

Coordination in the Network Minimum Game

Online Appendix: Experimental Instructions

Johannes Hoelzemann

Hongyi Li

September 14, 2024

Comprehension Tests

After receiving the written and video instructions, participants in each treatment were presented on-screen with two of the following four comprehension-check questions. For example, participants in a sparse acyclic treatment were presented with the *Sparse* question and the *Acyclic* question. In each session, the experiment started only after every participant successfully answered both questions.

- Sparse* Suppose you are player C. Suppose your watch-list consists of yourself and Player B. Remember that your watch-list's minimum action depends on your action and on the action of the other player in your watch-list. Suppose you (Player C) have chosen action 3 and Player B has chosen action 2. Thus, the minimum action in your watch-list was: 2. Please enter the payoff you (Player C) would get: \$X.
- Dense* Suppose you are player C. Suppose your watch-list consists of yourself, Player A and Player B. Remember that your watch-list's minimum action depends on your action and on the action of the other 2 players in your watch-list. Suppose you (Player C) have chosen action 3, Player A has chosen 4 and Player B has chosen action 2. Thus, the minimum action in your watch-list was: 2. Please enter the payoff you (Player C) would get: \$X.
- Acyclic* Suppose you are player A. Your watch-list consists only of yourself. Your watch-list's minimum action is simply your action. In this example, you (Player A) have chosen action 3. Please enter your payoff using the payoff table: \$X.
- Cyclic* Suppose you are player A. Suppose your watch-list consists of yourself and Player C. Remember that your watch-list's minimum action depends on your action and on the action of the other player in your watch-list. Suppose you (Player A) have chosen action 3 and Player C has chosen action 2. Thus, the minimum action in your watch-list was: 2. Please enter the payoff you (Player A) would get: \$X.

Written Instructions

Our written instructions were treatment-specific. The written instructions for each treatment are reproduced below, in the following order:

- i) $n = 3$ Sparse Acyclic Network
- ii) $n = 4$ Sparse Acyclic Network
- iii) $n = 6$ Sparse Acyclic Network
- iv) $n = 2$ Cyclic Network
- v) $n = 3$ Sparse Cyclic Network
- vi) $n = 4$ Sparse Cyclic Network
- vii) $n = 6$ Sparse Cyclic Network
- viii) $n = 6$ Dense Acyclic Network
- ix) $n = 6$ Dense Cyclic Network
- x) $n = 12$ Dense Acyclic Network

Ground Rules

Welcome to the experiment. Please read the instructions carefully. The earnings you make in this experiment will be paid to you, as gift cards, at the end of the session.

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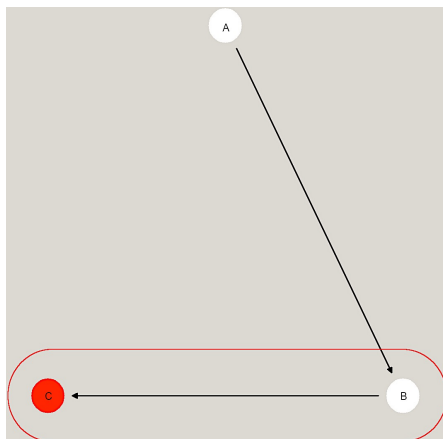
How Groups are Organized

You will be randomly allocated to a group of three players. The experiment will run for ten rounds in total.

Each player is randomly assigned a name, for example “Player A”, “Player B” or “Player C”. You will keep your name throughout the experiment

Apart from player A, each player has a watch-list consisting of two players: himself, and the player located counter-clockwise to him. Player A’s watch-list consists only of himself.

The following figure illustrates how watch-lists work for your group.



- In this example, you are Player C, highlighted in Red.
- An arrow to a player represents that player’s watch-list.
- There is an arrow from Player B to you (Player C), so Player B is in your watch-list.
- In addition to Player B, you are automatically in your own watch-list.
- On your screen, your watch-list is circled in Red.

Your Actions and their Consequences

In each round, each player picks an action (a number between 1 and 7) at the same time. Your payoff for that round depends on two numbers: your action and the action of your partner.

In each round, you will see the following payoff table on the screen when you have to choose and enter your action. It shows how your action and your watch-list’s minimum action determine your payoff. To find your payoff, look across from your action in the first column, and look down from your watch-list’s minimum action in the first row.

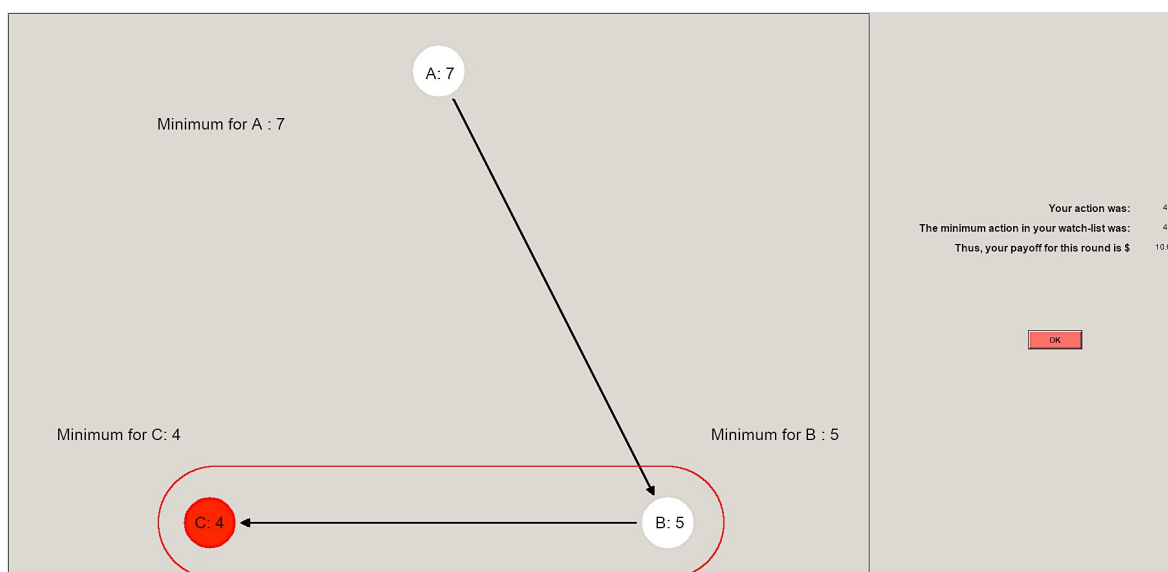
Your payoff table							
Minimum action in watch-list							
Your action	7	6	5	4	3	2	1
7	13.00	10.00	7.00	4.00	1.00	-2.00	-5.00
6		12.00	9.00	6.00	3.00	0.00	-3.00
5			11.00	8.00	5.00	2.00	-1.00
4				10.00	7.00	4.00	1.00
3					9.00	6.00	3.00
2						8.00	5.00
1							7.00

For example, if you choose action 4, then your payoff will be \$10.00, \$7.00, \$4.00, or \$1.00, depending on whether your watch-list's minimum action is 4, 3, 2, or 1.

