WFA. Good intro. Clear what the issue is. The Munro mental accounting framework is clearly explained. Fig 2 FES is a puzzle - scales on y axis are differ - how can FES shares be so hight - many exceed .2 and some as high as 4 ! The BHPS is a puzzle - why do these relationships look like hyperboli- can you account for this shape? Very odd and worthy of further investigation. I was very disappointed that there was no attempt to investigate the data BEFORE heading for the econometrics. For example, some simple diff in diffs could have been attempted. There is not even a mean to be seen! I am puzzled by (11) - this isn't (QU)AIDS - AIDs has the SHARE are linear (or quadratic) in the log of income (or total expenditure). You have log exp on the LHS. Moreover I cant see how you get from this to the top of p16. ANd how did you get from the top equation to the next one -bearing in mind that y=1-WFA. THis is all a muddle. . Table 3 is BHPS - the note says that it excludes fuel exp <5000 - surely you mean 50 ! According to (12) beta2=betaWFA*beta1 so betaWFA=0.16 as you say - the null is 1 and the alternative is >1 - I guess I would go for a one-sided test?. So this is evidence against the idea that WFA is mentally accounted to fuel - but Thaler's original idea was driven by mental accounting being associated with timing - expenditure and income streams were associated if they coincide. So is WFA spent on sherry, or Christmas presents? ANd what about equation C in Table 3 - what does this imply about betaWFA? The FES results contradict. But you estimated by RE in BHPS so you have essentially treated the data as a cross section (and adjusted the s.e. for the clustering in the data) and so the results should be the SAME AS FES. You COULD have estimated by FE in BHPS - I am not sure why you didn't. So, while there were puzzles in the data and the specification derivation that are unresolved, I find this impressive work - you have done extraordinarily well to use complex data to address a tricky issue.