

Test questions

Question 1: You are bidding 2 Euro in the auction. A second participant bids 0 Euro and the third participant bids 5 Euro.

a) Who wins the auction and may destroy the envelope?

Answer: _____

b) How much does the winner have to pay?

Answer: _____

Question 2: Can it happen that in a group no one of the three participants destroys his or her envelope?

Answer: _____

Question 3:

a) Assume you bid 0 Euro in the auction. What payout will you receive for this part of the experiment?

Answer: _____

b) Assume you bid 1,50 Euro in the auction and your bid is the highest bid, the second highest bid is 1 Euro What payout will you receive for this part of the experiment?

Answer: _____