

Experiment Instructions

Session I only:

This experiment comprises two sessions. Each session will take approximately **20-25 minutes** to complete. Note that you will complete the first session today and the second session 2-3 weeks from now. Please read the following directions very carefully.

Session II only:

This experiment comprises two sessions. Each session will take approximately **20-25 minutes** to complete. You have already completed the first session. **Today you will complete the second session.**

Both Sessions I and II:

In this session, you will be making choices between two lotteries such as those illustrated by “Option A” and “Option B” below. The monetary payouts for your choices are determined by the computer equivalent of throwing a ten-sided die for which outcomes 1-10 are equally likely. You will make ten choices, one per question. The ten questions will be referred to as the “decision table.” For example, if you choose Option A in Decision 1 (i.e. the first row of the decision table), you will have a 1 in 10 chance of earning \$3.00 and a 9 in 10 chance of earning \$2.50. Likewise, Option B would provide you with a 1 in 10 chance of earning \$8.00 and a 9 in 10 chance of earning \$0.50.

1	Option A: \$3.00 if the die is 1 OR \$2.50 if the die is 2 - 10	Option A
	Option B: \$8.00 if the die is 1 OR \$0.50 if the die is 2 - 10	Option B

The question above would represent only the first row of the decision table. When you are completing the experiment, you will be presented with all ten rows of the decision table on one page. In each row of the decision table, you will be given the choice between Option A and Option B. You can make your choice by clicking on the “Option A” or “Option B” radio buttons that correspond to the probabilities and payout amounts given in that decision row. You may only select one option in each row, but you are free to change your decisions as you wish. Please note that the decision above is provided as an example; your choices for example questions will not be considered.

Experiment Instructions

Even though you will be making ten decisions, only one of your choices will be used to determine your payout. How will this particular choice be determined? It will depend on the “throw of the die” that is randomly generated by the computer. Neither you nor the experimenter will know in advance which decision will be used, so please think carefully about each question. Below is a snapshot of rows 4-6 of the decision table. Suppose that the random throw of the die is 4. Then your choice, Option A or Option B, for decision 4 below would be used for your payout, while the other decisions would be ignored.

4	Option A: \$3.00 if the die is 1 - 4 <i>OR</i> \$2.50 if the die is 5 - 10	Option A
	Option B: \$8.00 if the die is 1 - 4 <i>OR</i> \$0.50 if the die is 5 - 10	Option B
5	Option A: \$3.00 if the die is 1 - 5 <i>OR</i> \$2.50 if the die is 6 - 10	Option A
	Option B: \$8.00 if the die is 1 - 5 <i>OR</i> \$0.50 if the die is 6 - 10	Option B
6	Option A: \$3.00 if the die is 1 - 6 <i>OR</i> \$2.50 if the die is 7 - 10	Option A
	Option B: \$8.00 if the die is 1 - 6 <i>OR</i> \$0.50 if the die is 7 - 10	Option B

After the throw of the die fixes the decision row that will be used, a second throw of the die will determine your earnings given the option you chose for that row.

As an example, suppose that the first number generated by the computer is 4. Your choice, Option A or Option B, for row 4 of the decision table fixes the lottery that will be played. A second throw of the die will determine your payoff from the lottery that was fixed by your choice and the first throw of the die. Therefore, a 1, 2, 3, or 4 will result in the higher payoff for the option you chose, and a throw of 5, 6, 7, 8, 9, or 10 will result in the lower payoff. Of course, the relative benefits of this second throw of the die depend on your choice of Option A or Option B.

Experiment Instructions

When you are finished with the instructions, you will see a table with ten decisions in ten separate rows. This will be a test round to make sure you understand the instructions. Please note that your choices for these ten questions are completely hypothetical, and thus, will not be used to determine your earnings. When you finish these ten test round decisions, you will be presented with a scenario. After you read the scenario, please proceed to the following page which marks the beginning of the experiment.

You will choose Option A or Option B for each of the ten rows by clicking on the corresponding radio buttons. You are free to make these choices in any order and change them as many times as you would like to before submitting your responses. One of the rows will then be selected at random, and the Option you chose in that row will be used to determine your earnings. A second random number which corresponds to the throw of the die will be generated by the computer. Please remember that the number is equally likely to be 1, 2, 3, ..., 10. This number will be used to determine whether the higher payoff or lower payoff will be given to you.

Although you are only completing the first session today, your earnings will be determined at the end of the two sessions. Please note that your **total earnings** will equal the **average of your earnings for the two sessions**.

In order to recover your earnings, both sessions must be completed.

Experiment Instructions

To review the key points of the directions:

- You will indicate an option, A or B, for **each** of the decision rows by clicking on the corresponding button on the right side of each decision.
- A random number will fix which row of the table – that is, which decision number – will be used to compute your earnings. In this row of the decision table, since your decision fixes the choice of either Option A or B, a second random number will determine the monetary payoff for your decision.
- Your total earnings will be the average of your earnings in this session and in the second session.

