

16. SMALL PROBABILITIES - INSTRUCTIONS

Neutral Task (High stakes):

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 Below you are asked to choose repeatedly between different certain amounts and a draw from an urn containing **1** red ball(s) and **9** black balls. The prize for drawing a red ball from the urn is **EUR100**.

In the payoff determination phase, one of your choices below will be selected at random. In case you have chosen the sure amount in the selected choice, you will simply be paid that amount. In case you have chosen the extraction, one ball will be extracted from the urn: if the ball is red, you will be paid EUR 100; if the ball is black you will obtain nothing.

<input type="radio"/> I choose EUR0.5 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR1 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR2 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR3 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR4 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR5 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR6 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR7 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR8 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR9 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR10 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR11 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR12 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR13 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR14 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR15 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR16 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR17 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR18 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR19 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR20 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR21 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR22 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR23 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR24 for sure	<input type="radio"/> I choose the extraction
<input type="radio"/> I choose EUR25 for sure	<input type="radio"/> I choose the extraction

Investment Task: Choice List



You are now given a **EUR 6 endowment**.

You must now decide whether to keep that money or use it to make a potentially lucrative investment. Imagine this situation: a colleague of yours has offered you the opportunity to buy a share in a new clean energy project. Given the massive demand by governments for renewable energy, this investment offers a **payoff of EUR40**.

However, there is a chance that your technology will be abandoned in favor of a more promising technology. You know that there are **1000 alternative projects** being implemented, of which **59 will finally be pursued** and hence produce their promised payoffs.

Please indicate in the list below how much of your EUR 6 endowment, if any, is the maximum amount you would be willing to invest. One of your choices will be selected for real play. If you have chosen not to invest, you keep your EUR6. If you have chosen to invest, the price will be deducted from your endowment and the investment will be played out. If your investment is successful, you get EUR40 plus what remains of your endowment, if not you obtain only what remains of your endowment.

- | | |
|--|--|
| <input type="radio"/> I choose to invest in the project for EUR0.5 | <input type="radio"/> I prefer not to invest |
| <input type="radio"/> I choose to invest in the project for EUR1 | <input type="radio"/> I prefer not to invest |
| <input type="radio"/> I choose to invest in the project for EUR1.5 | <input type="radio"/> I prefer not to invest |
| <input type="radio"/> I choose to invest in the project for EUR2 | <input type="radio"/> I prefer not to invest |
| <input type="radio"/> I choose to invest in the project for EUR2.5 | <input type="radio"/> I prefer not to invest |
| <input type="radio"/> I choose to invest in the project for EUR3 | <input type="radio"/> I prefer not to invest |
| <input type="radio"/> I choose to invest in the project for EUR3.5 | <input type="radio"/> I prefer not to invest |
| <input type="radio"/> I choose to invest in the project for EUR4 | <input type="radio"/> I prefer not to invest |
| <input type="radio"/> I choose to invest in the project for EUR4.5 | <input type="radio"/> I prefer not to invest |
| <input type="radio"/> I choose to invest in the project for EUR5 | <input type="radio"/> I prefer not to invest |
| <input type="radio"/> I choose to invest in the project for EUR5.5 | <input type="radio"/> I prefer not to invest |
| <input type="radio"/> I choose to invest in the project for EUR6 | <input type="radio"/> I prefer not to invest |

