

Strategic donation as a signal to cooperate: a laboratory experiment

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Abstract

We hypothesized that some people non-anonymously donate to signal their cooperativeness to others and to build a continuing cooperative relationship with them. To test the existence of this behavior, named here “strategic donation,” we conducted a laboratory experiment where, right after a donation stage, a repeated prisoner’s dilemma game was played between the donator and a third-party of the donation. We confirmed the strategic donation exists; donation amount and donator’s cooperation rate were (un)correlated when the donation amount was (in)visible to the third-party, suggesting that the donator’s strategic consideration, rather than the donator’s personality, caused the correlation in visible situation.

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