

Date of the event:

On Monday 5th October 2009
From 12:30 pm to 1:30pm

Location:

Luxembourg School of Finance
University of Luxembourg
4 Rue Albert Borschette
2nd Floor
Modigliani Miller Auditorium (E02-003)
L-1246 Luxembourg

Registrations:

- Free seminar (with lunch included)
- Registrations by email before October 2nd 2009
- At the following address : deborah.marx@uni.lu

Information:

Ms Déborah Marx
Tel : +352 46 66 44 68 73



The LSF is pleased to invite you to the following
lunch seminar:

Myopic, Naive, Resolute or Sophisticated?

A Study of how people take dynamic
decisions

By Professor John D. Hey

*University of York
Department of Economics and Related Studies
United-Kingdom*

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Myopic, Naive, Resolute or Sophisticated?
A study of how people take dynamic decisions.

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Is pleased to invite you to the

LSF Seminar

Potentially dynamically-inconsistent individuals create particular problems for economics, as their behaviour depends upon whether and how they attempt to resolve their potential inconsistency. This paper reports on the results of a new experiment designed to help us distinguish between the different types that may exist. We classify people into four types: myopic, naive, resolute and sophisticated. We implement a new and simple experimental design in which subjects are asked to take two sequential decisions (interspersed by a random move by Nature) concerning the allocation of a given sum of money. The resulting data enables us to classify the subjects. We find that the majority are resolute, a significant minority are sophisticated and rather few are naive or myopic.