Rational Choice G4565
Fall 2009

Instructor information:

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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  “Represendational 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:


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.