

Readme file with instructions on how to read the data and interpret variables

List of data and code files:

- 1) Data set 1_A: Treatments123.dta -- Treatments123.do
Description: Analyzes the data of the Main, Low Benefit, and Random treatments and runs the comparisons across these treatments.
- 2) Data set 2_A: Treatment4.dta – Treatment4.do
Description: Includes the analysis of the High Benefit treatment and compares this treatment with the ones in Data set 1_A.
- 3) Data set 2_B: Trend_test_alphas.dta -- Trend_test_alphas.do
Description: Compares Main, Low Benefit, and High Benefit treatments. Runs trend tests for the different values of the quality coefficient (α) across the three treatments.
- 4) Data set 3_A: Treatment5.dta – Treatment5.do
Description: Includes data of the Repeated Interactions treatment. Compares this treatment with the Main treatment.
- 5) Data set 3_B: MainRepeatOtherProf.dta – MainRepeatOtherProf.do
Description: Analyzes suppliers', buyers', and Total profits in the Repeated Interactions treatment.
- 6) Data set 4_A: demographics_Main_and_Random.dta -- demographics_Main_and_Random.do
Description: Analyzes the demographics data of the Main and Random treatments.
- 7) Data set 4_B: demographics_Repeated.dta -- demographics_Repeated.do
Description: Analyzes the demographics data of the Repeated Interactions treatment.

How to find the data of the paper in the .dta and .do files:

Tables and Figures:

Page 21: Table 2 Main Treatment specific and general (rows 1, 2, 3). Files: Data set 1_A, Section 1_A.

Page 21: Table 2 Random Treatment specific and general (rows 4, 5, 6). Files: Data set 1_A, Section 1_B.

Page 24: Table 3 (column 1). Files: Data set 1_A, Section 2_A

Page 24: Table 3 (column 2). Files: Data set 1_A, Section 2_B.

Page 25: Table 4 (Panel A). Files: Data set 1_A, Section 3_A.

Page 25: Table 4 (Panel B). Files: Data set 1_A, Section 3_B.

Page 28: Table 5. Files: Data set 1_A, Section 4.

Page 31: Table 6 (rows 1 to 12). Files: Data set 3_A, Section 5_A.

Page 31: Table 6 (rows 13 and 14). Files: Data set 3_B, Section 5_B.

Page 31: Table 7. Files: Data set 3_A, Section 6.

Page 11 (Appendix): Table 8. Files: Data set 1_A, Section 7.

Page 13 (Appendix): Table 9. Files: Data set 1_A, Section 8.

Page 14 (Appendix): Table 10. Files: Data set 1_A, Section 9.

Page 14 (Appendix): Table 11. Files: Data set 1_A, Section 10.

Page 14 (Appendix): Table 12. Files: Data set 1_A, Section 11.

Page 15 (Appendix): Figure 2. Files: Data set 1_A, Section 12.

Page 15 (Appendix): Table 13. Files: Data set 1_A, Section 13.

Page 15 (Appendix): Table 14. Files: Data set 3_B, Section 14.

Page 16 (Appendix): Table 15: Files: Data set 3_B, Section 15.

Additional data presented in the paper that is not included in the Tables:

Page 20, Footnote 15: demographics data collected in 2011 (data from 9 out of 13 sessions in main and random treatments). Files: Data set 4_A, Section 16_A.

Page 20, Footnote 15: demographics data collected in 2014 (data from 4 out of 5 sessions in repeated treatment). Files: Data set 4_B, Section 16_B.

Page 24, last paragraph (average buyer's profit). Files: Data set 2_A, Section 17.

Page 32, middle paragraph (betrayal aversion). Files: Data set 1_A, Sections 20_A and 20_B.

Page 33, middle paragraph (price and effort periods 1 to 5 vs. 6 to 10). Files: Data set 1_A, Section 21.

Page 33, middle paragraph (same regression as in Table 5 but with periods 6 to 10 only). Files: Data set 1_A, Section 22.

Page 10 in the Appendix, second paragraph (overall expected effort and overall buyer's profits). Files: Data set 1_A, Section 19.

Page 10 in the Appendix, second paragraph (trend test for effort and total profit). Files: Data set 2_B, Section 18.

Page 10 in the Appendix, third paragraph (buyer's profit specific and general). Files: Data set 2_A, Section 17.

