

## ***Chapter 2: Judgment and Choice Biases II***

### ***Problems – Group A***

#### **Problem 2.1**

Linda is 31 years old, single, outspoken, and very bright. She majored in philosophy. As a student, she was deeply concerned with issues of discrimination and social justice, and she participated in antinuclear demonstrations.

Rank order the following eight descriptions in terms of the probability (likelihood) that they describe Linda:

- a. Linda is a teacher in an elementary school.
  - b. Linda works in a bookstore and takes yoga classes.
  - c. Linda is active in a feminist movement.
  - d. Linda is a psychiatric social worker.
  - e. Linda is a member of the League of Women Voters.
  - f. Linda is a bank teller.
  - g. Linda is an insurance salesperson.
  - h. Linda is a bank teller who is active in a feminist movement.
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**Problem 2.2**

In four pages of a novel (about 2,000 words) in English, do you expect to find that more than ten words of                                  (seven-letter words that have the letter  $n$  in the sixth position)?

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**Problem 2.3**

What is the probability that, in the next 2 years, there will be a cure for AIDS?

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**Problem 2.4**

What is the probability that, during the next year, your car would be a “total loss” due to an accident?

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**Problem 2.5**

Which of the following causes more deaths:

- a. Digestive diseases
- b. Motor vehicle accidents

**Problem 2.6**

A newly hired engineer for a computer firm in Melbourne, Australia, has four years of experience and good all-around qualifications.

Do you think that her annual salary is above or below \$65,000? \_\_\_\_\_

What is your estimate of the salary? \_\_\_\_\_

**Problem 2.7**

You have a ticket to a concert, which cost you \$50. When you arrive at the concert hall, you find out that you lost the ticket. Would you buy another one (assuming you have enough money in your wallet)? \_\_\_\_\_

**Problem 2.8**

Which of the following two options do you prefer?

- a. Receiving \$10 today.
- b. Receiving \$12 a week from today.

## ***Problems – Group B***

### **Problem 2.9**

Linda is 31 years old, single, outspoken, and very bright. She majored in philosophy. As a student, she was deeply concerned with issues of discrimination and social justice, and she participated in antinuclear demonstrations.

Rank order the following eight descriptions in terms of the probability (likelihood) that they describe Linda:

- a. Linda is a teacher in an elementary school.
  - b. Linda works in a bookstore and takes yoga classes.
  - c. Linda is active in a feminist movement.
  - d. Linda is a psychiatric social worker.
  - e. Linda is a member of the League of Women Voters.
  - f. Linda is a bank teller.
  - g. Linda is an insurance salesperson.
  - h. Linda is a bank teller who is active in a feminist movement.
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**Problem 2.10**

In four pages of a novel (about 2,000 words) in English, do you expect to find that more than ten words of the form \_ \_ \_ \_ *ing* (seven-letter words that end with *ing*)?

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**Problem 2.11**

What is the probability that, in the next 2 years, there will be a new genetic discovery in the study of apes, and a cure for AIDS?

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**Problem 2.12**

What is the probability that, during the next year, your car would be a “total loss” due to:

- a. an accident in which the other driver is drunk?
- b. an accident for which you are responsible?
- c. an accident occurring while your car is parked on the street?
- d. an accident occurring while your car is parked in a garage?
- e. one of the above? \_\_\_\_\_

**Problem 2.13**

Which of the following causes more deaths:

- a. Digestive diseases
- b. Motor vehicle accidents

**Problem 2.14**

A newly hired engineer for a computer firm in Melbourne, Australia, has four years of experience and good all-around qualifications.

Do you think that her annual salary is above or below \$135,000? \_\_\_\_\_

What is your estimate of the salary? \_\_\_\_\_

**Problem 2.15**

You are going to a concert. Tickets cost \$50. When you arrive at the concert hall, you find out that you lost a \$50 bill. Would you still buy the ticket (assuming you have enough money in your wallet)? \_\_\_\_\_

**Problem 2.16**

Which of the following two options do you prefer?

- a. Receiving \$10 50 weeks from today.
- b. Receiving \$12 51 weeks from today.

***Exercises – Chapter 2***

1. Some people are afraid of flights. They are often surprised to learn that many more people lose their lives in motor vehicle accidents (on the ground) than in flights. Why are their evaluations of these numbers inaccurate? And does it follow that flying is less dangerous than driving?
2. Credit card companies used to offer students loans at enticing rates. Presumably, this was an example of voluntary trade among adults, which should be allowed in a free market. Provide a reason for which such offers may be restricted by law.
3. Mary noticed that, when she gets an unexpected bonus from her employer, she allows herself to buy goods she didn't plan to buy, and often ends up spending an amount of money larger than her bonus. What psychological effect is related to this phenomenon, and what goes wrong in her decision making?