

Preference for the Size of Ambiguous Jar¹

Emel Filiz-Ozbay²

Yusufcan Masatlioglu³

Erkut Y. Ozbay⁴

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Abstract. We report experimental results showing that subjects have persistent preferences over the size of a jar when the distribution of beads in the jars is ambiguous. Subjects tend to choose to bet on jars with a larger number of beads. Further we show that the result is robust when we control for ratio bias for even chances. None of the ambiguity models are tailored to address such preferences directly. We argue how the existing models of ambiguity can be modified to capture our findings.

Key Words: Ambiguity, size of jar, smooth ambiguity model.

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² University of Maryland, Department of Economics, 3114 Tydings Hall, College Park, MD 20742.
filizozbay@econ.umd.edu.

³ University of Michigan, Department of Economics, Lorch Hall, 611 Tappan Ave. Ann Arbor, MI 48109.
yusufcan@umich.edu.

⁴ University of Maryland, Department of Economics, 3114 Tydings Hall, College Park, MD 20742.
ozbay@umd.edu.