Variables definitions:

Data set 1_A: Treatments123.dta (Main, Low Benefit, Random treatments):

Period: Round of Play (ranges between 1 and 10)

Subject: Subject ID (Coding: each subject's ID has WXYZ, where YZ are subject-specific and WX correspond to the session number. W is only used for session numbers greater or equal to 10)

Group: ID of each buyer-supplier pair in a round (ranges between 1 and {# of subjects in a session/2})

alpha1: Treatment parameter alpha 1 (alpha under specific investment)

alpha2: Treatment parameter alpha 2 (alpha under general investment)

u1: Treatment parameter u 1

u2: Treatment parameter u 2

effort: Supplier's choice of effort (ranges between 0 and 10)

type: Denotes a player's role in the Supply Chain Game (Type=1 for suppliers, Type=2 for buyer)

type2: Denotes a player's role in the Investment Game (Type2=1 for senders, Type2=2 for receivers)

investment: Supplier's investment decision (Investment=1 for Specific, Investment=2 for General)

price: Buyer's price decision (ranges between 1 and 100)

accept: Supplier's acceptance decision (Accept=1 for accept, Accept=0 for reject)

alpha: Parameter alpha of the investment chosen by the supplier (If Investment=1 (Specific), alpha=alpha1. If Investment=2 (General), alpha=alpha2)

costofeffort: Cost associated to the supplier's decision "effort" (ranges between 0 (for effort=0) and 50 (for effort = 10))

u: Parameter u of the investment chosen by the supplier (if Investment=1 (Specific), u=u1. If Investment=2 (General), u=u2)

profitscgame: Subject's profit in the Supply Chain Game (includes initial endowment of 60 for suppliers and 100 for buyers)

otherprofitscgame: Profit in the Supply Chain Game of the Subject's partner

riskaversion: Measure of risk aversion from additional risk aversion task (fraction of times a subject chose the fixed payoff over the 50-50 lottery)

reciprocity: Measure of reciprocity from additional investment game (difference between minimum and maximum amount returned as a fraction of the amount received)

reciprocity2: Second measure of reciprocity from additional investment game (difference between minimum and maximum amount returned (used in the main body of the paper))

reciprocity3: Third measure of reciprocity from additional investment game (sum of all net returns)

sent: Measure of trust in additional investment game (amount sent in additional investment game)

investment_one: Dummy for whether the supplier chose the specific investment (takes value =1 if supplier chose the specific investment and value=0 if the supplier chose the general investment)

inv1count: Number of times a supplier chose the specific investment in the 10 rounds played (ranges between 0 and 10)

treatment: Indicates the treatment (0=Main treatment, 1= Low Benefit treatment, 2=Random treatment)

averageprofitunderinvestment2: Subject's average profit in all rounds where the general investment was chosen

averageprofitunderinvestment1: Subject's average profit in all rounds where the specific investment was chosen

Data set 2_A: Treatment4.dta (High alpha treatment data):

Period: Round of Play (ranges between 1 and 10)

Subject: Subject ID (Coding: each subject's ID has WXYZ, where YZ are subject-specific and WX correspond to the session number. W is only used for session numbers greater or equal to 10)

Group: ID of each buyer-supplier pair in a round (ranges between 1 and {# of subjects in a session/2})

alpha1: Treatment parameter alpha 1 (alpha under specific investment = 18)

alpha2: Treatment parameter alpha 2 (alpha under general investment = 3)

u1: Treatment parameter u 1 = 0

u2: Treatment parameter u 2 = 15

effort: Supplier's choice of effort (ranges between 0 and 10)

type: Denotes a player's role in the Supply Chain Game (Type=1 for suppliers, Type=2 for buyer)

type2: Denotes a player's role in the Investment Game (Type2=1 for senders, Type2=2 for receivers)

investment: Supplier's investment decision (Investment=1 for Specific, Investment=2 for General)

price: Buyer's price decision (ranges between 1 and 100)

accept: Supplier's acceptance decision (Accept=1 for accept, Accept=0 for reject)

alpha: Parameter alpha of the investment chosen by the supplier (If Investment=1 (Specific), alpha=alpha1. If Investment=2 (General), alpha=alpha2)

costofeffort: Cost associated to the supplier's decision "effort" (ranges between 0 (for effort=0) and 50 (for effort = 10))

u: Parameter u of the investment chosen by the supplier (if Investment=1 (Specific), $u=u_1$. If Investment=2 (General), $u=u_2$)

profitscgame: Subject's profit in the Supply Chain Game (includes initial endowment of 60 for suppliers and 100 for buyers)

otherprofitscgame: Profit in the Supply Chain Game of the Subject's partner

Data set 2_B: Trend_test_alphas.dta (Main, Low alpha, and High alpha treatments data):

