

Group Activity: Ultimatum Game Instruction

1. Divide the class into two groups: Proposers and Responders. Assign numbers to the Proposers and distribute copies of the appropriate handouts to each group. Allow Proposers sufficient time to complete their offers.
2. Collect the Proposers' offer sheets, shuffle them, and hand one to each Responder. Remind the Responders to read the offer, check either "accept" or "reject" and record the information from the Proposers' form on their Summary Offer sheet. As the Responders finish, collect the forms. Shuffle the forms again so students do not know who responded to the offers.
3. Return the forms to the Proposers by having each Proposer show their number and giving back the corresponding form. Be sure the Responders cannot see the Proposers' numbers. (Alternatively, clear a place in the classroom where the Proposers' forms can be laid out without the Responders being able to see the numbers and have the Proposers pick up their form and then return to their seats without discussing the results with anyone.)
4. Instruct the Proposers to look over their responses and fill out the fourth column (Total Number of Rewards) on their sheet. In this column they will record how much they and the Responder receive (the amount allocated in the second column) based on the Responders' response in the third column. Once they have done so, inform the students that there will now be a second round. Tell the class that the Proposers will work with different Responders this round.
5. Instruct the Proposers to write their new offer for round 2. Repeat steps 2-4. When handing the Responders an offer sheet, ask the Responder to verify the offer is from a different Proposer than the offer received in round 1.
6. At the conclusion of round 2, have students add the total rewards they should receive and write the total number on their sheets.