

# CIFREM SEMINARS

## Past events and the evaluation of today's risk

*Speaker*

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*I<sup>^</sup> piano*

The standard economic approach to choices characterized by risk has traditionally been characterized by the assumption of stable and well-organized preferences at the individual level. This approach does not account for the possibility that realizations of past risky events affect the structure of today's preferences towards risk. According to us this strong assumption deserves further experimental investigation. Aim of our experimental design is to test whether subjects who faced a positive outcome (i.e., a win) in a past risky choice evaluate risky options in a way which systematically differs from that of subjects who faced a negative outcome (i.e., no win) in the same risky option. In more details, our research hypothesis, which is also discussed in the perspective of previous contributions, is that winners are in a more positive emotional state than losers and that this leads to an higher willingness to bear risk.

Referente

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