FATALISM SCRIPT – LUCK

**Setting up**

**[Set up each table on opposite sides of the room. Clearly label the table with the beaker, ‘1’, and the table with the scales, ‘2’. Outside the room, place enough chairs/benches for 15 people and arrange them into two clear groups. Assign each group of chairs to a particular table and clearly label each area with the letter of its corresponding table.]**

**Welcome and general introduction**

Welcome. Thank you for taking the time to come today. [**Introduce Experimenters and Assistants**] You can ask any of us questions during today’s programme.

We have invited you here, today, because we want to learn about how people in this area take decisions. You are going to be asked to take decisions about money. The money that results from your decisions will be yours to keep.

What you need to do will be explained fully in a few minutes. But first we want to make a couple of things clear.

First of all, this is not our money. We belong to a university, and this money has been given to us for research.

Participation is voluntary. You may still choose not to participate in the exercise.

We also have to make clear that this is research about your decisions. Therefore you cannot talk with others. This is very important. I’m afraid that if we find you talking with others, we will have to send you home, and you will not be able to earn any money here today. Of course, if you have questions, you can ask one of us. We also ask you to switch off your mobile phones.

Make sure that you listen carefully to us. You will be able to make a good amount of money here today, and it is important that you follow our instructions.

During today’s programme, you will be asked to make one or more choices, which will be explained to you very clearly. Only one of your choices will be selected to determine the money you will be paid. At the end of the exercise, we will randomly select one of your decisions to be paid out. Any money you earn will be paid out to you privately and confidentially after all parts of the exercise are complete.

Now, before we explain what you need to do, it is really important to bear one more thing in mind. You will be asked to take decisions about money that are not a matter of getting it right or wrong; they are about what you prefer. However, it is important to think seriously about your decisions because they will affect how much money you can take home.

Instructions

**[Give the following instructions to everyone]**

You see in this room there are two tables. They correspond to two tasks that we will ask you to do today. The tasks are different and you should treat them separately. Only one task will actually be the one which determines the amount of money you leave with today. We will record your choices in both tasks and then at the end of today’s programme the task which determines how much money you will earn today will be selected by tossing this coin **[show coin]** that has 1 written on one side and 2 on the other, so that task 1 is exactly as likely to be selected as task 2. So because you don’t know which task will determine the amount of money you leave with today at this stage you should treat them both seriously.

Let’s first go to table 1. You see these counters? There are 20 counters spread out on this table. Each counter is worth 400 Shillings so 20 times 400 equals 8000 shillings. These 20 counters represent the 8,000 shillings on the voucher which you have been given a few weeks ago. That money is yours and you can do with it exactly what you like.

For example, you could decide to do nothing with it. That means we give you 8,000 actual shillings and you can take those 8,000 shillings home.

But we’re also giving you the opportunity to invest some or all of that money. Let me show you what happens if you decide to invest.

For example, let’s say you decided to invest 4,000 shillings. You would then take 10 counters (remember, each counter represents 400 shillings) and you would place them here, right next to the beaker.

Now, we would then toss this coin that has A written on one side and B on the other. We put it in the beaker, put the lid on top, shake it and then we put the beaker upside down, like this; we remove the beaker: and which side of the coin shows?

It’s [A/B]. That means the investment [is successful/failed]. So there are 2 possibilities: the investment can succeed or fail. It succeeds when A comes up; it fails when B comes up. Now let me explain what success and failure mean.

If the investment succeeds, we triple what you have invested. So since you had invested 4,000, we give you back three times 4,000 equals 12,000**[count out cash next to invested counters]**. We add that to the money you had not invested (4,000) **[count out cash next to uninvested counters]**, so you go home with 4,000 + 12,000 = 16,000 **[count up total cash].**

Now, what happens if the investment fails? Your investment failing means you lose all of it. In this case you go home with the money that you didn’t invest. So you will take home 4,000**[count out cash next to uninvested counters]**

So remember, if your investment succeeds (that is when A comes up) you receive three times the amount you invested PLUS the money you did not invest. And if your investment fails (that is when B comes up), you keep the money you did not invest, but nothing else. I´ll give you a few more examples of how that would work out.

* If you decide to invest 3 counters, and your investment fails, you take home 6,800; and if it were to succeed 10,400.
* If you invest 7 counters, and your investment fails, you take home 5,200; and if it were to succeed 13,600.
* If you invest 17 counters, and your investment fails, you take home 1,200; and if it were to succeed 21,600.
* If you invest 20 counters, and your investment fails, you take home nothing; and if it were to succeed 24,000.