Period: Round of Play (ranges between 1 and 10)

Subject: Subject ID (Coding: each subject's ID has WXYZ, where YZ are subject-specific and WX correspond to the session number. W is only used for session numbers greater or equal to 10)

effort: Supplier's choice of effort (ranges between 0 and 10)

price: Buyer's price decision (ranges between 1 and 100)

accept: Supplier's acceptance decision (Accept=1 for accept, Accept=0 for reject)

total_profit: Sum of profit of buyer and supplier

treatment: (1= Main treatment, 2 = High alpha treatment, 3 = Low alpha treatment)

alphab: Treatment parameter alpha 1 (alpha under specific investment = 6, 12, 18)

type: Denotes a player's role in the Supply Chain Game (Type=1 for suppliers, Type=2 for buyer)

profitscgame: Subject's profit in the Supply Chain Game (includes initial endowment of 60 for suppliers and 100 for buyers)

Data set 3_A: Treatment5.dta (Repeated interactions treatment data):

Period: Round of Play (ranges between 1 and 10)

Subject: Subject ID (Coding: each subject's ID has WXYZ, where YZ are subject-specific and WX correspond to the session number. W is only used for session numbers greater or equal to 10)

Group: ID of each buyer-supplier pair in a round (ranges between 1 and {# of subjects in a session/2})

type: Denotes a player's role in the Supply Chain Game (Type=1 for suppliers, Type=2 for buyer)

investment: Supplier's investment decision (Investment=1 for Specific, Investment=2 for General)

price1: Buyer's price decision in transaction period 1 (ranges between 1 and 100)

accept1: Supplier's acceptance decision in transaction period 1 (Accept=1 for accept, Accept=0 for reject)

effort1: Supplier's choice of effort in transaction period 1 (ranges between 0 and 10)

profitr1: Subject's surplus from transaction period 1 (does not include initial endowment)

price2: Buyer's price decision in transaction period 2 (ranges between 1 and 100)

accept2: Supplier's acceptance decision in transaction period 2 (Accept=1 for accept, Accept=0 for reject)

effort2: Supplier's choice of effort in transaction period 2 (ranges between 0 and 10)

profitr2: Subject's surplus from transaction period 2 (does not include initial endowment)

price3: Buyer's price decision in transaction period 2 (ranges between 1 and 100)

accept3: Supplier's acceptance decision in transaction period 3 (Accept=1 for accept, Accept=0 for reject)

effort3: Supplier's choice of effort in transaction period 3 (ranges between 0 and 10)

profitr3: Subject's surplus from transaction period 3 (does not include initial endowment)

profitscgame: Subject's profit in the Supply Chain Game (includes initial endowment of 60 for suppliers and 100 for buyers)

Data set 3_B: MainRepeatOtherProf.dta (Main and repeated interactions treatments)

Subject: Subject ID (Coding: each subject's ID has WXYZ, where YZ are subject-specific and WX correspond to the session number. W is only used for session numbers greater or equal to 10)

effort: Supplier's choice of effort (ranges between 0 and 10)

type: Denotes a player's role in the Supply Chain Game (Type=1 for suppliers, Type=2 for buyer)

type2: Denotes a player's role in the Investment Game (Type2=1 for senders, Type2=2 for receivers)

investment: Supplier's investment decision (Investment=1 for Specific, Investment=2 for General)

price: Buyer's price decision (ranges between 1 and 100)

accept: Supplier's acceptance decision (Accept=1 for accept, Accept=0 for reject)

profitscgame: Subject's profit in the Supply Chain Game (includes initial endowment of 60 for suppliers and 100 for buyers)

otherprofitscgame: Profit in the Supply Chain Game of the Subject's partner

riskaversion: Measure of risk aversion from additional risk aversion task (fraction of times a subject chose the fixed payoff over the 50-50 lottery)

sent: Measure of trust in additional investment game (amount sent in additional investment game)

reciprocity: Measure of reciprocity from additional investment game (difference between minimum and maximum amount returned as a fraction of the amount received)

reciprocity2: Second measure of reciprocity from additional investment game (difference between minimum and maximum amount returned (used in the main body of the paper))

reciprocity3: Third measure of reciprocity from additional investment game (sum of all net returns)

investment_one: Dummy for whether the supplier chose the specific investment (takes value =1 if supplier chose the specific investment and value=0 if the supplier chose the general investment)

inv1count: Number of times a supplier chose the specific investment in the 10 rounds played (ranges between 0 and 10)

period: Round of Play (ranges between 1 and 10)

price1: Buyer's price decision in transaction period 1 (ranges between 1 and 100)

