

Time and Risk Preferences

Mosoriot – Round 3

Household ID:	Respondent ID:	Date of Interview:
---------------	----------------	--------------------

Instructions: For all of these tradeoff games, make it clear to the respondent that the prizes are hypothetical. Do not give them the impression that they will be receiving any of these prizes as compensation for participating in the interview. In the games below, do NOT ask the same question twice in order to obtain consistent answers.

Read to respondent: The following questions are meant to learn about your attitudes toward risk and your decisions concerning events in the present and future.

1	The following three questions concern the purchase of lottery or raffle tickets.	
1a	Have you ever bought lottery or raffle tickets? 1 Yes 2 No →2	
1b	How often do you buy lottery or raffle tickets? 1 once every week 2 once every two weeks 3 once every month 4 once every two months or more 5 once every year 6 less than once a year	
1c	How much money did you spend on lottery tickets in the <u>past six months</u> ?	

2	You have been offered a prize of one meal at a nyama choma hotel, but you must use this prize within two months. When would you request this prize? 1 Request the prize this week 2 Wait for a while before requesting the prize	
---	--	--

3	Suppose you are going to be given (or purchase) a cow and you have a choice between two different types of cows each of which has a different milk production profile. The type 1 cow will <u>certainly</u> produce 10 litres of milk everyday. But for each of the type 2 cows, we are <u>not certain</u> exactly how much milk will be produced. For each of the following choices between the type 1 and type 2 cow, which type of cow do you prefer?		
	Type 1	Type 2	Skip
3a	10L guaranteed	50:50 chance at 5L:40L	1 →4
3b	10L guaranteed	50:50 chance at 5L:10L	2 →4
3c	10L guaranteed	50:50 chance at 5L:30L	1 →4
3d	10L guaranteed	50:50 chance at 5L:15L	2 →4
3e	10L guaranteed	50:50 chance at 5L:25L	1 →4
3f	10L guaranteed	50:50 chance at 5L:20L	
3g	INTERVIEWER: Did respondent understand the question? 1 Yes 2 No		

4	Suppose you have the option of receiving either 500 KShs now or a certain amount of money <u>one year from now</u> . Ask respondent if he/she prefers option 1 or 2 for each of the following choices.		
	Option 1	Option 2	Skip
4a	500 KShs now	1000 KShs one year from now	1 →5
4b	500 KShs now	500 KShs one year from now	2 →5
4c	500 KShs now	900 KShs one year from now	1 →5
4d	500 KShs now	600 KShs one year from now	2 →5
4e	500 KShs now	800 KShs one year from now	1 →5
4f	500 KShs now	700 KShs one year from now	
4g	INTERVIEWER: Did respondent understand the question? 1 Yes 2 No		

5	Indicate on a four-point scale the extent of agreement or disagreement with the following statements.			
	1 Disagree	2 Disagree somewhat	3 Agree somewhat	4 Agree
5a	Sometimes I am not as dependable or reliable in fulfilling important duties.			
5b	I often have difficulty organizing in advance for upcoming expenses like school fees and fertilizers.			
5c	I often feel that I speak or act too quickly, without thinking about the consequences.			

6	Suppose you have the option of receiving either 500 KShs now or a certain amount of money <u>one month from now</u> . Ask respondent if he/she prefers option 1 or 2 for each of the following choices.			
	Option 1	Option 2	Skip	
6a	500 KShs now	1000 KShs one month from now	1 → 7	
6b	500 KShs now	500 KShs one month from now	2 → 7	
6c	500 KShs now	900 KShs one month from now	1 → 7	
6d	500 KShs now	600 KShs one month from now	2 → 7	
6e	500 KShs now	800 KShs one month from now	1 → 7	
6f	500 KShs now	700 KShs one month from now		
6g	INTERVIEWER: Did respondent understand the question? 1 Yes 2 No			

7	<u>Men</u> : You have the option of choosing between <u>four</u> different plots of land. The plots of land are of the same size and you can grow maize on all the plots. The plots are different in that the annual maize output from using the same amount of inputs will be more variable on some than on others. <u>Women</u> : You have the option of choosing between <u>four</u> different chicken. The chickens are of the same size. The chickens are different in that the weekly production of eggs will be more variable for some than for others. <u>The following are the four plots of land / chickens</u> -- WRITE THESE FOR THE RESPONDENT:		
	Chicken 1 / Plot 1		50:50 chance 40:120 bags/eggs
	Chicken 2 / Plot 2		50:50 chance 35:125 bags/eggs
	Chicken 3 / Plot 3		50:50 chance 30:150 bags/eggs
	Chicken 4 / Plot 4		50:50 chance 20:160 bags/eggs
7a	If you had to choose between 1 and 2, which one would you choose?		
7b	If you had to choose between 3 and 4, which one would you choose?		
7c	If you had to choose one of the four listed above, which one would you choose?		
7d	INTERVIEWER: Did respondent understand the question? 1 Yes 2 No		

8	<p>Start by explaining that the next set of questions are meant to learn something about your impatience, and temptation to consume some luxury item. Let us consider the case of vouchers to be used at a nice duka. Suppose that you win <u>10 vouchers</u> that have a value of 500 KShs each. You can buy anything you want with the vouchers. The vouchers are available for immediate use starting today, and there is an absolute guarantee that they will be available whenever you request them within a two-year window. <u>Once you request a voucher, you must use it within one day</u>. You must request all the vouchers within a two-year period. The questions below concern how many of the vouchers you would ideally like to use in each year, how tempted you would be to depart from this ideal, and what you expect you would actually do in practice.</p>			
8a	From your current perspective, how many of the vouchers would you ideally like to use in year 1?			
8b	<p>What would you be tempted to do? Which of the following best describes you?</p> <p>1 I would be <u>strongly</u> tempted to <u>keep more</u> vouchers for the <u>second</u> year than ideal</p> <p>2 I would be <u>somewhat</u> tempted to <u>keep more</u> vouchers for the <u>second</u> year than ideal</p> <p>3 I would have <u>no temptation in either direction</u> → End</p> <p>4 I would be <u>somewhat</u> tempted to <u>use more</u> vouchers in the <u>first</u> year than ideal</p> <p>5 I would be <u>strongly</u> tempted to <u>use more</u> vouchers in the <u>first</u> year than ideal</p>			
8c	After having thought about your temptation and how you would <u>actually behave</u> , how many of the vouchers would you end up using in year 1?			