So, you should feel free to invest any number of counters you choose: you can invest zero counters; you can invest 20 counters, or any number of counters between zero and 20.

“Do you have any questions about how the tasks will work?”

**[Answer any questions as clearly and accurately as possible]**

If no-one has any further questions we will now move to the other table.

**[Now move to table 2.]**

This is task number two. You see the two containers with coins in them? One contains eight 200 shilling coins, and the other contains eight 100 shilling coins and one 50 shilling coin. You have to decide which of the two containers is heavier. Before you come to a decision, you can hold the containers in your hand and compare them as you wish. The two containers weigh nearly the same and it can be difficult to tell them apart.

Many people say that choosing the correct container is just a matter of luck. In fact, when we have asked people to do this task in the past, they very often tell us that it cannot be done, because they can feel no difference between the weights of the two containers. In the end, they have to guess which container is heavier since they both seem to weigh about the same. In general, people tend not to be very confident that they have chosen the correct container.

Now, in this task you will be asked to make an investment decision very similar to the one you made in the first task, but the outcome of your investment will be determined differently.

Again, there are 20 counters spread out on this table. Each counter is again worth 400 Shillings meaning that these20 counters represent the 8,000 shillings on the voucher which you have been given a few weeks ago. That money is yours and you can do with it exactly what you like.

As before, you could decide to do nothing with it, meaning you take 8,000 shillings home. However, you may still choose to invest some or all of that money.

This is where this task differs from task 1. Once you have decided which container is heavier, you have to decide how many counters you wish to invest. When you have decided the number of counters you wish to invest, you place them next to the container that you think is heavier. You can only invest in one container.

At the end of today’s programme we will weigh the two containers of coins on this accurate machine. If you have chosen the heavier container correctly, then your investment will have succeeded. If the investment succeeds, we triple what you have invested. So since you had invested 4,000, we give you back three times 4,000 equals 12,000**[count out cash next to invested counters]**. We add that to the money you had not invested (4,000) **[count out cash next to uninvested counters]**, so you go home with 4,000 + 12,000 = 16,000 **[count out total cash].**

If you chose to invest in the lighter container then your investment fails. Now, what happens if the investment fails? Your investment failing means you lose all of it. In this case you go home with the money that you didn’t invest. So you will take home 4,000**[count out cash next to uninvested counters]**

Generally, the more confident you are about which container is heavier, the more you should invest in it. But, you are free to invest any number of counters you choose: you can invest zero counters; you can invest 20 counters, or any number of counters between zero and 20. I´ve given you some examples of how much money you take home if your investment fails or succeeds when I was explaining task number 1; these amounts are the same in task number 2. If you invest in the heavier container, your investment succeeds and we triple it, if you invest in the lighter container, it fails and you lose your investment.

“Do you have any questions about how the tasks will work?”

**[Answer any questions as clearly and accurately as possible; then ask all subjects to wait outside of the experiment room. The subjects who are to complete the task on table 1 first should sit in the area corresponding to table 1, and the subjects who are to complete the task on table 2 first should sit in the area corresponding to table 2. On each subject’s data entry sheet it will say which table they should visit first. Joshua or Zam should sit with the subjects while they wait to prevent talking. First, all subjects who are to complete task 1 first complete both tasks; next, all subjects who are to complete task 2 first complete both tasks. To any subject who has completed both tasks the fatalism questionnaire may be administered.]**

**Decisions**

**Each enumerator should bring the first subject in their respective waiting areas into the experiment room]**

Table 1

We just want to check your understanding of the task. If A comes up, what happens to your investment? **[pause for answer, correct if necessary]** and if B comes up what happens to your investment? **[pause for answer, correct if necessary. Record whether or not subject answers correctly: 1=both parts correct, 0=one or more parts incorrect.]**

Thank you; please now move the number of counters you would like to invest next to the beaker. Remember each counter is worth 400 shillings. **[Record number of counters subject invests]**

Table 2

We just want to check your understanding of the task. If you invest in the heavier container, what happens to your investment? **[pause for answer, correct if necessary]** and if you invest in the lighter container, what happens to your investment? **[pause for answer, correct if necessary. Record whether or not subject answers correctly: 1=both parts correct, 0=one or more parts incorrect.]**

So, remember: generally people will invest more if they are more confident they have chosen the right container, but any number of counters between 0 and 20 is absolutely fine with us. It’s entirely up to you. Just remember that the investment can succeed or fail and that many people say that choosing the correct container is just a matter of luck, because the difference in their weights is too small to notice. Now, please decide which of the containers is heavier. **[Hand the subject the two containers]** Can you feel how the two containers seem to weigh exactly the same? Maybe the one in your right hand is heavier? Maybe the one in your left hand is heavier? Please now make your decision **[Record subject’s choice]** Now please decide how much you would like to invest. Remember each counter is worth 400 shillings.