accept1: Supplier's acceptance decision in transaction period 1 (Accept=1 for accept, Accept=0 for reject)

effort1: Supplier's choice of effort in transaction period 1 (ranges between 0 and 10)

profitr1: Subject's surplus from transaction period 1 (does not include initial endowment)

otherprofitr1: Other subject's surplus from transaction period 1 (does not include initial endowment)

price2: Buyer's price decision in transaction period 2 (ranges between 1 and 100)

accept2: Supplier's acceptance decision in transaction period 2 (Accept=1 for accept, Accept=0 for reject)

effort2: Supplier's choice of effort in transaction period 2 (ranges between 0 and 10)

profitr2: Subject's surplus from transaction period 2 (does not include initial endowment)

otherprofitr2: Other subject's surplus from transaction period 2 (does not include initial endowment)

price3: Buyer's price decision in transaction period 3 (ranges between 1 and 100)

accept3: Supplier's acceptance decision in transaction period 3 (Accept=1 for accept, Accept=0 for reject)

effort3: Supplier's choice of effort in transaction period 3 (ranges between 0 and 10)

profitr3: Subject's surplus from transaction period 3 (does not include initial endowment)

otherprofitr3: Other subject's surplus from transaction period 3 (does not include initial endowment)

profitscgamer: Subject's profit in the Supply Chain Game in the repeated treatment (includes initial endowment of 60 for suppliers and 100 for buyers)

otherprofitscgamer: Other subject's profit in the Supply Chain Game in the repeated treatment (includes initial endowment of 60 for suppliers and 100 for buyers)

Data set 4_A: demographics_Main_and_Random.dta (Demographics data collected in Main and Random treatments)

Subject: Subject ID (Coding: each subject's ID has WXYZ, where YZ are subject-specific and WX correspond to the session number. W is only used for session numbers greater or equal to 10)

Age: Subject's age

Gender: Subject's gender (Female, Male)

Race: Subject's race or ethnicity (White, Black/African American, Asian or Pacific Islander, Hispanic, Multiracial, Other)

Edu_delf: Subject's highest level of education (Some or no high school, High school degree or equivalent, Some college, Bachelor's degree or equivalent, Graduate degree or equivalent)

Major: Subject's major (Business Administration, Social Sciences (Anthro., Pol. Science, History), Economics, Sciences (Bio., Physics, Math, Chem.), Medicine, Engineering, Law, Arts and Humanities, Architecture and Design, Other.)

Edu_parent: Highest level of education completed by either of the subject's parents (Some or no high school, High school degree or equivalent, Some college, Bachelor's degree or equivalent, Graduate degree or equivalent)

Income: Subject's average personal income per month: (less than \$400, \$400.1 - \$800, \$800.1 - \$1,200, \$1,200.1 - \$1,600, \$1,600.1 - \$2,000, \$2,000.1 - \$2,400, \$2,400.1 - \$2,800, \$2,800.1 - \$3,200, \$3,200.1 - \$3,600, More than \$3,600)

Data set 4_B: demographics_Repeated.dta (Demographics data collected in Main and Random treatments)

Subject: Subject ID (Coding: each subject's ID has WXYZ, where YZ are subject-specific and WX correspond to the session number. W is only used for session numbers greater or equal to 10)

Age: Subject's age

Gender: Subject's gender (Female, Male)

Race: Subject's race or ethnicity (White, Black/African American, Asian or Pacific Islander, Hispanic, Multiracial, Other)

Edu_delf: Subject's highest level of education (Some or no high school, High school degree or equivalent, Some college, Bachelor's degree or equivalent, Graduate degree or equivalent)

Major: Subject's major (Business Administration, Social Sciences (Anthro., Pol. Science, History), Economics, Sciences (Bio., Physics, Math, Chem.), Medicine, Engineering, Law, Arts and Humanities, Architecture and Design, Other.)

Majorengeconbusiness: Dummy variable takes value = 1 if the subject's major is engineering, economics, or business, and value=0 otherwise.

Edu_parent: Highest level of education completed by either of the subject's parents (Some or no high school, High school degree or equivalent, Some college, Bachelor's degree or equivalent, Graduate degree or equivalent)

Income: Subject's average personal income per month: (less than \$400, \$400.1 - \$800, \$800.1 - \$1,200, \$1,200.1 - \$1,600, \$1,600.1 - \$2,000, \$2,000.1 - \$2,400, \$2,400.1 - \$2,800, \$2,800.1 - \$3,200, \$3,200.1 - \$3,600, More than \$3,600)