Experiment Instructions

When you are ready to move on, you may begin the test round by clicking NEXT. Please remember that the test round will not be used to determine your payoffs.

Session I (Poor then Wealthy, Wealthy then Poor) only:

After the test round, you will be given a scenario and then asked to complete another set of decisions which **will** count toward your payoffs.

Session II only:

When you are finished, you will be asked to complete a very brief exit survey.

Session I (Control) only:

After the test round, you will see a blank page. Then you will be asked to complete another set of decisions which **will** count toward your payoffs.

Session II (Control) only:

When you are finished, you will be asked to complete a very brief exit survey.

Experiment Instructions

Please select either Option A or Option B for each of the ten decisions below. Please remember that each decision has an equal chance of being used to determine your earnings.

NOTE: *The decisions you make on this page will not count towards your earnings. This page is a test page.*

1	Option A: \$2.00 if the die is 1 OR \$1.60 if the die is 2 - 10	Option A
	Option B: \$3.85 if the die is 1 OR \$0.10 if the die is 2 - 10	Option B
2	Option A: \$2.00 if the die is 1 - 2 OR \$1.60 if the die is 3 - 10	Option A
	Option B: \$3.85 if the die is 1 - 2 OR \$0.10 if the die is 3 - 10	Option B
3	Option A: \$2.00 if the die is 1 - 3 OR \$1.60 if the die is 4 - 10	Option A
	Option B: \$3.85 if the die is 1 - 3 OR \$0.10 if the die is 4 - 10	Option B
4	Option A: \$2.00 if the die is 1 - 4 OR \$1.60 if the die is 5 - 10	Option A
	Option B: \$3.85 if the die is 1 - 4 OR \$0.10 if the die is 5 - 10	Option B
5	Option A: \$2.00 if the die is 1 - 5 OR \$1.60 if the die is 6 - 10	Option A
	Option B: \$3.85 if the die is 1 - 5 OR \$0.10 if the die is 6 - 10	Option B
6	Option A: \$2.00 if the die is 1 - 6 OR \$1.60 if the die is 7 - 10	Option A
	Option B: \$3.85 if the die is 1 - 6 OR \$0.10 if the die is 7 - 10	Option B
7	Option A: \$2.00 if the die is 1 - 7 OR \$1.60 if the die is 8 - 10	Option A
	Option B: \$3.85 if the die is 1 - 7 OR \$0.10 if the die is 8 - 10	Option B
8	Option A: \$2.00 if the die is 1 - 8 OR \$1.60 if the die is 9 - 10	Option A
	Option B: \$3.85 if the die is 1 - 8 OR \$0.10 if the die is 9 - 10	Option B
9	Option A: \$2.00 if the die is 1 - 9 OR \$1.60 if the die is 10	Option A
	Option B: \$3.85 if the die is 1 - 9 OR \$0.10 if the die is 10	Option B
10	Option A: \$2.00 if the die is 1 - 10	Option A
	Option B: \$3.85 if the die is 1 - 10	Option B

Experiment Instructions

You have completed the test round successfully.

Wealthy then Poor and Poor then Wealthy only:

On the next page, you will be given a brief scenario. Please carefully read the scenario and take 1-2 minutes to imagine yourself bound by the circumstances described. When you have fully processed the scenario, click NEXT to move on to the decision experiment.

To summarize, you will be given a scenario on the next page. Take a couple minutes to imagine yourself in this scenario. When you have digested its content, move on to the decision experiment by clicking NEXT.

By clicking NEXT, you will move on to the scenario.

Control only:

On the next page, you will see nothing. Please click NEXT to move on to the decision experiment.

By clicking NEXT, you will move on to the next (blank) page.

Experiment Instructions

Wealthy scenario:

Imagine that in several years, due to some mixture of wise choices, hard work, and good fortune, you have become very wealthy. You own a large house or apartment with no mortgage or other types of debt. You earn a very high salary at work and have lots of disposable income. You can purchase expensive items, treat yourself to elegant meals, and travel on luxurious vacations. When you see something you like, you do not need to think about whether you can afford it. You never have any financial troubles and paying bills is never an issue.

Please put yourself in the position of the person described in this scenario and proceed to the decisions.

Poor scenario:

Imagine that in several years, despite your hard work and seemingly smart choices, you have become very poor. You cannot afford to pay the rent or the mortgage on your small home, and you are burdened with loans that need to be paid off. You earn a low wage at work, have almost no disposable income, and struggle to make ends meet. For the most part, you purchase items only when you absolutely have to. You almost never eat out or treat yourself to nice things. When you see something you like, all you can think about are the bills you have to pay and the payments on your loans. You are in financially dire straits with everything from bills to buying groceries and other essential items.

Please put yourself in the position of the person described in this scenario and proceed to the decisions.