[**Record answer, making sure that the subject has placed counters against the container s/he thinks is heavier. If s/he does not want to invest anything, still record the chosen container]**

**Questionnaire [to be administered by Joshua or Zam or any experimenter who is ready]**

We would like you to ask you for a few opinions in just a moment. Please be aware that what you say here will not affect the amount you earn today at all. Please respond to each of the following statements by saying whether you:

|  |
| --- |
| a = Completely agree (then you put 4 counters in this cup)  b = Agree (then you put 3 counters in this cup)  c = Disagree (then you put 2 counters in this cup)  d = Completely disagree (then you put 1 counter in this cup) |

1. I’m a farmer because my parents are farmers
2. Success is a matter of hard work
3. I have little control over what happens to me
4. Every time I try to get ahead, something or somebody stops me
5. It’s not always wise for me to save because many things turn out to be a matter of good or bad fortune.
6. To a great extent my farming is controlled by accidental happenings
7. Luck is very important for what happens in my life
8. I have not achieved what I deserve
9. In the long run, people who take very good care of their finances stay wealthy
10. If I become poor, it’s usually my own fault

**Resolution**

**[Invite all subjects into the room.]** “Thank you. Now you have made all of your decisions, we will now have to determine which of the tasks you faced is the one which will determine the amount of money you leave with today and then we have to see if your investment failed or succeeded.

**[Pick up coin marked 1 and 2 and place in beaker. Put the lid on top, shake it vigorously, and give subject chance to shake it. Then put the beaker upside down, remove the beaker but not the lid: ensure every subject sees which side shows.**

**If it is side 1, then move to table 1, remind subjects that A indicates success and B indicates failure. Toss the coin as above and ensure every subject sees which side shows.**

**If it is side 2, then move to table 2. Weigh the two containers and indicate which is heavier. Ensure subject is clear how much they have earned, and pay them one at a time as they leave the room.**

FATALISM SCRIPT - SKILL

**Setting up**

**[Set up each table on opposite sides of the room. Clearly label the table with the beaker, ‘1’, and the table with the scales, ‘2’. Outside the room, place enough chairs/benches for 15 people and arrange them into two clear groups. Assign each group of chairs to a particular table and clearly label each area with the letter of its corresponding table.]**

**Welcome and general introduction**

Welcome. Thank you for taking the time to come today. [**Introduce Experimenters and Assistants**] You can ask any of us questions during today’s programme.

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What you need to do will be explained fully in a few minutes. But first we want to make a couple of things clear.

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Participation is voluntary. You may still choose not to participate in the exercise.

We also have to make clear that this is research about your decisions. Therefore you cannot talk with others. This is very important. I’m afraid that if we find you talking with others, we will have to send you home, and you will not be able to earn any money here today. Of course, if you have questions, you can ask one of us. We also ask you to switch off your mobile phones.

Make sure that you listen carefully to us. You will be able to make a good amount of money here today, and it is important that you follow our instructions.

During the today’s programme, you will be asked to make one or more choices, which will be explained to you very clearly. Only one of your choices will be selected to determine the money you will be paid. At the end of the exercise, we will randomly select one of your decisions to be paid out. Any money you earn will be paid out to you privately and confidentially after all parts of the exercise are complete.

Now, before we explain what you need to do, it is really important to bear one more thing in mind. You will be asked to take decisions about money that are not a matter of getting it right or wrong; they are about what you prefer. However, it is important to think seriously about your decisions because they will affect how much money you can take home.

Instructions

**[Give the following instructions to everyone]**

You see in this room there are two tables. They correspond to two tasks that we will ask you to do today. The tasks are different and you should treat them separately. Only one task will actually be the one which determines the amount of money you leave with today. We will record your choices in both tasks and then at the end of today’s programme the task which determines how much money you will earn today will be selected by tossing this coin [show coin] that has 1 written on one side and 2 on the other, so that task 1 is exactly as likely to be selected as task 2. So because you don’t know which task will determine the amount of money you leave with today at this stage you should treat them both seriously.

