

## Stellingen behorende bij het proefschrift van Stephen Billion

1. Behavioral economists are very good at identifying the biases that humans are prone to and the heuristics they rely on, but they have yet to develop an overriding theory for the presence of these biases and heuristics.
2. Theories of human behavior ought to take into account that our brains are a product of natural selection.
3. It is unlikely to be the case that the biases and heuristics to which humans are subject are always detrimental, otherwise those traits would have been selected out of over the course of human evolution.
4. Investing in the stock market substitutes for lotteries and other forms of gambling for many people.
5. The investment behavior of men who are in a relationship is more prone to being affected by the presence of attractive women than that of single men.
6. Regret is an emotion that evolved to help people learn from their mistakes, thus allowing them to make better decisions in the future. In this sense, regret is a very positive emotion.
7. Regret is also an intense, painful emotion. People do not like making decisions that may result in them suffering regret if there is a chance that the decision will turn out badly. They avoid the potential regret by avoiding making the decision at all or by transferring to others the responsibility for the decision. In this sense, regret may be detrimental to decision-making.
8. Although it is commonly believed by those who study law and economics that defaults are always effective in changing behavior, they are frequently ineffective.
9. Economists have developed models in which regret is included in people's utility functions. In these models, people make decisions partly to minimize regret. Some economists have gone so far as call for more defaults because defaults reduce regret and, accordingly, increase utility. However, we showed that defaults may in fact increase aggregate regret.
10. People tend to make the same investment and retirement savings decisions as their peers, even when the decisions that their peers make cannot reasonable provide them with useful information.
11. With the advent of behavioral economics, we can definitively state that humans are rational beings, except when they are not.