**11-1:  Briefly describe Risk Utility Theory.  Would you rate yourself as being risk-averse, risk-neutral, or risk-seeking?  Give examples of each approach from different aspects of your life, such as your current job, finances, relationships, or eating habits.**

Risk Utility Theory is based on the risk involved and its correlation to the amount of satisfaction received from a potential payoff.  In this theory, there are three main types of preferences: risk aversion, risk neutral, and risk seeking.  I am a very risk-averse person who does not like to take any chances.  I often choose to play a situation safely because changes cause a lot of discomfort for me.  While this does mean that I miss some opportunities that could have turned out favorably, I know that I have saved myself from potentially harmful situations as well.  I also work in a public domain where risk-taking on the job was highly discouraged.  I am risk-averse when it comes to financial spending and often use a great deal of time to figure out if I truly need to spend the money on something.  When it comes to eating, I used to be very risk-seeking but have spent the last few months creating a strict diet to improve my fitness goals.