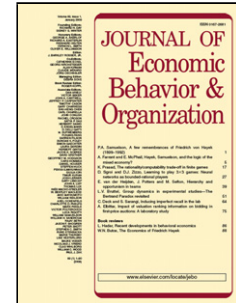


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Title: Does uncertainty cause inertia in decision making? An experimental study of the role of regret aversion and indecisiveness

Author: Santiago I. Sautua



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- In a laboratory experiment, I investigate whether uncertainty leads to inertia in real choices through regret aversion and ambiguity-driven indecisiveness.
- I find that both mechanisms are equally important determinants of inertia, which in turn plays a major role in individual decision making.
- The effect of regret aversion on inertia depends on whether participants anticipate the opportunity to switch away from the status quo. When this opportunity is a surprise, regret aversion leads to inertia. When the opportunity to switch is anticipated, regret aversion no longer leads to inertia.

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