EVIDENCE, DECISION AND CAUSALITY

Most philosophers agree that causal knowledge is essential to decisionmaking: agents should choose from the available options those that probably *cause* the outcomes that they want. This book argues against this theory and in favour of Evidential or Bayesian Decision Theory, which emphasizes the symptomatic value of options over their causal role. It examines a variety of settings, including economic theory, quantum mechanics and philosophical thought-experiments, where causal knowledge seems to make a practical difference. The arguments make novel use of machinery from other areas of philosophical inquiry, including first-person epistemology and the free-will debate. The book also illustrates the applicability of decision theory itself to questions about the direction of time and the special epistemic status of agents.

ARIF AHMED is Senior Lecturer in Philosophy at the University of Cambridge.

Cambridge University Press 978-1-107-02089-4 - Evidence, Decision and Causality Arif Ahmed Frontmatter More information Cambridge University Press 978-1-107-02089-4 - Evidence, Decision and Causality Arif Ahmed Frontmatter More information

EVIDENCE, DECISION AND CAUSALITY

ARIF AHMED University of Cambridge





University Printing House, Cambridge CB2 8BS, United Kingdom

Cambridge University Press is part of the University of Cambridge.

It furthers the University's mission by disseminating knowledge in the pursuit of education, learning and research at the highest international levels of excellence.

www.cambridge.org Information on this title: www.cambridge.org/9781107020894

© Arif Ahmed 2014

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 2014

Printed in the United Kingdom by Clays, St Ives plc

A catalogue record for this publication is available from the British Library

Library of Congress Cataloguing in Publication data Ahmed, Arif. Evidence, decision, and causality / Arif Ahmed, University of Cambridge. pages cm Includes bibliographical references and index. ISBN 978-1-107-02089-4 (hardback : alk. paper) I. Decision making. 2. Evidence. 3. Causation. I. Title.

BDI84.A36 2014

BDI84.A36 2014 122 – dc23 2014020933

ISBN 978-1-107-02089-4 Hardback

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party internet websites referred to in this publication, and does not guarantee that any content on such websites is, or will remain, accurate or appropriate.

Contents

Preface

page vii

	Introduction	I
	0.1 Causalism and evidentialism	I
	0.2 Evidence	3
	0.3 Causality	4
	0.4 Decision theory	5
	0.5 Evidential Decision Theory and Causal Decision Theory	7
	0.6 Predestination	9
	0.7 Why it matters	13
I	Savage	16
	1.1 Simplifications and idealizations	16
	1.2 States, events, outcomes and acts	17
	1.3 Rational preference and the Savage axioms	20
	1.4 From preference to probability	23
	1.5 Utility and the representation theorem	26
	1.6 Dominance and fatalism	30
2	EDT and CDT	35
	2.1 Preference over news items	36
	2.2 The Jeffrey–Bolker axioms	38
	2.3 Credence	40
	2.4 Evidential Decision Theory	43
	2.5 Newcomb's problem	46
	2.6 K-partitions	48
	2.7 Causal Decision Theory	52
	2.8 Matters arising	54
3	Causalist objections to CDT	60
	3.1 Egan–Gibbard	61
	3.2 The Piaf maxim	68
	3.3 Objective Decision Theory	74

v

vi	Contents	
4	Realistic cases	81
	4.1 Remedial cases	82
	4.2 Medical cases	89
	4.3 The Tickle Defence	91
	4.4 Economic cases	99
	4.5 Psychological cases	102
	4.6 Prisoners' Dilemma	108
5	Deterministic cases	120
	5.1 Betting on the Past	120
	5.2 Betting on the Laws	130
	5.3 Objections	135
	5.4 The openness of the past	141
6	Quantum-mechanical cases	146
	6.1 The device	146
	6.2 Identical settings	148
	6.3 Non-identical settings	149
	6.4 QM versus CDT	155
	6.5 Objections	157
7	The standard Newcomb case	166
	7.1 Deflationary responses	166
	7.2 The Discontinuous Strategy	170
	7.3 The case for one-boxing	180
	7.4 The case for two-boxing	194
	7.5 Conclusion	211
8	'The ultimate contingency'	213
	8.1 Dualism and the Ramsey Thesis	215
	8.2 Arguments for the Ramsey Thesis	217
	8.3 Dynamic inconsistency and Dutch books	226
	8.4 Anti-dualism	233
Re	ferences	226
In	der	230
1111	MLN	-4/

