

Index

- Act, 28–30
- action guidance, 109, 189
- Ahmed, Arif, 213
- Allais, Maurice, 80
- Allais' paradox, 80, 191, 312
- alpha-index, 48
- alternative, 1, 30
- anti-coordination game, 270
- Archimedean condition, 119
- Aristotle, 11
- Arnauld, Antonie, 12
- Arrow, Kenneth, 86, 228, 292, 295, 297
- Arrow's impossibility theorem, 292, 297
- aspiration level, 189
- asymmetry of strict preference, 99
- axiom, definition of, 323

- bargaining problem, 270, 272, 282, 323
- basic prize vs. lottery, 104
- battle of the sexes, 267
- Bayes' theorem, 132, 148, 152, 174, 175, 323
- Bayesianism, definition of, 174, 323
- Bernoulli, Daniel, 13, 54, 85, 142
- betting quotient, 164
- Blackburn, Simon, 176
- Bolyai, Janos, 180
- bounded rationality, 321
- Bradley, Richard, 174
- Buffon, Comte de, 85

- cardinal scale, 23, 25, 324
- Carnap, Rudolf, 149
- causal decision theory, 209
- centigrade scale, 25, 28

- certainty effect, 313
- chance node, 17
- chicken, game of, 269
- choice axiom, 114
- choice node, 17
- column duplication, 59
- column linearity, 59
- common knowledge of rationality, 234, 237, 246
- complete preferences, 99, 178, 316
- conditional probability, 130
- Condorcet, Marquis de, 287
- constant utility model, 114
- constrained maximizer, 283
- continuity axiom, 107
- coordination game, 270
- Cramer, Gabriel, 86

- De Finetti, Bruno, 152, 163, 165
- De minimis* risk, 85
- Death in Damascus, 216
- Debreu, Gerard, 115
- decision maker, 1
- decision matrix, 17
- decisiveness, condition of, 293
- DeGroot, Morris, 167, 168
- democracy, 8, 292
- descriptive vs. normative decision theory, 3
- dominance, 6, 21, 42, 59, 242, 246, 248, 324
- Dresher, Melvin, 241
- Dutch Book, 162, 164, 179

- Easwaran, Kenny, 89
- effective decision rule, 33

- Egan, Andy, 211
 Ellsberg, Daniel, 82
 Ellsberg's paradox, 82
 equilibrium, 253, 256, 263, 271, 275, 324, 325
 ethics and game theory, 281
 Euclid, 180
 evidential decision theory, 211
 evolutionary game theory, 279
 expected monetary value, 66
 expected utility, 75
 expected value, 66
 experience machine, the, 86
 extensive structure, 119
- Fahrenheit scale, 25, 28
 Fermat, Pierre de, 12
 Flood, Merrill, 241
 folk theorem, 278
 function, definition of, 324
- gambler's ruin, 73
 game, definition of
 cooperative, 243
 iterated, 246, 274
 noncooperative, 243
 noniterated, 246
 nonsymmetric, 245
 nonzero-sum, 242
 n-person, 245
 symmetric, 245
 two-person, 245
 zero-sum, 243
- Gärdenfors, Peter, 228
 Gauthier, David, 283
 generic act, 29
 Gibbard, Allan, 216
 Good, I.J., 167
 Gustafsson, Johan, 183
- Harper, William, 216
 Harsanyi, John, 301
 Herodotus, 11
 Hume, David, 4, 10, 166
 Hume's law, 282, 307
 Humphreys' paradox, 149
- Humphreys, Paul, 148
 Huygens, Christian, 12
- ignorance, 5, 41, 58
 impossibility theorem, definition of, 324
 incomparability, 99, 184, 186
 independence axiom, 105, 178, 190, 232, 312
 independence of irrelevant alternatives, 273
 instrumental rationality, 5
 insufficient reason, principle of, 34, 54
 interpersonal comparison of utility, 288
 interpretation of probability
 classical interpretation, 142
 epistemic interpretation, 149
 frequency interpretation, 144
 logical interpretation, 149
 propensity interpretation, 147
 subjective interpretation, 151
 interval scale, 25, 101, 324
 inverse probability law, the, 132
 irrelevance of utility representation, 273
 irrelevant alternatives, principle of, 52, 59, 273
- Jeffrey, Richard C., 217
- Kadane, Jay, 160
 Kahneman, Daniel, 311
 Kant, Immanuel, 321
 Keynes, John Maynard, 73, 149
 Kolmogorov, Andrey, 127, 145, 169
 Koopman, B.O., 167
- Laplace, Pierre Simon de, 54, 142
 law of large numbers, 72, 325
 Leibniz, Gottfried, 142
 lemma, definition of, 325
 leximin principle, 44, 57, 62
 liberalism, 298
 liberalism, minimal, 298
 limiting frequency, 146
 lottery vs. basic prize, 104
 Luce, Duncan, 114, 318
- marginal utility, 95, 154
 matrix representation, 2, 17