At the end of each round, after everybody has chosen their action, you will be shown:

- Each player's action.
- The minimum action for each player's watch-list.

The following figure shows an example of your screen at the end of the round.



In this example, you are Player C, so your watch-list consists of yourself and Player B. From the screen, you can see that:

- You have chosen action 4, and Player B has chosen action 5.
- As a result, your watch-list's minimum action is 4.
- Your payoff for that round equals \$10.00. (You may work this out using the payoff table.)

Payment

At the end of the experiment, the computer will randomly select 1 of the 10 rounds that you played. You will be paid only for that round. In addition, you will receive a show-up fee of \$5.

Ground Rules

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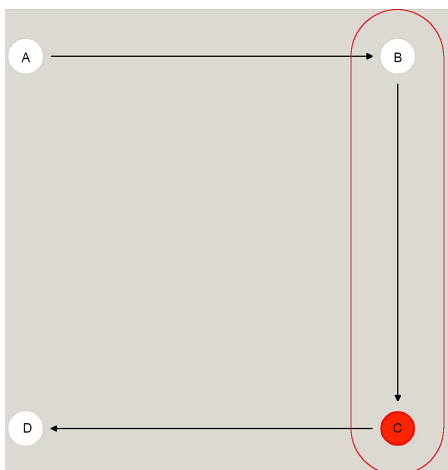
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Apart from player A, each player has a watch-list consisting of two players: himself, and the player located counter-clockwise to him. Player A’s watch-list consists only of himself.

The following figure illustrates how watch-lists work for your group.



- In this example, you are Player C, highlighted in Red.
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Your Actions and their Consequences

In each round, each player picks an action (a number between 1 and 7) at the same time. Your payoff for that round depends on two numbers: your action and the action of your partner.

In each round, you will see the following payoff table on the screen when you have to choose and enter your action. It shows how your action and your watch-list’s minimum action determine your payoff. To find your payoff, look across from your action in the first column, and look down from your watch-list’s minimum action in the first row.

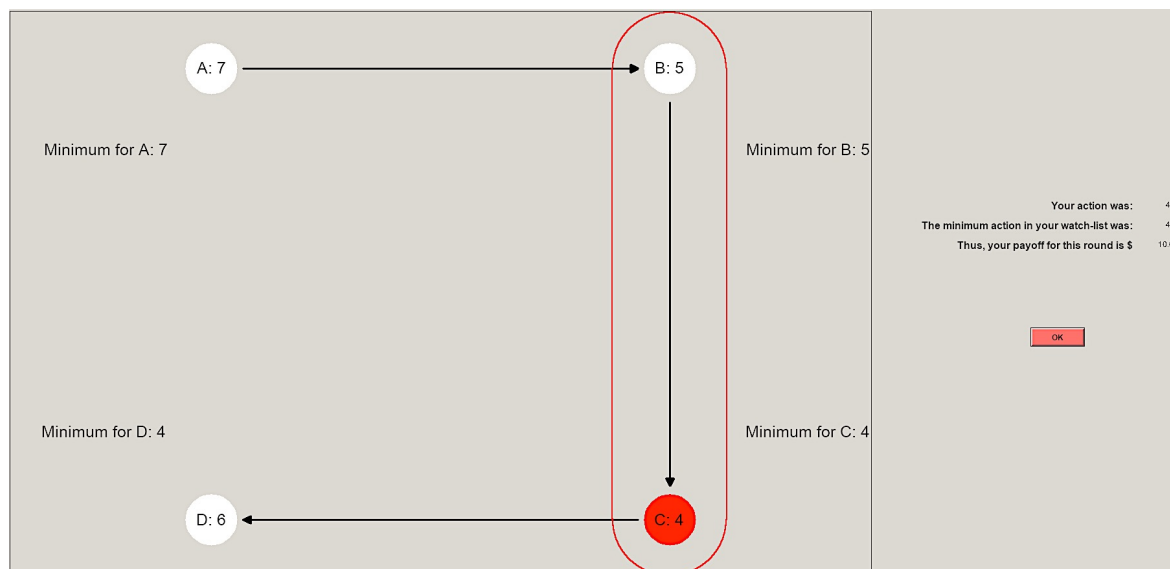
Your payoff table							
Minimum action in watch-list							
	7	6	5	4	3	2	1
7	13.00	10.00	7.00	4.00	1.00	-2.00	-5.00
6		12.00	9.00	6.00	3.00	0.00	-3.00
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For example, if you choose action 4, then your payoff will be \$10.00, \$7.00, \$4.00, or \$1.00, depending on whether your watch-list's minimum action is 4, 3, 2, or 1.

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- Each player's action.
- The minimum action for each player's watch-list.

The following figure shows an example of your screen at the end of the round.



In this example, you are Player C, so your watch-list consists of yourself and Player B. From the screen, you can see that:

- You have chosen action 4, and Player B has chosen action 5.
- As a result, your watch-list's minimum action is 4.
- Your payoff for that round equals \$10.00. (You may work this out using the payoff table.)

Payment

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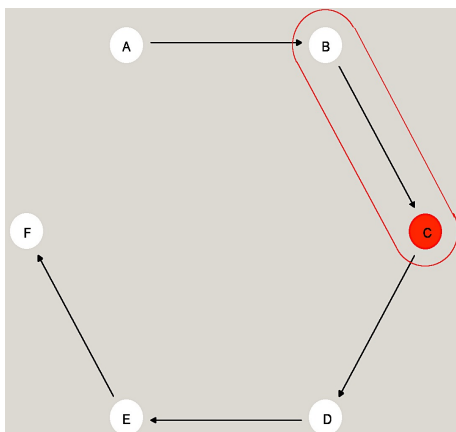
How Groups are Organized

You will be randomly allocated to a group of six players. The experiment will run for ten rounds in total.

Each player is randomly assigned a name, for example "Player A", "Player B", "Player C", "Player D", "Player E" or "Player F". You will keep your name throughout the experiment

Apart from player A, each player has a watch-list consisting of two players: himself, and the player located counter-clockwise to him. Player A's watch-list consists only of himself.

The following figure illustrates how watch-lists work for your group.



- In this example, you are Player C, highlighted in Red.
- An arrow to a player represents that player's watch-list.
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Your Actions and their Consequences

In each round, each player picks an action (a number between 1 and 7) at the same time. Your payoff for that round depends on two numbers: your action and the action of your partner.

