at the rate of 5 eggs to 1 dollar.

Next

End Screen 2

B.3 Instructions (No Pledge)

Ground Rules

Welcome to the experiment. Please read the instructions below carefully.

Communication between participants is not allowed. Also, please refrain from using any communication devices. If you have any questions at any time, please raise your hand and an experimenter will come over to see you.

If you need to write anything, please use the paper and pen provided. Please do not write anything on this instruction sheet.

Groups and Privacy

The computer will randomly assign you to a group of *six* participants. You will interact only with the participants in your group. The computer will randomly select an ID for you, such as “Cabbage” or “Potato.” You will keep the same ID throughout the experiment.

Your decisions in the experiment will be anonymous, and your anonymity will be strictly preserved. Participants will interact with each other using only their IDs. For example, you may learn that “Cabbage has voted for you”; but you will not be told the real name of “Cabbage.”

Chickens and Eggs

In this experiment, you may win *chickens* that lay *eggs* for you. At the end of the experiment, your eggs will be converted into dollars at the rate of 5 eggs to \$1.

Rounds

The experiment will consist of 30 rounds.

In each round, except the final round, an election will take place. The winner of the election receives a chicken. Chickens lay eggs for five rounds, and then retire.

Your Coop and Your Basket

Your chickens live in your chicken *coop*.

At the start of each round, each of your chickens lays two eggs. These eggs are put in your *basket*.

Details of Elections

In each round except the final round, there is an election to determine who will win a chicken. You will have a choice whether to 1) be a candidate in the election or 2) a voter in the election.

If you choose to be a voter, you will cast a vote for one of the candidates. The computer will then randomly select a *deciding voter*. The election outcome will be determined by the deciding voter's vote.

If nobody chooses to be a candidate or nobody chooses to be a voter, the computer randomly allocates the chicken to one participant.

Final Round

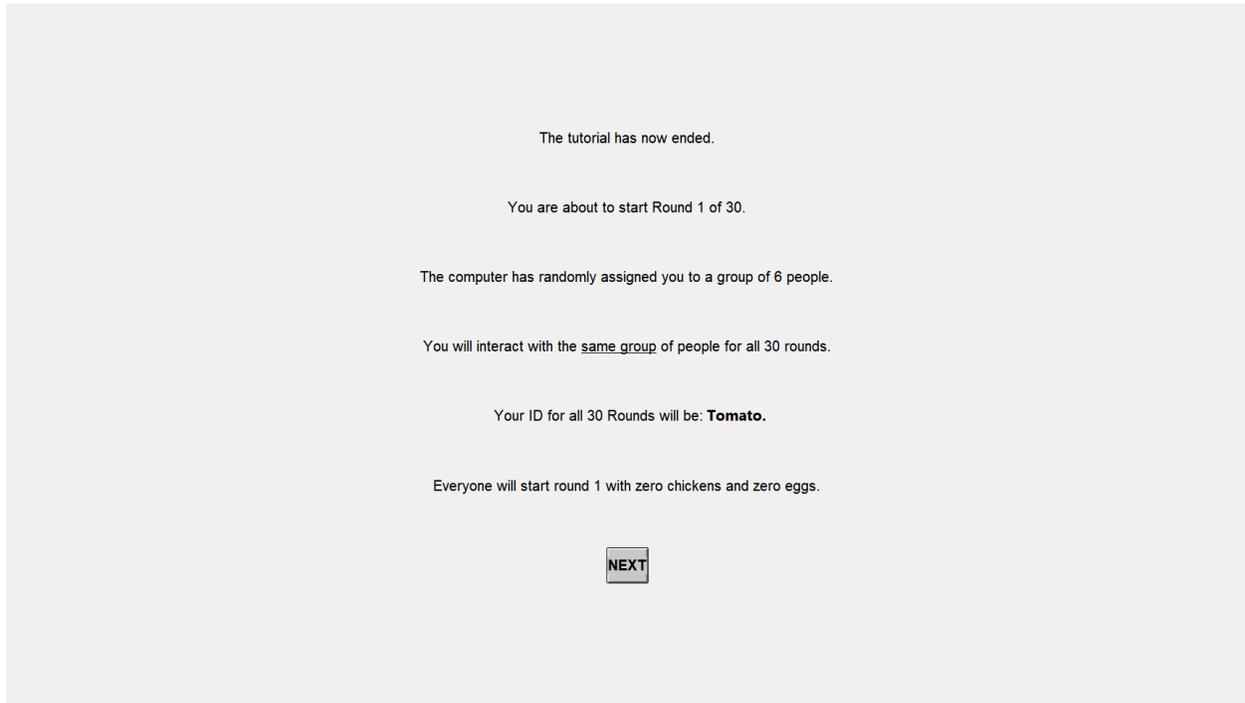
In the final round, there is no election. You will simply receive the eggs laid by your chickens.