338 Index

- maximax principle, 47, 62
- maximin, 44, 226, 325
- maximin criterion for maximizing
 - expected utility, 230
- May, Kenneth, 316
- Mellor, Hugh, 151
- merger of states, 35
- minimal subjectivism, 166
- minimax condition, 253, 259
- minimax regret, 50, 53, 57
- mixed strategy, 245, 325
- money-pump argument, 194
- Monty Hall problem, the, 124
- multiattribute decision, 186

- Nash, John, 264, 274
- Newcomb's problem, 206, 241
- Nicole, Pierre, 12
- nonadditive aggregation, 189
- nondictatorship, condition of, 291
- normative vs. descriptive decision theory, 3
- Nozick, Robert, 86, 207, 299

- Okasha, Samir, 293
- operational definition, 117
- optimism–pessimism rule, 47, 60
- ordered pair, 125
- order-independence, axiom of, 34
- ordering axiom, 176, 198
- ordinal scale, 23, 28, 45, 97, 98, 325
- ought implies can, 321
- outcome, 4, 5, 22

- Pareto condition, 267, 273, 292, 295, 298
- particular act, 29
- Pasadena paradox, 88
- Pascal, Blaise, 12, 36, 142
- perfect vs. imperfect information, 243
- Popper, Karl, 148
- positive monotone transformation, 24
- posterior probability, 135, 326
- pragmatic argument, 174, 179, 180, 190, 194
- predictor paradox, 206
- prior probability, 134, 175, 326
- prisoner's dilemma, 236, 263, 274, 326

- probabilistic choice behavior, 113
- prospect theory, 314
- psychometric paradigm, 319

- Rabinowicz, Włoddek, 192
- Ramsey, Frank, 13, 152, 163, 167, 177, 199
- random experiment, 126
- random utility model, 114
- randomized act, 57, 326
- ratio scale, 25, 97, 113, 327
- rational vs. right decisions, 3
- Rawls, John, 5, 63
- real number, definition of, 327
- reference class, 145, 171
- reflection effect, 314
- regret matrix, 51
- representation theorem, 155, 198, 327
- revealed preference, 98, 186, 318
- right vs. rational decisions, 3
- risk, 5, 327
- risk aversion, 220
- rival formalizations, 31
- Rousseau, Jean-Jacques, 9

- Sahlin, Nils-Eric, 228
- sample space, 126
- Samuelson, Paul, 186, 318
- Savage, Leonard, 14, 29, 81, 152, 155, 168
- Savage's representation theorem, 155
- Schervish, Mark, 160
- Seidenfeld, Teddy, 160
- self-predicting probability, 215
- Sen, Amartya, 298
- small improvement argument, 184, 185
- social choice problem, 289
- social preference ordering, 289
- social state, 289
- social welfare functioning, 289
- St. Petersburg paradox, 84, 92
- stag hunt, game of, 9, 265
- state of the world, 1, 29
- state-dependent utility, 160
- straightforward maximizer, 283
- strong dominance, 43
- sure-thing principle, 67, 156

- tit for tat, 246, 276, 277
- trade-off principle, 77
- transformative decision rule, 33
- transitive preference, 100, 120, 156, 179
- tree representation, 17
- trembling hand hypothesis, 277
- Tucker, Albert, 241
- Tversky, Amos, 311
- two-envelope paradox, 91

- uncertainty, 5
- unique decision, 75
- unique event, 146
- unique formalization, 31

- uniqueness theorem, 104
- utilitarianism, 288, 307, 327

- Venn, John, 146
- Von Neumann, John and Oskar
 - Morgenstern, 13, 101, 155, 252, 274, 301, 305, 327
- voting paradox, 287
- voting, procedure for, 8

- washed-out probability, 136
- weak axiom of revealed preference, 186
- weak dominance, 43
- Williamson, Timothy, 151