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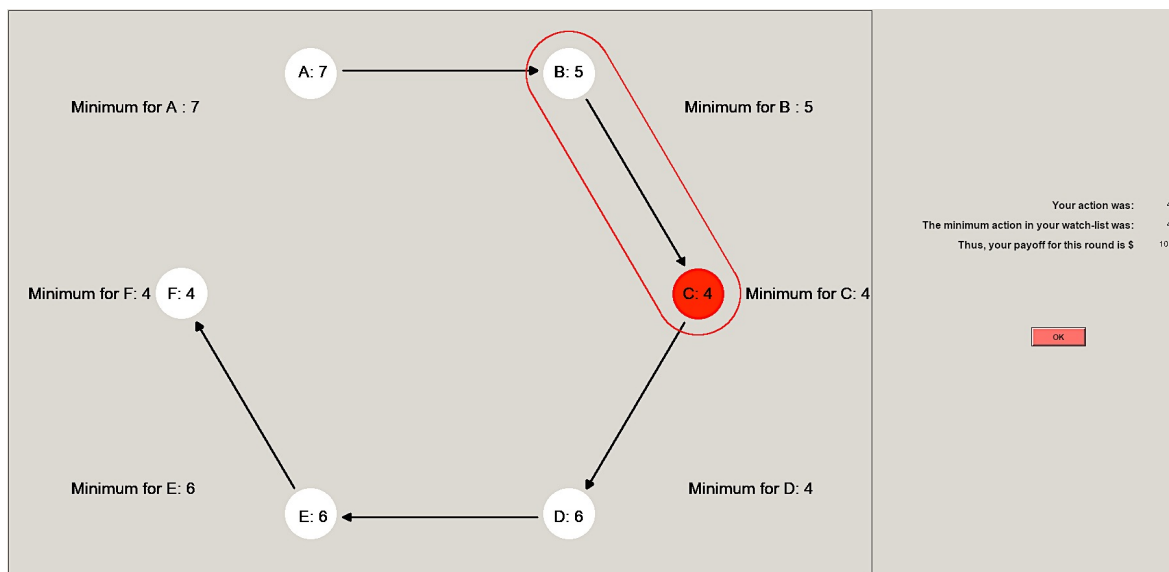
Your payoff table							
Minimum action in watch-list							
Your action	7	6	5	4	3	2	1
7	13.00	10.00	7.00	4.00	1.00	-2.00	-5.00
6		12.00	9.00	6.00	3.00	0.00	-3.00
5			11.00	8.00	5.00	2.00	-1.00
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For example, if you choose action 4, then your payoff will be \$10.00, \$7.00, \$4.00, or \$1.00, depending on whether your watch-list's minimum action is 4, 3, 2, or 1.

At the end of each round, after everybody has chosen their action, you will be shown:

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The following figure shows an example of your screen at the end of the round.



In this example, you are Player C, so your watch-list consists of yourself and Player B. From the screen, you can see that:

- You have chosen action 4, and Player B has chosen action 5.
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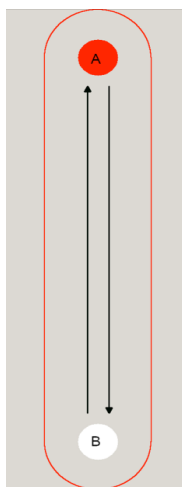
How Groups are Organized

You will be randomly allocated to a group of two players. The experiment will run for ten rounds in total.

Each player is randomly assigned a name, for example "Player A" or "Player B". You will keep your name throughout the experiment

Each player has a watch-list consisting of everybody in his group.

The following figure illustrates how watch-lists work for your group.



- In this example, you are Player A, highlighted in Red.
- Player B is in your watch-list, and you are in Player B's watch-list.

Your Actions and their Consequences

In each round, each player picks an action (a number between 1 and 7) at the same time. Your payoff for that round depends on two numbers: your action and the action of your partner.

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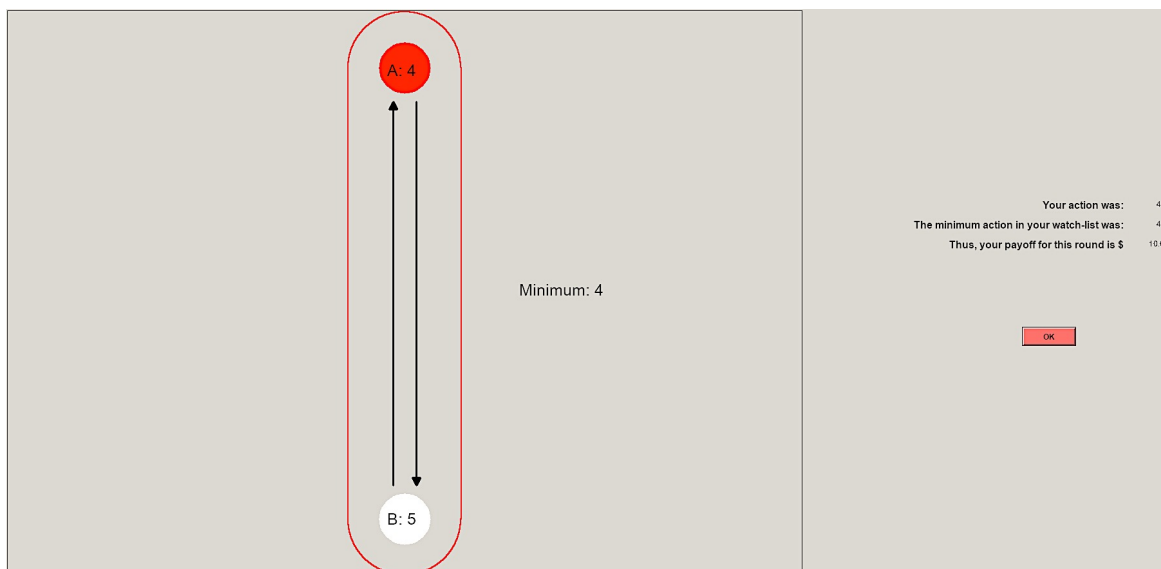
Your payoff table							
Minimum action in watch-list							
	7	6	5	4	3	2	1
7	13.00	10.00	7.00	4.00	1.00	-2.00	-5.00
6		12.00	9.00	6.00	3.00	0.00	-3.00
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For example, if you choose action 4, then your payoff will be \$10.00, \$7.00, \$4.00, or \$1.00, depending on whether your watch-list's minimum action is 4, 3, 2, or 1.

At the end of each round, after everybody has chosen their action, you will be shown:

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The following figure shows an example of your screen at the end of the round.



In this example, you are Player A, so your watch-list consists of yourself and Player B. From the screen, you can see that:

- You have chosen action 4, and Player B has chosen action 5.
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- Your payoff for that round equals \$10.00. (You may work this out using the payoff table.)