Control: [blank screen]

Experiment Instructions

Please select either Option A or Option B for each of the ten decisions below. Please remember that each decision has an equal chance of being used to determine your earnings.

1	Option A: \$8.00 if the die is 1 OR \$6.40 if the die is 2 - 10 Option B: \$15.40 if the die is 1 OR \$0.40 if the die is 2 - 10	Option A Option B
2	Option A: \$8.00 if the die is 1 - 2 OR \$6.40 if the die is 3 - 10 Option B: \$15.40 if the die is 1 - 2 OR \$0.40 if the die is 3 - 10	Option A Option B
3	Option A: \$8.00 if the die is 1 - 3 OR \$6.40 if the die is 4 - 10 Option B: \$15.40 if the die is 1 - 3 OR \$0.40 if the die is 4 - 10	Option A Option B
4	Option A: \$8.00 if the die is 1 - 4 OR \$6.40 if the die is 5 - 10 Option B: \$15.40 if the die is 1 - 4 OR \$0.40 if the die is 5 - 10	Option A Option B
5	Option A: \$8.00 if the die is 1 - 5 OR \$6.40 if the die is 6 - 10 Option B: \$15.40 if the die is 1 - 5 OR \$0.40 if the die is 6 - 10	Option A Option B
6	Option A: \$8.00 if the die is 1 - 6 OR \$6.40 if the die is 7 - 10 Option B: \$15.40 if the die is 1 - 6 OR \$0.40 if the die is 7 - 10	Option A Option B
7	Option A: \$8.00 if the die is 1 - 7 OR \$6.40 if the die is 8 - 10 Option B: \$15.40 if the die is 1 - 7 OR \$0.40 if the die is 8 - 10	Option A Option B
8	Option A: \$8.00 if the die is 1 - 8 OR \$6.40 if the die is 9 - 10 Option B: \$15.40 if the die is 1 - 8 OR \$0.40 if the die is 9 - 10	Option A Option B
9	Option A: \$8.00 if the die is 1 - 9 OR \$6.40 if the die is 10 Option B: \$15.40 if the die is 1 - 9 OR \$0.40 if the die is 10	Option A Option B
10	Option A: \$8.00 if the die is 1 - 10 Option B: \$15.40 if the die is 1 - 10	Option A Option B

Experiment Instructions

Please answer the following questions to the best of your ability.

What is your sex? (Male, Female)

What is your racial or ethnic background? (Please check all that apply.)

(White or Caucasian, Asian or Asian-American, Black or African-American, Native American, Hispanic, Other)

If you have a religious affiliation, please specify: (Fill in)

Are you an international student? (Yes, No)

How many people are in your household? (This includes yourself, siblings, parents, guardians, and any others who share income and expenses.) Number: (Fill in)

Please indicate your annual household income (in US dollars).

(\$0 - \$24,999, \$25,000 - \$49,999, \$50,000 - \$74,999, \$75,000 - \$99,999, \$100,000 - \$124,999, \$125,000 - \$149,999, \$150,000 or more)

In addition to attending school, how would you describe your current employment situation? (Full-time employment outside of school, Part-time employment off campus, Part-time employment on campus, Student only, Other)

Please indicate, to the best of your ability, what you expect your annual household income will be ten years after you graduate from college (in present US dollars).

(\$0 - \$24,999, \$25,000 - \$49,999, \$50,000 - \$74,999, \$75,000 - \$99,999, \$100,000 - \$124,999, \$125,000 - \$149,999, \$150,000 or more)

Who is *primarily* responsible for your tuition and living expenses while you are attending [university name withheld]? (Please pick the choice which best describes your funding source.) (Self, Parent, Scholarship or Grant, Loans, Combination)

Please indicate the highest level of education your parents have completed. (Select one.)

Father (Some high school, High school / GED, Some college, 2-year college degree (Associates), 4-year college degree (BA, BS), Master's degree, Doctoral degree)

Mother (Some high school, High school / GED, Some college, 2-year college degree (Associates), 4-year college degree (BA, BS), Master's degree, Doctoral degree)

Please indicate your major. If your major is not declared, type "undeclared".

Experiment Instructions

Session I only:

You have completed the first session of the experiment.

You will be contacted in a 2-3 weeks about completing the second session.

Please remember:

- You are expected to not discuss or share any details about the session you have completed today.
- In order to obtain your earnings, you must also complete the second session. Your total earnings will be equal to the numerical average of your earnings for the first and second sessions.
- If you have any questions or concerns, please e-mail [e-mail withheld].

When you are finished, please click DONE.

Session II only:

You have successfully completed both sessions of the experiment.

You will be contacted shortly with information about your earnings from participating in this experiment.

Please remember:

- You are expected to not discuss or share any details about the session you have completed today.
- Your total earnings will be equal to the average of your earnings for the first and second sessions.
- If you have any questions or concerns, please e-mail [e-mail withheld].