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Do people value what they receive for free?

IPA Project Associates Kerry Brennan and Daniel Tello review the findings of two IPA studies that examine the role of sunk costs in decisions about how to provide goods and services to the poor.

Many people assume that paying for something will make you more likely to use it, while items given away for free are undervalued and less likely to be used. These seemingly harmless assumptions have a big impact on current debates over how health products should be delivered to the poor.

([Full text](#) for subscribers only)

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