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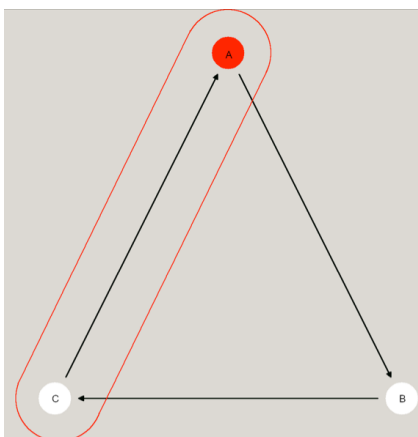
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Each player has a watch-list consisting of two players: himself, and the player located counter-clockwise to him.

The following figure illustrates how watch-lists work for your group.



- In this example, you are Player A, highlighted in Red.
- An arrow to a player represents that player's watch-list.
- There is an arrow from Player C to you (Player A), so Player C is in your watch-list.
- In addition to Player C, you are automatically in your own watch-list.
- On your screen, your watch-list is circled in Red.

Your Actions and their Consequences

In each round, each player picks an action (a number between 1 and 7) at the same time. Your payoff for that round depends on two numbers: your action, and your watch-list's minimum action.

This minimum action is the smaller number out of your action and the action of the other player in your watch-list.

In each round, you will see the following payoff table on the screen when you have to choose and enter your action. It shows how your action and your watch-list's minimum action determine your

payoff. To find your payoff, look across from your action in the first column, and look down from your watch-list's minimum action in the first row.

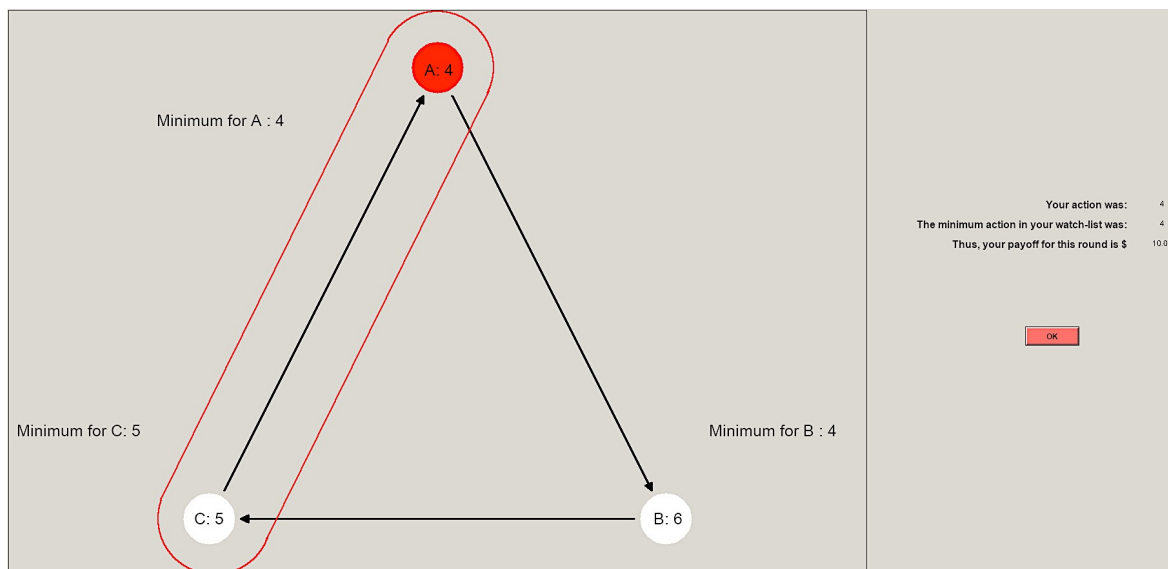
Your payoff table							
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	7	6	5	4	3	2	1
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For example, if you choose action 4, then your payoff will be \$10.00, \$7.00, \$4.00, or \$1.00, depending on whether your watch-list's minimum action is 4, 3, 2, or 1.

At the end of each round, after everybody has chosen their action, you will be shown:

- Each player's action.
- The minimum action for each player's watch-list.

The following figure shows an example of your screen at the end of the round.



In this example, you are Player A, so your watch-list consists of yourself and Player C. From the screen, you can see that:

- You have chosen action 4, and Player C has chosen action 5.
- As a result, your watch-list's minimum action is 4.
- Your payoff for that round equals \$10.00. (You may work this out using the payoff table.)

Payment

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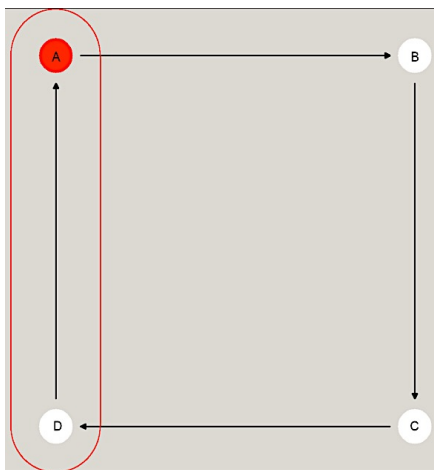
How Groups are Organized

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Each player has a watch-list consisting of two players: himself, and the player located counter-clockwise to him.

The following figure illustrates how watch-lists work for your group.



- In this example, you are Player A, highlighted in Red.
- An arrow to a player represents that player's watch-list.
- There is an arrow from Player D to you (Player A), so Player D is in your watch-list.
- In addition to Player D, you are automatically in your own watch-list.
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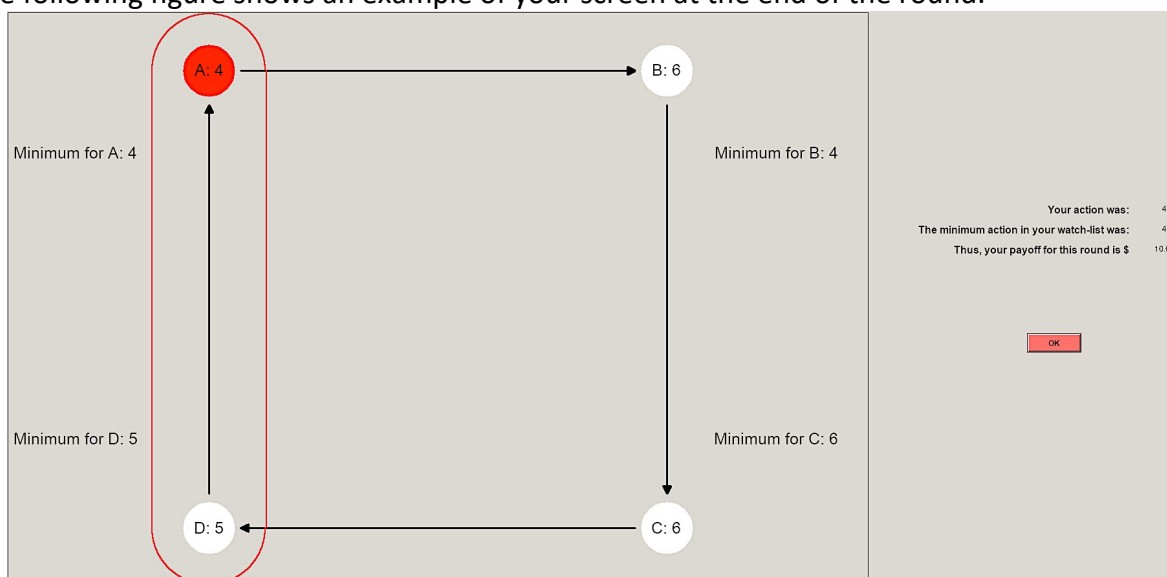
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The following figure shows an example of your screen at the end of the round.