Payment

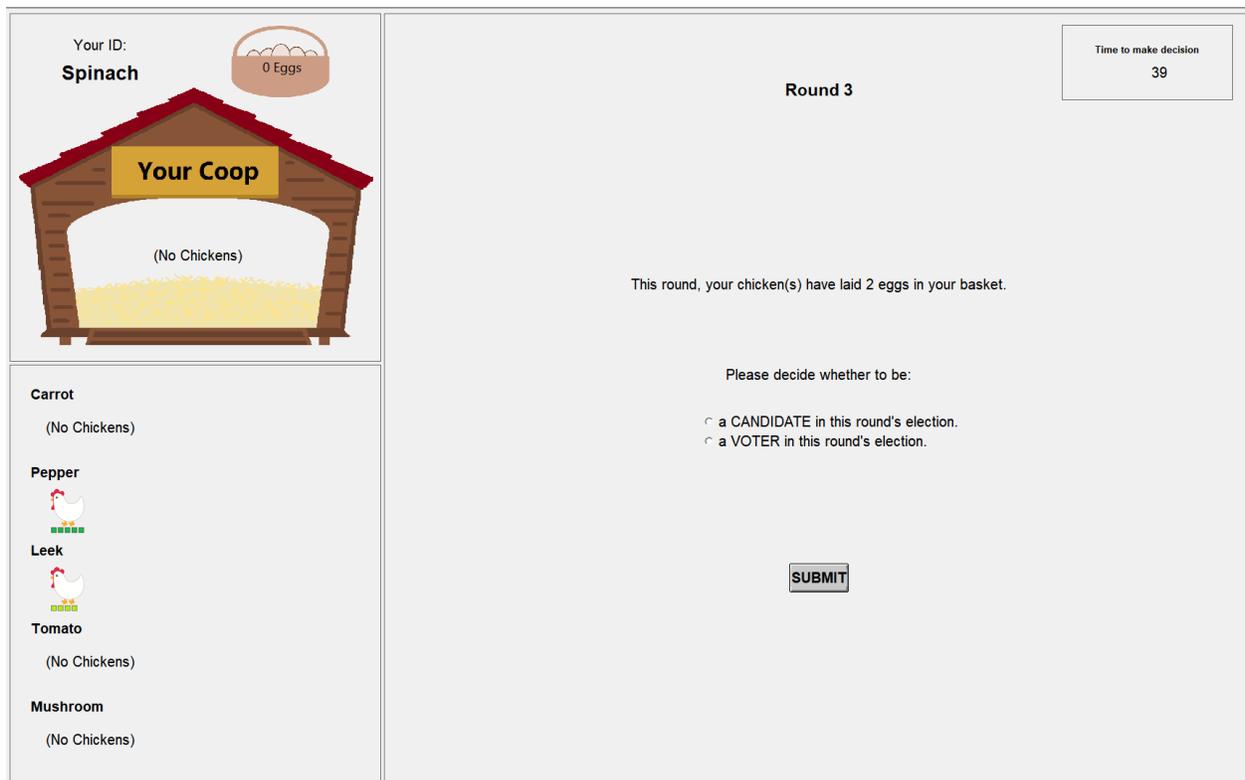
At the end of the experiment, the eggs in your basket will be converted into dollars at the rate of 5 eggs to \$1. You will also receive a show-up fee of \$5. You will be paid privately and confidentially.

You will be asked to fill in a short questionnaire before being paid.

B.4 Screenshots (No Pledge)



Start Screen



Screen 1

Your ID:
Mushroom




(No Chickens)

Carrot
(No Chickens)

Tomato
(No Chickens)

Leek


Pepper


Spinach
(No Chickens)

Time to make decision
41

Round 3

The following candidates are running for election. Please decide which candidate to vote for:

	Candidate
<input type="radio"/>	Spinach
<input type="radio"/>	Pepper

Screen 2 (Voter)

Your ID:
Spinach




(No Chickens)

Carrot
(No Chickens)

Pepper


Leek


Tomato
(No Chickens)

Mushroom
(No Chickens)

Round 3

The following candidates are running for election.

You (Spinach)

Pepper

Please wait while voting takes place...

Screen 2 (Candidate)

Your ID:
Mushroom




(No Chickens)

Carrot
(No Chickens)

Tomato
(No Chickens)

Leek


Pepper


Spinach
(No Chickens)

Round 3

Election Results

Voter	Voted for
You (Mushroom)	Spinach
Carrot	Pepper
Tomato	Spinach
Leek	Pepper

The computer randomly selected Tomato as the deciding voter.

Consequently, Spinach is the election winner.

Next

Screen 3

Your ID:
Spinach




Carrot
(No Chickens)

Pepper


Leek


Tomato
(No Chickens)

Mushroom
(No Chickens)

Round 3

The sidebar has been updated to reflect the chickens each person will have in the next round.

Spinach gained a chicken.

Next

Screen 4

B.5 Post-Experiment Survey

Demographic questions

What is your age? (*If you would prefer not to answer, please leave it blank.*)

What is your year of study? [1st Year, 2nd Year, 3rd Year, 4th Year, Postgraduate]

What is your nationality?

What is your course of study?

What is your gender? [Male, Female, I'd prefer not to answer, Other (Please describe if you wish)]

Voting behaviour*

How well do the following statements describe the strategies you followed as a voter? *Note if you never voted, please indicate how you think you would have voted.* [0: Not well at all - 10: Extremely well]

(B) I voted for the candidate who pledged the most eggs.

