

Name: _____ is going to be "Player A" in this game

Name: _____ is going to be "Player B" in this game

Centipede game activity

Game theory

To begin, please **pair up with a partner and write both of your names on the top of this sheet of paper**. (Use only one sheet of paper between the two of you.) The person whose name appears first on the top of this piece of paper is going to be "Player A" in this game, while the person whose name appears second will be "Player B." The game works as follows.

In the first round of game, there's one dollar on the table and Player A can either *take* that dollar or *pass* on taking it.

If Player A takes the dollar, then he/she gets the dollar, Player B gets nothing, and the game is over.

If Player A passes, then the pile of money grows by one dollar and Player B can either take that pile of money or pass on taking it.

If Player B takes the pile of money, then he/she gets all of that money, Player A gets nothing, and the game is over.

The game continues as such with the pile of money continuing to grow if both players continue to pass until a final round.

In the final round, Player B can either take the pile of money or he/she can pass on it and both players get nothing.

Make sure that both you and your partner thoroughly understand this game, then play it by passing this piece of paper back and forth and circling your choice to either take the pile of money or pass on taking it.

