## Propositions Attached to the Thesis

## 'Essays on Parameter Heterogeneity and Model Uncertainty'

## by

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1. There is significant heterogeneity in the effects of growth determinants on economic growth. Despite this heterogeneity, there are certain groups of countries with similar growth patterns.

(Chapter 2)

2. The changes in intra-distributional dynamics are important aspects in convergence club analysis and financial development affects these changes.

(Chapter 3)

3. In marginal likelihood estimation, the globally oriented approach of Importance Sampling using an appropriate candidate density (AdMit) outperforms other conventional numerical estimation methods based on the Metropolis Hastings algorithm in terms of accuracy and efficiency. (Chapter 4)

4. Predictive likelihoods provide a straightforward method to analyze model performance in case of possible endogeneity problems, such as in the analysis of the income-education relationship.

(Chapter 5)

5. Finite mixtures are useful tools in empirical research in several ways. First, various forms and degrees of heterogeneity in the parameter space can be formulated using finite mixtures. Second, the use of finite mixtures in approximating non-trivial densities provides gains in efficiency in numerical estimation methods. Finally, heterogeneity in model space can be formulated using finite mixtures.

(Chapters 2-5)

6. Applying a new econometric model to real data resembles getting a haircut: The result can be terribly different from what you expected.

- 7. Living abroad teaches the meaning of relativity in the best possible way: learning-by-living. One experiences relativity in many aspects such as food, customs, religion and perceptions.
- 8. The trick to remain peaceful is to justify your mistakes: if you did what you were advised, you have someone else to blame; if you did what you wanted, you can blame the (lack of) information you had at the time.
- 9. A PhD student's checklist when renting a house should include 'nearby night-shops'.
- 10. Coming up with propositions is less important than continuing to question them.
- 11. A far-away family will never believe that you are eating well.