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- You have chosen action 4, and Player D has chosen action 5.
- As a result, your watch-list's minimum action is 4.
- Your payoff for that round equals \$10.00. (You may work this out using the payoff table.)

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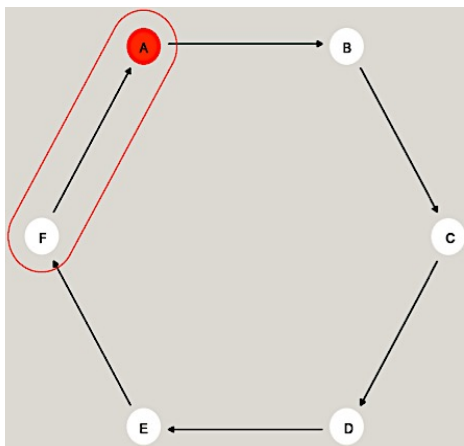
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The following figure illustrates how watch-lists work for your group.



- In this example, you are Player A, highlighted in Red.
- An arrow to a player represents that player's watch-list.
- There is an arrow from Player F to you (Player A), so Player F is in your watch-list.
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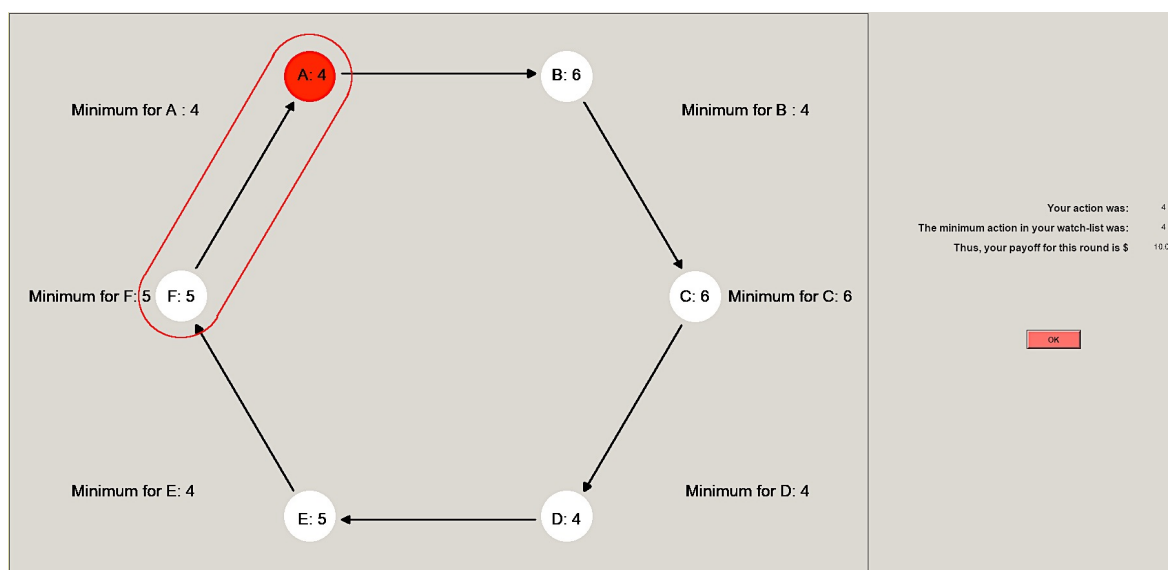
Your payoff table		Minimum action in watch-list						
		7	6	5	4	3	2	1
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	6		12.00	9.00	6.00	3.00	0.00	-3.00
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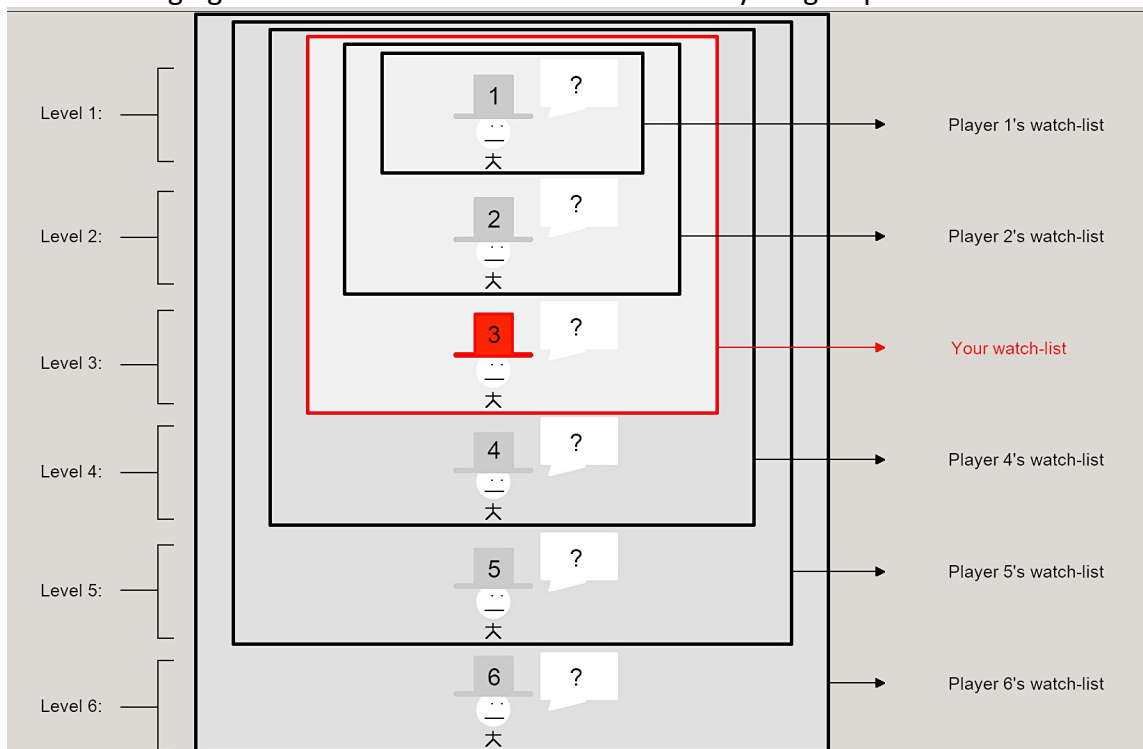
How Groups are Organized

You will be randomly allocated to a group of six players. The experiment will run for ten rounds in total.

