Contents

Capitalism Daron Acemoglu]
Sola Protestantism in Economics Rüdiger Bachmann	5
Economics Has Nothing to Do with Religion Sascha O. Becker	Ş
More Choice Is Always Better Christine Benesch	11
People Are Outcome Oriented Matthias Benz	13
Deriving People's Trade Policy Preferences from Macroeconomic Trade Theory Thomas Bernauer	15
Size (of Government) Doesn't Matter Tim Besley	17
Bayesianism Ken Binmore	21
The Return on Equity Urs Birchler	23

Peak Oil Theory Charles B. Blankart	27
More Choice Is Always Better Alan S. Blinder	29
(Un)Productive Labor Monika Bütler	31
Volatility Is Risk Peter Cauwels	33
Robots Will Take All Our Jobs Reto Cueni	35
Economic Growth Increases People's Well-Being Richard A. Easterlin	37
Big Data Predictions Devoid of Theory Thomas Ehrmann	39
Government Debts Are a Burden on Future Generations Reiner Eichenberger	43
Public Spending Reduces Unemployment Lars P. Feld	45
The Capital Asset Pricing Model Pablo Fernandez	47
Innovation Programs Lead to Innovation Gerd Folkers	51
Factors of Production Are Homogenous Within Categories Nicolai J. Foss	55
Individual Utility Depends Only on Absolute Consumption Robert Frank	57
The Relative Price Effect Explains Behavior Bruno S. Frey	59
The Precedence of Exchange over Production	61

	Contents	ix
Inequality Reduces Growth Clemens Fuest		63
Contingent Valuation, Willingness to Pay, and Willingn to Accept Victor Ginsburgh	ess	65
Governments Must Reduce Budget Deficits Michael Graff		67
Reach for Your Dream Allan Guggenbühl		69
The EU's Competiveness Authority Beat Gygi		71
Say's Law Jochen Hartwig		73
Boundedness of Rationality Jürg Helbling		75
Rational Expectations David F. Hendry		77
Letting Insolvent Banks Fail Gerard Hertig		79
Pleasantville Politics: Selecting Politicians According to Bruno Heyndels	Ability	81
The Axioms of Revealed Preference John Kay		83
There Ain't No Such Thing as a Free Lunch: The Myth of Expansionary Consolidations Gebhard Kirchgässner		85
Government Hurts the Economy More Than It Helps Margaret Levi		87
The Motivated Armchair Approach to Preferences Siegwart Lindenberg		89
Economics Is Based on Scientific Methods Michael McAleer		91

x Contents	
The Death of Distance Peter Nijkamp	93
Dump the Concept of Rationality Into the Deep Ocean Karl-Dieter Opp	95
Pay for Performance Raises Performance Margit Osterloh	97
Home Ownership Is Good Andrew J. Oswald	99
Coase Theorem Eric A. Posner	101
Poverty Is Good for Development Martin Ravallion	105
Markets Are Efficient Jean-Charles Rochet	107
CEOs Are Paid for Talent Katja Rost	109
The Efficiency-Equity Tradeoff Jeffrey D. Sachs	111
Deterministic Trend of Inequality Christoph A. Schaltegger	115
Quantitative Easing Kurt Schiltknecht	117
Hosting the Olympic Games Sascha L. Schmidt	119
Abolishing Cash as Solution Against the Evil Friedrich Schneider	121
Receiving Money and Not Having to Work Raises Happiness Ronnie Schöb	125
Saints in Public Office Gerhard Schwarz	127
Helicopter Money Hans-Werner Sinn	129

	Contents	хi
Decisions Are Deterministic Didier Sornette		131
Politicians Systematically Converge to the Median Voter David Stadelmann		133
Artists Are Poor and thus Unhappy Lasse Steiner		135
Returns on Educational Investments Are Highest for Ear Childhood Interventions Elsbeth Stern	ly	137
EU Centralization Armin Steuernagel		139
The Alleged Asymmetry in Maintaining a Fixed Exchang Jan-Egbert Sturm	e Rate	141
Governments Should Maximize the Happiness of the Po	pulation	145
Okun's Equality-Efficiency Trade-Off Mark Thoma		147
"A Rising Tide Raises All Boats" David Throsby		149
Social Cost Analysis Robert D. Tollison		151
Natural Resources Make Rich Rick van der Ploeg		153
The Natural Rate of Interest Is Positive Carl Christian von Weizsäcker		155
Europe's "Skill Shortage" Joachim Voth		157
Taxes Are Paid Because of Expected Punishment Hannelore Weck-Hannemann		159
Better Safe than Sorry Antoinette Weibel		161

xii Contents

he End of Work	163
Boris Zürcher	
Postscript	165
Bruno S. Frey and David Iselin	