

### 14.13 Psychology and Economics Spring 2020 Quiz 0

**Question 1:** About how many times per month do you think you should exercise?

**Question 2:** If you add up the last five digits of your cell phone number, what is the sum?

**Question 3:** How much (in \$) would you be willing to pay for a Boston Celtics ticket?

**Question 3:** Suppose you were given \$100, but then had to choose one of two options. Would you rather lose \$50 for sure, OR lose \$100 with 50% probability (and lose \$0 otherwise)?

**Question 4:** Would you choose to receive \$100 for sure, OR receive \$150 with 80% probability (and receive \$0 otherwise)?

**Question 5:** What do you think is the probability (in %) that upon finishing your undergraduate studies, YOU CAN land a job with a starting salary of over \$200,000 per year (total compensation, independently of whether you want to land such a job)?

**Question 6:** Suppose I could give you either \$100 in cash in 52 weeks or \$x in cash in 54 weeks. What is the x for which you would be indifferent between the two options?

**Question 7:** Imagine that you are about to purchase an iPad case for \$30. The salesman tells you that you can get the exact same good in a nearby location for \$15 off. You would need to walk for 30 minutes in total. Would you go to the other store?

**Question 8:** Imagine you have been given \$10 to split between yourself and another, randomly chosen, MIT undergraduate. You can keep any part of the \$10 for yourself, and give the rest of the \$10 to the other student. After you have made your choice, the money will be wired to the other student's bank account and the other student will be told of the circumstances of your decision. (That is, she will be told that this is what another MIT undergraduate chose to give her from a \$10 pot. She will not know your identity.) How much of the \$10 would you give to the other student?

**Question 9:** In the previous question, suppose now that after you have made your choice, the money will be wired anonymously to the other student's bank account, and she will never know how it got there (she may not even notice), although of course she will still be able to spend it. How much of the \$10 would you give to the other student?

**Question 10:** Suppose one in a hundred people have HIV. We have 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 came back positive, what is the probability (in %) that she has HIV?

**Question 11:** About how many times per month do you actually exercise?

**Question 12:** What fraction of the students (in %) in THIS CLASS do you think CAN, upon finishing their undergraduate studies, land a job with a starting salary of over \$200,000 per year (total compensation, independently of whether they want to land such a job)?

**Question 13:** Would you choose to win \$50 for sure OR win \$100 with 50% probability (and win \$0 otherwise)?

**Question 14:** Would you choose to receive \$100 with 25% probability (and receive \$0 otherwise) OR receive \$150 with 20% probability (and receive \$0 otherwise)?

**Question 15:** If you had to choose between one of the following two options, what would you choose: lose \$100 for sure OR lose \$150 with 80% probability (and lose \$0 otherwise)?

**Question 16:** Imagine that you are about to purchase an iPad for \$500. The salesman tells you that you can get the exact same good in a nearby location for \$15 off. You would need to walk for 30 minutes in total. Would you go to the other store?

**Question 17:** Suppose I could give you either \$100 in cash now or \$x in cash in 2 weeks. What is the x for which you would be indifferent between the two options?

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