Now we will explain to you how one of the tasks will work.

Let’s first go to table 1. You see these counters? There are 20 counters spread out on this table. Each counter is worth 400 Shillings so 20 times 400 equals 8000 shillings. These 20 counters represent the 8,000 shillings on the voucher which you have been given a few weeks ago. That money is yours and you can do with it exactly what you like.

For example, you could decide to do nothing with it. That means we give you 8,000 actual shillings and you can take those 8,000 shillings home.

But we’re also giving you the opportunity to invest some or all of that money. Let me show you what happens if you decide to invest.

For example, let’s say you decided to invest 4,000 shillings. You would then take 10 counters (remember, each counter represents 400 shillings) and you would place them here, right next to the beaker.

Now, we would then toss this coin that has A written on one side and B on the other. We put it in the beaker, put the lid on top, shake it and then we put the beaker upside down, like this; we remove the beaker: and which side of the coin shows?

It’s [A/B]. That means the investment [is successful/failed]. So there are 2 possibilities: the investment can succeed or fail. It succeeds when A comes up; it fails when B comes up. Now let me explain what success and failure mean.

If the investment succeeds, we triple what you have invested. So since you had invested 4,000, we give you back three times 4,000 equals 12,000**[count out cash next to invested counters]**. We add that to the money you had not invested (4,000) **[count out cash next to uninvested counters]**, so you go home with 4,000 + 12,000 = 16,000 **[count out total cash].**

Now, what happens if the investment fails? Your investment failing means you lose all of it. In this case you go home with the money that you didn’t invest. So you will take home 4,000**[count out cash next to uninvested counters]**

So remember, if your investment succeeds (that is when A comes up) you receive three times the amount you invested PLUS the money you did not invest. And if your investment fails (that is when B comes up), you keep the money you did not invest, but nothing else. I´ll give you a few more examples of how that would work out.

* If you decide to invest 3 counters, and your investment fails, you take home 6,800; and if it were to succeed 10,400.
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* If you invest 20 counters, and your investment fails, you take home nothing; and if it were to succeed 24,000.

So, you should feel free to invest any number of counters you choose: you can invest zero counters; you can invest 20 counters, or any number of counters between zero and 20.

“Do you have any questions about how the tasks will work?”

**[Answer any questions as clearly and accurately as possible]**

If no-one has any further questions we will now move to the other table.

**[Now move to table 2.]**

This is task number two. You see the two containers with coins in them? One contains eight 200 shilling coins, and the other contains eight 100 shilling coins and one 50 shilling coin. You have to decide which of the two containers is heavier. Before you come to a decision, you can hold the containers in your hand and compare them as you wish. The two containers weigh nearly the same and it can be difficult to tell them apart.

Many people say that choosing the correct container is, however, a matter of skill. In fact, when we have asked people to do this task in the past, they are very often confident that they can tell the difference between the weights of the two containers. Very often people feel there is no guesswork involved in choosing which container is heavier since they can feel the small difference if they try hard. Often, people are very confident that they have chosen the correct container.

Now, in this task you will be asked to make an investment decision very similar to the one you made in the first task, but the outcome of your investment will be determined differently.

Again, there are 20 counters spread out on this table. Each counter is again worth 400 Shillings meaning that these20 counters represent the 8,000 shillings on the voucher which you have been given a few weeks ago. That money is yours and you can do with it exactly what you like.

As before, you could decide to do nothing with it, meaning you take 8,000 shillings home. However, you may still choose to invest some or all of that money.

This is where this task differs from task 1. Once you have decided which container is heavier, you have to decide how many counters you wish to invest. When you have decided the number of counters you wish to invest, you place them next to the container that you think is heavier. You can only invest in one container.

At the end of today’s programme we will weigh the two containers of coins on this accurate machine. If you have chosen the heavier container correctly, then your investment will have succeeded. If the investment succeeds, we triple what you have invested. So since you had invested 4,000, we give you back three times 4,000 equals 12,000**[count out cash next to invested counters]**. We add that to the money you had not invested (4,000) **[count out cash next to uninvested counters]**, so you go home with 4,000 + 12,000 = 16,000 **[count out total cash].**

If you chose to invest in the lighter container then your investment fails. Now, what happens if the investment fails? Your investment failing means you lose all of it. In this case you go home with the money that you didn’t invest. So you will take home 4,000**[count out cash next to uninvested counters]**

Generally, the more confident you are about which container is heavier, the more you should invest in it. But, you are free to invest any number of counters you choose: you can invest zero counters; you can invest 20 counters, or any number of counters between zero and 20. I´ve given you some examples of how much money you take home if your investment fails or succeeds when I was explaining task number 1; these amounts are the same in task number 2. If you invest in the heavier container, your investment succeeds and we triple it, if you invest in the lighter container, it fails and you lose your investment.