(B) I voted for candidates who pledged a large share of their eggs, even if they did not pledge the most.

(B) I voted against the candidate with the most chickens because I thought more competition would increase pledges to voters.

I voted against the candidate with the most chickens because it was the fair thing to do.

I voted for candidates who voted for me in the past.

I was easily bored so I voted more or less randomly.

Are there other strategies you followed? If so, please describe below.

Pledging behaviour*

How well do the following statements describe your reasons for pledging eggs when you were a candidate? *Note: if you were never a candidate, please indicate how you think you would have pledged.* [0: Not well at all - 10: Extremely well]

(B) I pledged eggs because I was concerned with fairness.

(B) I pledged eggs because I wanted to win elections.

(B) Are there other reasons you pledged eggs? If so, please describe below.

Running behaviour*

How well do the following statements describe your reasons for choosing whether to be a candidate or a voter in each round? [0: Not well at all - 10: Extremely well]

I chose whether to be a candidate or voter depending on what I thought would get me the most eggs.

I sometimes chose to vote because I felt it was unfair to be a candidate too often or win too many chickens.

(NP) I sometimes chose to vote because I wanted to support/oppose a particular candidate.

(B) I sometimes chose to vote because I wanted to support/oppose a particular candidate, even when I thought it would not get me the most eggs.

(NP) I sometimes chose to be a candidate because I wanted to oppose someone I wanted to see lose.

(B) I sometimes chose to be a candidate because I wanted to oppose someone I wanted to see lose, even when I thought it would not get me the most eggs.

I was easily bored so I chose whether to be a voter or a candidate more or less randomly.

Are there other reasons why you chose to be a candidate or voter? If so, please describe below.

(B): only for baseline treatment. (NP): only for No Pledge treatment.

*Order of questions within section was randomised.

Miscellaneous questions

To what extent do you think winning chickens was a matter of luck? [0: Not Luck - 10: Mostly Luck]

How much do you value having authority over other people? [0: Not at all - 10: A lot]

Was there anything unclear about the instructions?

Disadvantageous inequity aversion

In each row below, you will have to choose between hypothetical allocations of experimental Coins between yourself and another. Please select for each row, which option you prefer.

- | | |
|--|--|
| (1) Option A: You: 12.5 Coins, Other: 15 Coins | Option B: You: 10 Coins, Other: 26 Coins |
| (2) Option A: You: 11.5 Coins, Other: 15 Coins | Option B: You: 10 Coins, Other: 26 Coins |
| (3) Option A: You: 10.5 Coins, Other: 15 Coins | Option B: You: 10 Coins, Other: 26 Coins |
| (4) Option A: You: 9.5 Coins, Other: 15 Coins | Option B: You: 10 Coins, Other: 26 Coins |
| (5) Option A: You: 8.5 Coins, Other: 15 Coins | Option B: You: 10 Coins, Other: 26 Coins |
| (6) Option A: You: 7.5 Coins, Other: 15 Coins | Option B: You: 10 Coins, Other: 26 Coins |
| (7) Option A: You: 6.5 Coins, Other: 15 Coins | Option B: You: 10 Coins, Other: 26 Coins |
| (8) Option A: You: 5.5 Coins, Other: 15 Coins | Option B: You: 10 Coins, Other: 26 Coins |
| (9) Option A: You: 4.5 Coins, Other: 15 Coins | Option B: You: 10 Coins, Other: 26 Coins |
| (10) Option A: You: 3.5 Coins, Other: 15 Coins | Option B: You: 10 Coins, Other: 26 Coins |
-

Advantageous inequity aversion

In each row below, you will have to choose between hypothetical allocations of experimental Coins between yourself and another. Please select for each row, which option you prefer.

- | | |
|--|---|
| (1) Option A: You: 18.5 Coins, Other: 9 Coins | Option B: You: 17 Coins, Other: 5 Coins |
| (2) Option A: You: 18.5 Coins, Other: 9 Coins | Option B: You: 17 Coins, Other: 5 Coins |
| (3) Option A: You: 18.5 Coins, Other: 9 Coins | Option B: You: 17 Coins, Other: 5 Coins |
| (4) Option A: You: 18.5 Coins, Other: 9 Coins | Option B: You: 17 Coins, Other: 5 Coins |
| (5) Option A: You: 18.5 Coins, Other: 9 Coins | Option B: You: 17 Coins, Other: 5 Coins |
| (6) Option A: You: 18.5 Coins, Other: 9 Coins | Option B: You: 17 Coins, Other: 5 Coins |
| (7) Option A: You: 18.5 Coins, Other: 9 Coins | Option B: You: 17 Coins, Other: 5 Coins |
| (8) Option A: You: 18.5 Coins, Other: 9 Coins | Option B: You: 17 Coins, Other: 5 Coins |
| (9) Option A: You: 18.5 Coins, Other: 9 Coins | Option B: You: 17 Coins, Other: 5 Coins |
| (10) Option A: You: 18.5 Coins, Other: 9 Coins | Option B: You: 17 Coins, Other: 5 Coins |
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