#### Handout for students

The following pages are to be handed out to students. For one, they describe the contents of the envelopes.

Stimuli Used During Experiment

Here is a list of the content of the envelopes. Please check that your envelope has the content as described here. Note that one envelope, the one listed last, contains two prizes exceeding €3000. Calculations of EV under random choice are given at the end.

Calculations:

Expected value of randomly drawn prospect from page TO1.1 is

TO1.1 = (2/3 × 23 + 1/3 × 0 + 2/3 × 18 + 1/3 × 9)/2;

Expected value of randomly drawn prospect from page TO1.2 is

TO1.2 = (2/3 × 27 + 1/3 × 0 + 2/3 × 23 + 1/3 × 9)/2;

Expected value of randomly drawn prospect from page TO1.3 is

TO1.3 = (2/3 × 32 + 1/3 × 0 + 2/3 × 27 + 1/3 × 9)/2;

Expected value of randomly drawn prospect from page TO1.4 is

TO1.4 = (2/3 × 36 + 1/3 × 0 + 2/3 × 32 + 1/3 × 9)/2;

Expected value of randomly drawn prospect from page TO2.1 is

TO2.1 = (1/2 × 46 + 1/2 × 3 + 1/2 × 25 + 1/2 × 16)/2;

Expected value of randomly drawn prospect from page TO2.2 is

TO2.2 = (1/2 × 69 + 1/2 × 3 + 1/2 × 46 + 1/2 × 16)/2;

Expected value of randomly drawn prospect from page TO2.3 is

TO2.3 = (1/2 × 92 + 1/2 × 3 + 1/2 × 69 + 1/2 × 16)/2;

Expected value of randomly drawn prospect from page TO2.4 is

TO2.4 = (1/2 × 116 + 1/2 × 3 + 1/2 × 92 + 1/2 × 16)/2;

Expected value of randomly drawn prospect from page TO3.1 is

TO3.1 = (1/3 × 253 + 2/3 × 100 + 1/3 × 210 + 2/3 × 120)/2;

Expected value of randomly drawn prospect from page TO3.2 is

TO3.2 = (1/3 × 297 + 2/3 × 100 + 1/3 × 253 + 2/3 × 120)/2;

Expected value of randomly drawn prospect from page TO3.3 is

TO3.3 = (1/3 × 342 + 2/3 × 100 + 1/3 × 297 + 2/3 × 120)/2;

Expected value of randomly drawn prospect from page TO3.4 is

TO3.4 = (1/3 × 3100 + 2/3 × 100 + 1/3 × 3050 + 2/3 × 120)/2;

Total expected value under random (blind) play, i.e. the expected value of a prospect randomly drawn from a randomly drawn envelope, is

(33 × TO1.1 + 3 × TO1.2 + 3 × TO1.3 + 3 × TO1.4

+

33 × TO2.1 + 3 × TO2.2 + 3 × TO2.3 + 3 × TO2.4

+

9 × TO3.1 + 3 × TO3.2 + 3 × TO3.3 + 1 × TO3.4)/100

= 53.27 = average payment if random (blind) play.

⅔

⅓

23

0

⅔

⅓

18

9

Page TO1.1

Contained in 33 envelopes:

04, 10, 11, 18, 23, 25, 32, 33, 34, 37, 39, 42, 44, 45, 46, 47, 52, 53, 60, 61, 66, 67, 68, 73, 74, 76, 77, 83, 88, 90, 92, 97, 99

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⅔

⅓

27

0

⅔

⅓

23

9

Page TO1.2

Contained in 3 envelopes:

55, 62, 81

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

⅔

⅓

32

0

⅔

⅓

27

9

Page TO1.3

Contained in 3 envelopes:

40, 72, 93

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

⅔

⅓

36

0

⅔

⅓

32

9

Page TO1.4

Contained in 3 envelopes:

05, 29, 87

25

½

46

½

Page TO2.1

16

3

½

½

Contained in 33 envelopes:

02, 06, 08, 09, 15, 16, 17, 21, 22, 27, 28, 30, 38, 48, 50, 56, 57, 59, 63, 64, 65, 70, 71, 75, 78, 79, 82, 85, 91, 94, 95, 96, 100

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Page TO2.2

46

½

69

½

16

½

3

½

Contained in 3 envelopes:

03, 13, 54,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Page TO2.3

69

½

92

½

16

½

3

½

Contained in 3 envelopes:

07, 31, 51

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

½

½

116

3

½

½

92

16

Page TO2.4

Contained in 3 envelopes:

14, 26, 43

⅓

⅓

⅔

253

100

⅔

210

120

Page TO3.1

Contained in 9 envelopes:

19, 20, 35, 36, 41, 58, 86, 89, 98

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

⅓

⅓

⅔

297

100

⅔

253

120

Page TO3.2

Contained in 3 envelopes:

12, 24, 80

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

⅓

⅓

⅔

342

100

⅔

297

120

Page TO3.3

Contained in 3 envelopes:

01, 49, 69

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

⅓

⅓

⅔

3100

100

⅔

3050

120

Page TO3.4

Contained in 1 envelope:

84