

Stellingen (Claims)

- 1) QALYs (Quality Adjusted Life Years) describe the preferences of a representative agent well. Previously observed violations were probably due to violations of expected utility rather than to violations of the QALY model itself.
- 2) Generalized statements about preferences are possible even if a sample is not representative and the number of observations is limited.
- 3) In many everyday situations, people do not optimize a classical utility function, but rather they decide based on similarities.
- 4) Geographical vicinity is more important than the type of dwelling (house versus apartment) in forming expectations about the price development of real estate.
- 5) Distributions are as important as averages. Estimating social welfare functions of individuals is therefore as crucial for applications of decision theory in practical policy making as estimating preferences of a representative agent.
- 6) A QALY is not a QALY. There are other important considerations at play.
- 7) Low numbers of transactions in real estate market downturns can be attributed to loss aversion and the endowment effect. Prospect theory can explain why it makes sense to use a lottery rather than a straightforward sale in a bear real estate market.
- 8) Revealed preference is an important principle in both scientific research and real life.
- 9) Most people, in most settings, exhibit other-regarding preferences.
- 10) Estate tax is a fair and efficient means of raising government revenue.
- 11) Polygraph is an unreliable means of establishing a person's general trustworthiness or specific truth telling. It is easy to cheat.