Each player is randomly assigned a level. Within each group, there is one player in each level. You will stay at the same level throughout the experiment

A player has a watch-list consisting of everybody in the same level, or lower within their group. This means that a higher-level player has a larger watch-list. For example, if you are in level 3, then your watch-list consists of three players: yourself and the two players in lower levels.

The following figure illustrates how watch-lists work for your group.



- In this example, you are in level 3, highlighted in Red.
- A box represents each player’s watch-list.
- Players 1 and 2 are in your (Player 3) box, so Players 1 and 2 are in your watch-list.
- In addition to Players 1 and 2, you are automatically in your own watch-list.
- On your screen, your watch-list is highlighted in Red.

Your Actions and their Consequences

In each round, each player picks an action (a number between 1 and 7) at the same time. Your payoff for that round depends on two numbers: your action and the minimum action amongst the players in your watch-list including yourself.

In each round, you will see the following payoff table on the screen when you have to choose and enter your action. It shows how your action and your watch-list's minimum action determine your payoff. To find your payoff, look across from your action in the first column, and look down from your watch-list's minimum action in the first row.

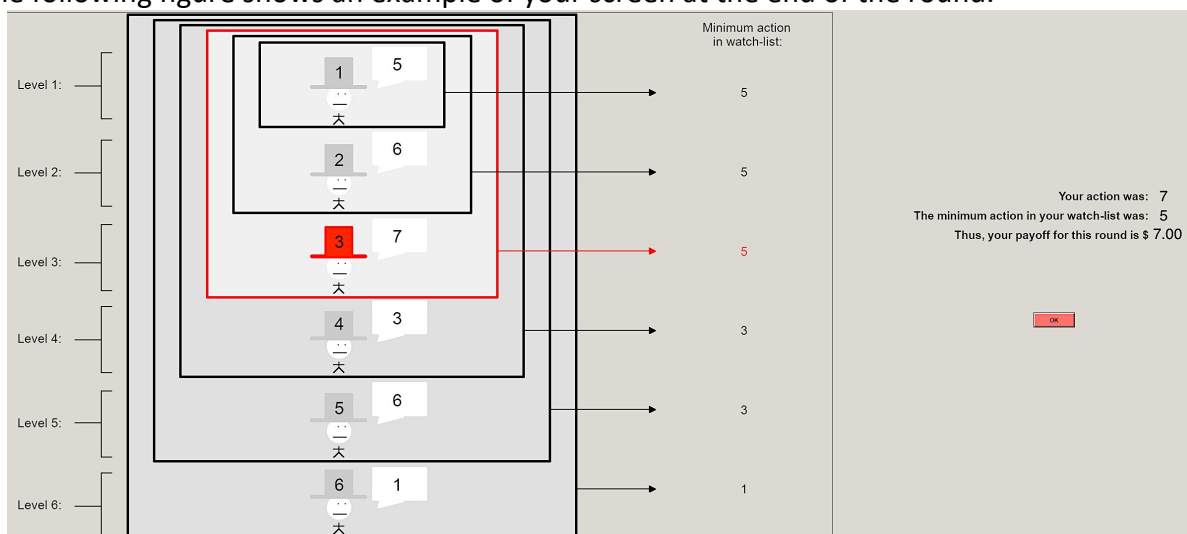
		Minimum action in watch-list						
		7	6	5	4	3	2	1
Your action	7	13.00	10.00	7.00	4.00	1.00	-2.00	-5.00
	6		12.00	9.00	6.00	3.00	0.00	-3.00
	5			11.00	8.00	5.00	2.00	-1.00
	4				10.00	7.00	4.00	1.00
	3					9.00	6.00	3.00
	2						8.00	5.00
	1							7.00

For example, if you choose action 4, then your payoff will be \$10.00, \$7.00, \$4.00, or \$1.00, depending on whether your watch-list's minimum action is 4, 3, 2, or 1.

At the end of each round, after everybody has chosen their action, you will be shown:

- Each player's action (in the speech bubble).
- The minimum action for each player's watch-list.

The following figure shows an example of your screen at the end of the round.



In this example, you are assigned to level 3, so your watch-list consists of yourself and two other players, 1 and 2. From the screen, you can see that:

- You have chosen action 7, Player 1 has chosen action 5 and Player 2 has chosen action 6.
- As a result, your watch-list's minimum action is 5.
- Your payoff for that round equals \$7.00. (You may work this out using the payoff table.)

Payment

At the end of the experiment, the computer will randomly select 1 of the 10 rounds that you played. You will be paid only for that round. In addition, you will receive a show-up fee of \$5.

Ground Rules

Welcome to the experiment. Please read the instructions carefully. The earnings you make in this experiment will be paid to you, in cash, at the end of the session.

Your earnings will be determined by your choices and the choices of other participants.

Communication between participants is not allowed. Please use only the computer to input your decisions. Please do not start or end any programs, and do not change any settings.

