**Second-Year Advanced Micro: Behavioural Economics**
**Vincent Crawford**                    **Decision Survey, Hilary Term 2010**

Please take a few minutes to fill out a short survey designed to highlight some of the issues studied and assumptions made in this part of the lectures. The results will be anonymously tabulated and used to motivate some of the ideas. The results will be most useful if you answer the questions carefully, and as if you were really being paid for the outcomes.

1. Would you choose to lose $500 for sure or to lose $1000 with probability 0.5? Please check one:

___ lose $500 for sure              ___ lose $1000 with probability 0.5


2. Would you choose to receive $3,000 for sure or to receive $4,000 with probability 0.8? Please check one:

___ receive $3000 for sure  ___ receive $4000 with probability 0.8


3. Suppose that one out of a hundred people in the population have HIV. There is a test for HIV that is 99% accurate. This means that if a person has HIV, the test returns a positive result with 99% probability; and if a person does not have HIV, it returns a negative result with 99% probability. If a person's HIV test comes back positive (and you know nothing else about her/him), what is the probability that s/he has HIV? Please fill in a percentage amount:

____% probability that s/he has HIV


4. Jack's been drawn from a population which is 30% engineers and 70% lawyers. Jack wears a pocket protector. Use your own estimate of the respective probabilities that engineers and lawyers wear pocket protectors to estimate the probability that Jack is an engineer. Please fill in a percentage amount:

____% probability that Jack is an engineer

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1. Would you choose to receive $500 for sure or to receive $1000 with probability 0.5? Please check one:

___ receive $500 for sure     ___ receive $1000 with probability 0.5


2. Would you choose to receive $3,000 with probability 0.25 or $4,000 with probability 0.2? Please check one:

___ receive $3000 with probability 0.25 ___ receive $4000 with probability 0.2


3. Suppose that one out of a hundred people in the population have HIV. There is a test for HIV that is 99% accurate. This means that if a person has HIV, the test returns a positive result with 99% probability; and if a person does not have HIV, it returns a negative result with 99% probability. If a person's HIV test comes back positive (and you know nothing else about her/him), what is the probability that s/he has HIV? Please fill in a percentage amount:

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