“Do you have any questions about how the tasks will work?”

**[Answer any questions as clearly and accurately as possible; then ask all subjects to wait outside of the experiment room. The subjects who are to complete the task on table 1 first should sit in the area corresponding to table 1, and the subjects who are to complete the task on table 2 first should sit in the area corresponding to table 2. On each subject’s data entry sheet it will say which table they should visit first. Joshua or Zam should sit with the subjects while they wait to prevent talking. First, all subjects who are to complete task 1 first complete both tasks; next, all subjects who are to complete task 2 first complete both tasks. To any subject who has completed both tasks the fatalism questionnaire may be administered.]**

**Decisions**

**Each enumerator should bring the first subject in their respective waiting areas into the experiment room]**

Table 1

We just want to check your understanding of the task. If A comes up, what happens to your investment? **[pause for answer, correct if necessary]** and if B comes up what happens to your investment? **[pause for answer, correct if necessary. Record whether or not subject answers correctly: 1=both parts correct, 0=one or more parts incorrect.]**

Thank you; please now move the number of counters you would like to invest next to the beaker. Remember each counter is worth 400 shillings. **[Record number of counters subject invests]**

Table 2

We just want to check your understanding of the task. If you invest in the heavier container, what happens to your investment? **[pause for answer, correct if necessary]** and if you invest in the lighter container, what happens to your investment? **[pause for answer, correct if necessary. Record whether or not subject answers correctly: 1=both parts correct, 0=one or more parts incorrect.]**

So, remember: generally people will invest more if they are more confident they have chosen the right container, but any number of counters between 0 and 20 is absolutely fine with us. It’s entirely up to you. Just remember that the investment can succeed or fail and that many people say that choosing the correct container is a matter of skill, because they can clearly feel the difference in their weights. Now, please decide which of the container is heavier. **[Hand the subject the two containers]** Can you feel the small difference in weight between the containers? One of them certainly feels heavier than the other one, doesn’t it? Please now make your decision **[Record subject’s choice]** Now please decide how much you would like to invest. Remember each counter is worth 400 shillings.

[**Record answer, making sure that the subject has placed money against the container s/he thinks is heavier. If s/he does not want to invest anything, still record the chosen container]**

**Questionnaire [to be administered by Joshua or Zam]**

We would like you to ask you for a few opinions in just a moment. Please be aware that what you say here will not affect the amount you earn today at all. Please respond to each of the following statements by saying whether you:

|  |
| --- |
| a = Completely agree(then you put 4 counters in this cup)  b = Agree (then you put 3 counters in this cup)  c = Disagree (then you put 2 counters in this cup)  d = Completely disagree (then you put 1 counter in this cup) |

1. I’m a farmer because my parents are farmers
2. Success is a matter of hard work
3. I have little control over what happens to me
4. Every time I try to get ahead, something or somebody stops me
5. It’s not always wise for me to save because many things turn out to be a matter of good or bad fortune.
6. To a great extent my farming is controlled by accidental happenings
7. Luck is very important for what happens in my life
8. I have not achieved what I deserve
9. In the long run, people who take very good care of their finances stay wealthy
10. If I become poor, it's usually my own fault

**Resolution**

**[Invite all subjects into the room.]** “Thank you. Now you have made all of your decisions, we will now have to determine which of the tasks you faced is the one which will determine the amount of money you leave with today and then we have to see if your investment failed or succeeded.

**[Pick up coin marked 1 and 2 and place in beaker. Put the lid on top, shake it vigorously, and give subject chance to shake it. Then put the beaker upside down, remove the beaker but not the lid: ensure every subject sees which side shows.**

**If it is side 1, then move to table 1, remind subjects that A indicates success and B indicates failure. Toss the coin as above and ensure every subject sees which side shows.**

**If it is side 2, then move to table 2. Weigh the two containers and indicate which is heavier. Ensure subject is clear how much they have earned, and pay them one at a time as they leave the room.**