Appendix: Screenshots of the Experiment

Game Description

At the beginning of the experiment, we will give you a virtual wallet containing $2 *("your wallet")*. At the same time, we will put an initial $1 in a separate wallet (the *"charity wallet"*).

You are going to make investment decisions (buying shares of various companies using the money in your wallet), and these decisions will affect two things:

1. how much money is added to, or subtracted from, your wallet
2. how much is added to, or subtracted from, the charity wallet

At the end of the experiment, you will receive the content of your wallet, and we will wire to the charity the final content of the charity wallet. You will also have the opportunity to donate directly to the charity.

Please select a charity that will receive the content of the charity wallet:

American Civil Liberties Union

World Wildlife Fund

Food for the Poor

American Cancer Society

Save the Children

Environmental Defense Fund

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Figure A.2: Practice Quiz: Example Company

Example

A bid indicates the highest amount you would be willing to pay for a share in the following company. We then draw a random price between $0 and $2.

- If the random price is greater than your bid, you do not buy the share and your wallet stays unchanged.

- If the random price is less than or equal to your bid, you must buy the share for this random price.
    - The corresponding amount is subtracted from your wallet.
    - Then, the company makes $1.1 of profit.
    - After this, it puts $1.1 into your wallet.

- Let's assume for now that the Food for the Poor charity wallet stays unchanged.

Assume your wallet starts with $2, and the Food for the Poor charity wallet starts with $1.

Continue

Practice Quiz: Scenario 1

You will now be quizzed on the following company.

As earlier, in order to buy a share in this company, you must indicate a bid, which is the highest amount you would be willing to pay for the share. We then draw a random price between $0 and $2.

- If the random price is greater than your bid, you do not buy the share and your wallet stays unchanged. Then, the company subtracts $0.4 from the Food for the Poor charity wallet.

- If the random price is less than or equal to your bid, you must buy the share for this random price.
  - The corresponding amount is subtracted from your wallet.
  - Then, the company makes $0.7 of profit.
  - After this, it puts $0.7 into your wallet. Then, it subtracts $0.4 from the Food for the Poor wallet, and adds this additional $0.4 into your wallet.

Assume again that your wallet starts with $2, and the Food for the Poor charity wallet starts with $1.

Imagine that your bid is $1 , and the random price is: $
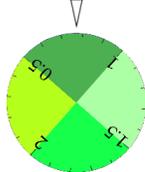
Does that mean you buy the share or not?

Yes
No

Does that mean you buy the share or not?

Yes
No

If yes, at what price would you buy? If no, just input 0 here.

_____

If you buy the share, what is the amount in your wallet right after you pay for it? If you do not buy the share, what is the amount in your wallet?

_____

How much does the company add to the American Cancer Society charity wallet?

_____

What is the final amount in the American Cancer Society charity wallet?

_____

How much money does the company give you in total?

_____

What is the final amount in your wallet, once you have paid for the share and received the company money?

_____

Continue

Figure A.4: Main Experiment: Bid on Unethical Company

Main Experiment: Company 2

The company makes $0.9 of profit. Then it subtracts $0.1 from the Food for the Poor charity wallet.

If you end up owning the share, the company will put $0.9 into your wallet and will further add to your wallet the $0.1 which it subtracted from the Food for the Poor charity wallet.

What is your bid?

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Figure A.5: Main Experiment: Direct Donation

Last Chance to Give

After the decisions you made, you have $2.2 and Food for the Poor is set to receive the content of the charity wallet, namely $1.4.

Before you receive your payment, would you like to transfer some of the amount you own to Food for the Poor?

Yes

No

How much would you like to donate? (You may donate up to $2.2).

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Appendix Tables

Table A.1: Effect of uncertainty and ambiguity: Breakdown

	(1) Baseline	(2) Uncertainty	(3) Baseline	(4) Ambiguity
Charity Value	.6***		.6***	
	(7.8)		(7.8)	
$\frac{1}{2}$ Charity Value (Head)		.51***		
		(4.3)		
$\frac{1}{2}$ Charity Value (Tail)		.43		
		(1.5)		
Charity Value (Positive)				.57***
				(3.3)
Charity Value (Negative)				.35**
				(2.1)
Constant	.07**	.16***	.07**	.0044
	(2.5)	(4.6)	(2.5)	(.056)
Observations	372	435	372	339
R^2	0.13	0.02	0.13	0.03
Batch	Second	Second	Second	Second
P value of equality w BL		.523		.842
P value of equality w BL		.576		.842

Note: We use the same conditions as in Table 8. Columns 1 and 3 simply regress excess bids on the charity value in the last 3 rounds of *BL with random charity 2*. In column 2, we use the last 3 rounds of the uncertainty condition, and regress separately on charity value if the coin falls on head (times $\frac{1}{2}$), and on charity value if the coin falls on tail (times $\frac{1}{2}$). Note that *expected charity value* is the sum of these terms. In column 4, we add separately the positive donation and negative donation. Note that the *total charity value* is the sum of these terms. We report in the last two lines the p-value of a test of equal regression coefficients between the BL and each one of the coefficients. Standard errors in parentheses, clustered at the worker level. * p < 0.10, ** p < 0.05, *** p < 0.01