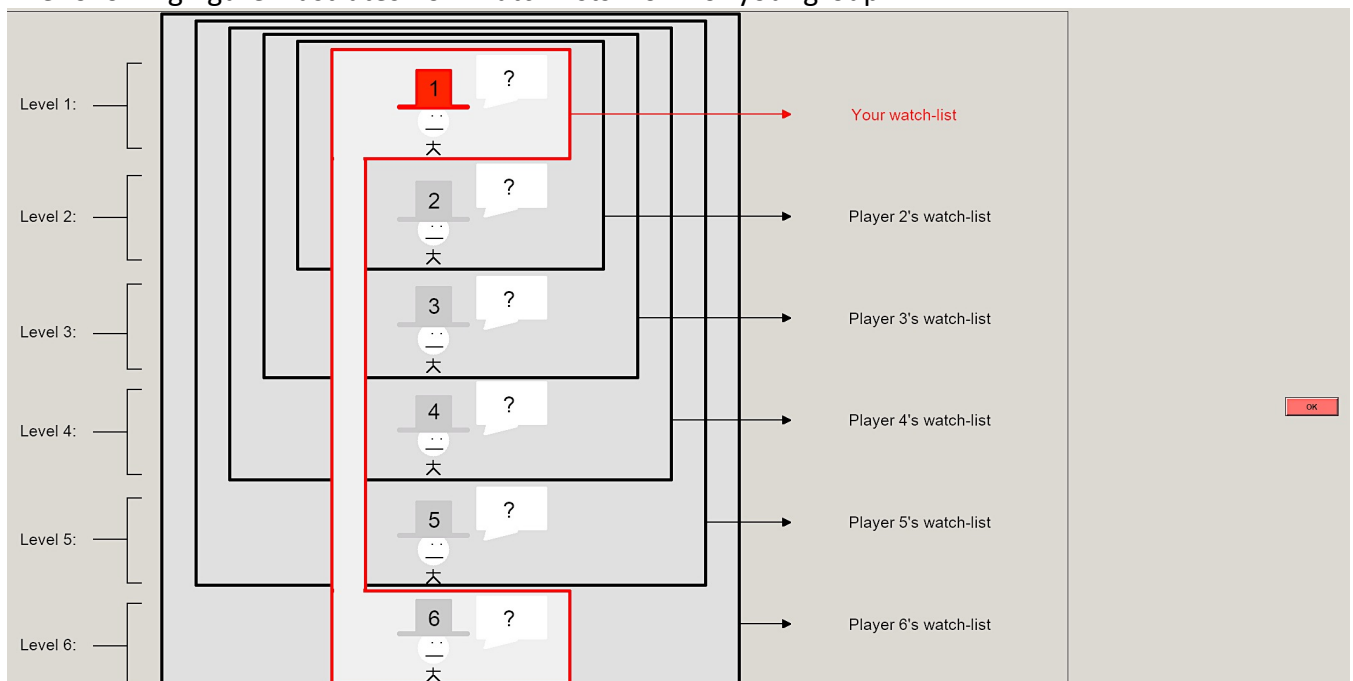
How Groups are Organized

You will be randomly allocated to a group of six players. The experiment will run for ten rounds in total.

Each player is randomly assigned a level. Within each group, there is one player in each level. You will stay at the same level throughout the experiment

Apart from player 1, each player has a watch-list consisting of everybody in the same level, or lower within their group. This means that a higher-level player has a larger watch-list. Player 1's watch-list consists of himself and player 6. For example, if you are in level 1, then your watch-list consists of two players: yourself and the player in level 6. However, if you are in level 3, then your watch-list consists of three players: yourself and the two players in lower levels.

The following figure illustrates how watch-lists work for your group.



- In this example, you are in level 1, highlighted in Red.
- A box represents each player's watch-list. On your screen, your watch-list is highlighted in Red.
- Player 6 is in your (Player 1) box, so Player 6 is in your watch-list.
- In addition to Player 6, you are automatically in your own watch-list.

Your Actions and their Consequences

In each round, each player picks an action (a number between 1 and 7) at the same time. Your payoff for that round depends on two numbers: your action and the minimum action amongst the players in you watch-list including yourself.

In each round, you will see the following payoff table on the screen when you have to choose and enter your action. It shows how your action and your watch-list's minimum action determine your payoff. To find your payoff, look across from your action in the first column, and look down from your watch-list's minimum action in the first row.

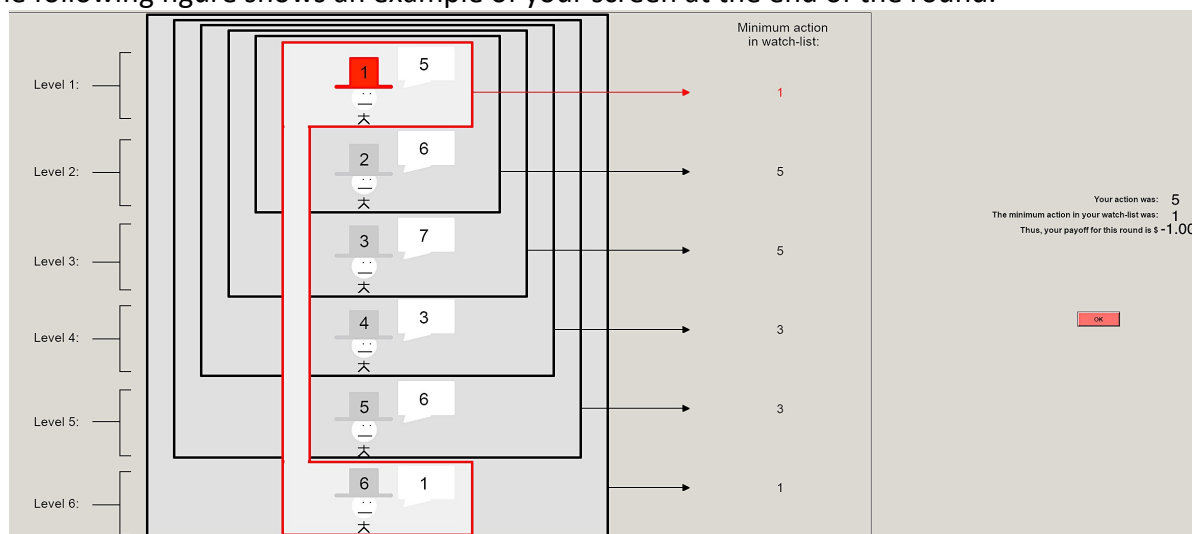
		Minimum action in watch-list						
		7	6	5	4	3	2	1
Your action	7	13.00	10.00	7.00	4.00	1.00	-2.00	-5.00
	6		12.00	9.00	6.00	3.00	0.00	-3.00
	5			11.00	8.00	5.00	2.00	-1.00
	4				10.00	7.00	4.00	1.00
	3					9.00	6.00	3.00
	2						8.00	5.00
	1							7.00

For example, if you choose action 4, then your payoff will be \$10.00, \$7.00, \$4.00, or \$1.00, depending on whether your watch-list's minimum action is 4, 3, 2, or 1.

At the end of each round, after everybody has chosen their action, you will be shown:

- Each player's action (in the speech bubble).
- The minimum action for each player's watch-list.

The following figure shows an example of your screen at the end of the round.



In this example, you are assigned to level 1, so your watch-list consists of yourself and player 6. From the screen, you can see that:

- You have chosen action 5 and Player 6 has chosen action 1.
- As a result, your watch-list's minimum action is 1.
- Your payoff for that round equals \$-1.00. (You may work this out using the payoff table.)

Payment

At the end of the experiment, the computer will randomly select 1 of the 10 rounds that you played. You will be paid only for that round. In addition, you will receive a show-up fee of \$5.

Ground Rules

Welcome to the experiment. Please read the instructions carefully. The earnings you make in this experiment will be paid to you, in cash, at the end of the session.

Your earnings will be determined by your choices and the choices of other participants.

Communication between participants is not allowed. Please use only the computer to input your decisions. Please do not start or end any programs, and do not change any settings.

