

# Behavioral Economics for Cost-Benefit Analysis

*Benefit Validity When Sovereign Consumers  
Seem to Make Mistakes*

DAVID L. WEIMER

*University of Wisconsin–Madison*



**CAMBRIDGE**  
UNIVERSITY PRESS

# Contents

<i>List of Figures</i>	<i>page</i> vi
<i>List of Tables</i>	vii
<i>Preface</i>	ix
1 Introduction	I
2 Neoclassical Valuation Principles for CBA	17
3 Possible Behavioral Frameworks for CBA	39
4 Risk Perception and Expected Utility Deviations	58
5 Large Deviations between WTP and WTA	80
6 Non-Exponential Time Discounting	99
7 Harmful Addictive Consumption	117
8 Practical Guidelines for Valuation	135
<i>References</i>	140
<i>Index</i>	161