

Rational Choice G4565

Fall 2009

Instructor information:

Jeff Helzner
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721 Philosophy Hall

Office Hours: by appointment

Time: TR 2:30-3:55

Location: 503 Hamilton Hall

Grading:

Exam 1 25% (Distributed on 10/8. Due on 10/15.)

Exam 2 25% (Distributed on 11/12. Due on 11/19.)

Final Paper 50% (Due on 12/10.)

Schedule:

9/8 Introductory remarks

Some relevant perspectives on rationality

9/10 "Rational Choice: A Survey of Contributions from Economics and Philosophy"(Sugden)
"Utilities, Attitudes, Choice: A Review Note" (Arrow)

A general framework for studying rational choice

9/15 "Maximization and the Act of Choice" (Sen)
"Picking and Choosing" (Ullmann-Margalit and Morgenbesser)
Excerpt from *Notes on the Theory of Choice* (Kreps)
Excerpt from *A Course on Microeconomics* (Rubinstein)

9/17 NO CLASS

Interpretations of probability

9/22 Excerpt from *Introduction to Inductive Logic* (Hacking)
"The Two Concepts of Probability" (Carnap)
"Truth and Probability" (Ramsey)
"Interpretations of Probability" (Hajek) from S.E.P. online

9/24 "Difficulties in the Theory of Personal Probability" (Savage)
"When Fair Betting Odds Are Not Degrees of Belief" (Seidenfeld, Schervish, and Kadane)

Measurement and utility

9/29 "Representational Measurement Theory" (Luce and Suppes)
"On the Nature and Purpose of Measurement" (Adams)

10/1 “Classic and Current Notions of Measureable Utility” (Ellsberg)
Excerpt from *Games and Decisions* (Luce and Raiffa)
Excerpt from *The Foundations of Statistics* (Savage)

10/6 “A Model of Riskless Choice” (Adams and Fagot)
“Simultaneous Conjoint Measurement” (Luce and Tukey)
“Measurement Structures and Psychological Laws” (Krantz)

Decision making under uncertainty

10/8 Excerpt from *Games and Decisions* (Luce and Raiffa)

10/13 Excerpt from *Games and Decisions* (Luce and Raiffa)

10/15 “Risk, Ambiguity, and the Savage Axioms” (Ellsberg)
“Unreliable Probabilities, Risk Taking, and Decision Making” (Gardenfors and Sahlin)

10/20 “The Paradoxes of Allais and Ellsberg” (Levi)

10/22 “Decision Theory without Independence or Without Ordering” (Seidenfeld)

Norms versus descriptions

10/27 “From the Descriptive to the Normative in Psychology and Logic” (Thagard)
“Logic: Normative or Descriptive?” (Resnik)

10/29 “Rationality” (Shafir and LeBoeuf)
“Judgment Under Uncertainty: Heuristics and Biases” (Kahneman and Tversky)
“How to Make Cognitive Illusions Disappear: Beyond Heuristics and Biases”
(Gigerenzer)

11/5 “Ending the Rationality Wars: How to Make Disputes about Human Rationality
Disappear” (Samuels, Stich, and Bishop)

11/10 “Ambiguity Aversion and Comparative Ignorance” (Fox and Tversky)
“Ambiguity Aversion: The Explanatory Power of Indeterminate Probabilities” (Arlo-
Costa and Helzner)

Theoretical decision making

11/12 Excerpt on statistical decision theory from *Games and Decisions* (Luce and Raiffa)

11/17 “Two Dogmas of Belief Revision” (Rott)
“Economics and Economy in the Theory of Belief Revision” (Rott)

11/19 “Information and Inference” (Levi)
“Truth, Fallibility and the Growth of Knowledge” (Levi)

Interactive decision making

11/24 “Game Theory” (Ross)

12/1 “Subjective Probability and the Theory of Games” (Kadane and Larkey)
“What is Rational About Nash Equilibria?” (Risse)

To be determined

12/3 TBA

12/8 TBA

12/10 TBA

Policy on late assignments:

Late papers will be penalized at the rate of one position on the following scale:

A, A-, B+, B, B-, C+, C, C-, D+, D, D-, F.

For example, a paper that would have earned a B if submitted on time will, if handed in two days late, receive a C+.

Exceptions to this policy are restricted to those situations in which I have a written excuse from a physician or your academic adviser.

Policy on cheating:

I will not tolerate any form of cheating. If I catch you cheating, then I will do everything that I can to make sure that you receive the most severe punishment that is allowed at this institution.