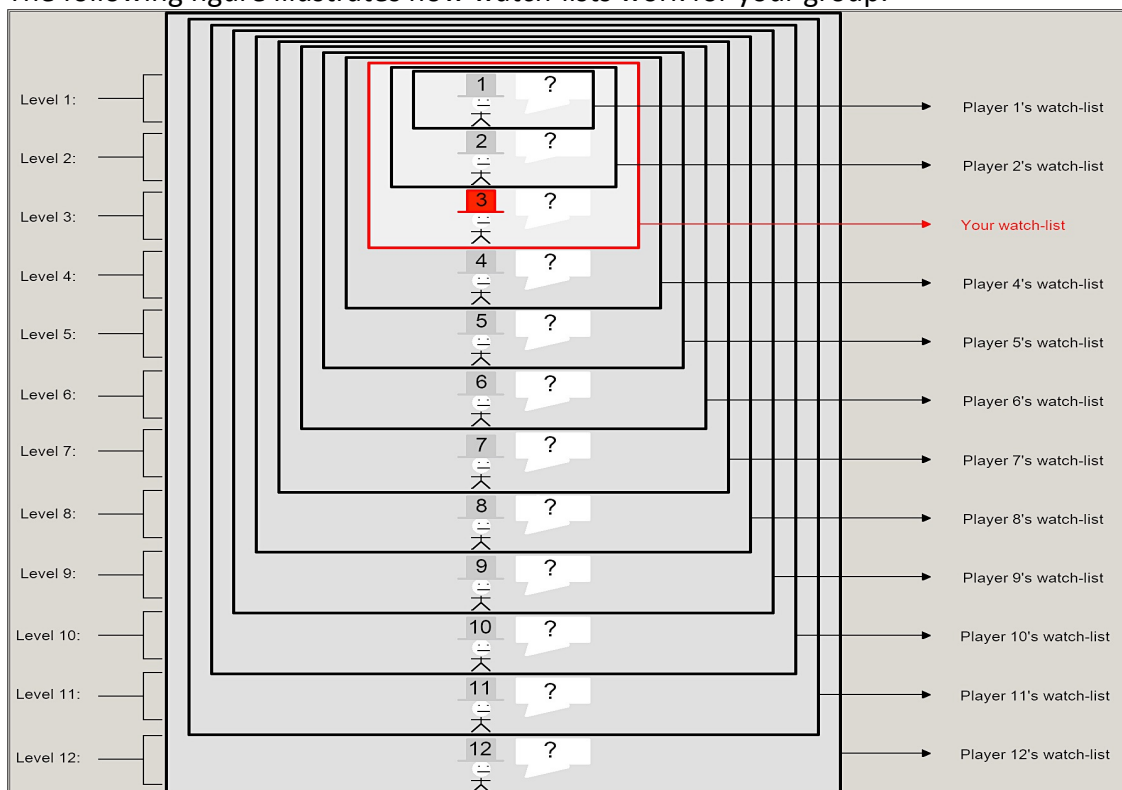
How Groups are Organized

You will be randomly allocated to a group of 12 players. The experiment will run for 10 rounds in total.

Each player is randomly assigned a level. Within each group, there is one player in each level. You will stay at the same level throughout the experiment

A player has a watch-list consisting of everybody in the same level, or lower within their group. This means that a higher-level player has a larger watch-list. For example, if you are in level 3, then your watch-list consists of three players: yourself and the two players in lower levels.

The following figure illustrates how watch-lists work for your group.



- In this example, you are in level 3, highlighted in Red.
- A box represents each player’s watch-list.
- Players 1 and 2 are in your (Player 3) box, so Players 1 and 2 are in your watch-list.
- In addition to Players 1 and 2, you are automatically in your own watch-list.
- On your screen, your watch-list is highlighted in Red.

Your Actions and their Consequences

In each round, each player picks an action (a number between 1 and 7) at the same time. Your payoff for that round depends on two numbers: your action and the minimum action amongst the players in you watch-list including yourself.

In each round, you will see the following payoff table on the screen when you have to choose and enter your action. It shows how your action and your watch-list's minimum action determine your payoff. To find your payoff, look across from your action in the first column, and look down from your watch-list's minimum action in the first row.

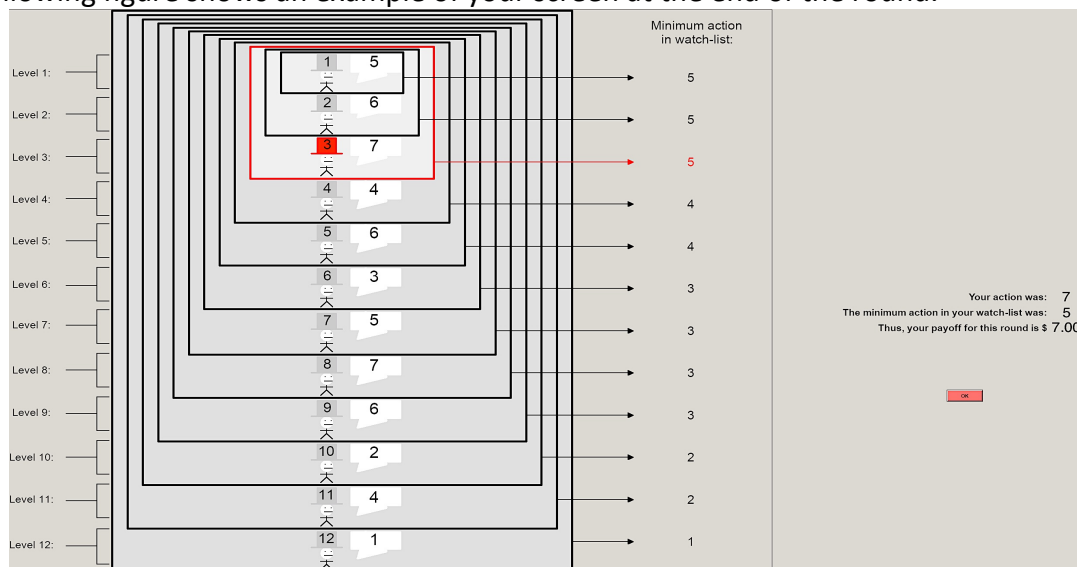
		Minimum action in watch-list						
		7	6	5	4	3	2	1
Your action	7	13.00	10.00	7.00	4.00	1.00	-2.00	-5.00
	6		12.00	9.00	6.00	3.00	0.00	-3.00
	5			11.00	8.00	5.00	2.00	-1.00
	4				10.00	7.00	4.00	1.00
	3					9.00	6.00	3.00
	2						8.00	5.00
	1							7.00

For example, if you choose action 4, then your payoff will be \$10.00, \$7.00, \$4.00, or \$1.00, depending on whether your watch-list's minimum action is 4, 3, 2, or 1.

At the end of each round, after everybody has chosen their action, you will be shown:

- Each player's action (in the speech bubble).
- The minimum action for each player's watch-list.

The following figure shows an example of your screen at the end of the round.



In this example, you are assigned to level 3, so your watch-list consists of yourself and two other players, 1 and 2. From the screen, you can see that:

- You have chosen action 7, Player 1 has chosen action 5 and Player 2 has chosen action 6.
- As a result, your watch-list's minimum action is 5.
- Your payoff for that round equals \$7.00. (You may work this out using the payoff table.)

Payment

At the end of the experiment, the computer will randomly select 1 of the 10 rounds that you played. You will be paid only for that round. In addition, you will receive a show-up fee of \$5.