Preface

Causality is a pointless superstition. These days it would take more than one book to persuade anyone of that. This book focuses on the 'pointless' bit, not the 'superstition' bit. I take for granted that there are causal relations and ask what doing so is good for. More narrowly still, I ask whether causal belief plays a special role in decision. My argument that it does not consists largely of schemes for extracting money from the people who think it does. I conduct the argument using the framework of decision theory. Decision theory is convenient for this purpose because it (a) quantifies causal beliefs and (b) isolates their role in practical deliberation.

Because of this aim the book couldn't serve as a stand-alone introduction to decision theory. Anyone who took it that way would find it distorted and lacunary. Distorted because of the focus on the dominance principle at the expense of almost everything else that Savage's axioms entail; lacunary because of the complete absence from the story of any approach outside the Ramsey–Savage expected-utility paradigm.

Anyway, many excellent introductions to the subject are already available at various levels of mathematical sophistication. For instance, Peterson 2009 is written at a mathematically elementary level, Gilboa 2009 and Kreps 1988 are more difficult and Fishburn 1970 is mathematically fairly advanced. *This* book presupposes no mathematical knowledge beyond completely elementary set theory and probability.

But it probably *could* function as a philosophical companion to any such introduction. Its central topic is perhaps the main debate in the philosophical foundations of decision theory. That subject has a bearing on more traditional preoccupations of metaphysics, including causality itself, the asymmetry of time and the nature of self-knowledge. Pursuing it also forces us to touch upon live issues in psychology, economics, the theory of voting and the foundations of quantum mechanics. So I hope in these chapters to illustrate why the philosophy of decision theory is important, or at least interesting, even if you are not a philosopher of decision theory.

vii

CAMBRIDGE

Cambridge University Press 978-1-107-02089-4 - Evidence, Decision and Causality Arif Ahmed Frontmatter More information

viii

Preface

I owe the reader an apology for the number and the length of the footnotes. They largely involve (i) references, (ii) numerical calculations and (iii) objections and clarifications that are unlikely to interest most readers but likely to interest some. In cases (ii) and (iii), I felt that including these items in the main text would break up the main thread of the argument, which you should be able to follow without reading any of them.

Whilst writing this book I have had the benefit of conversations with, and/or written comments from, the following people: Helen Beebee, Sharon Berry, Simon Blackburn, Rachael Briggs, Lucy Campbell, Adam Caulton, John Collins, Tom Dougherty, Adam Elga, Luke Fenton-Glynn, Alison Fernandes, Alexander Greenberg, Alan Hájek, Caspar Hare, Jane Heal, Hykel Hosni, Jennan Ismael, Leon Leontyev, Isaac Levi, Hanti Lin, Penelope Mackie, John Maier, Adam Morton, Daniel Nolan, Harold Noonan, Huw Price, Paolo Santorio, Wolfgang Schwarz, Shyane Siriwardena, Julia Staffel and Paul Weirich. I thank them all. I also thank two referees from the Press for their extremely helpful written comments, Dr John Gaunt for meticulous copyediting, and Alexander Greenberg and Shyane Siriwardena for assistance with the index. And I thank my editors at CUP, Sarah Green and Hilary Gaskin, for their efficiency, patience and goodwill.

I am also grateful to audiences at the Aristotelian Society, the University of Auckland, the Australian National University, Birmingham University, Bristol University, the University of Cambridge, Columbia University, the Institute of Philosophy, Monash University, the University of Nottingham, Princeton University, the Scuola Normale Superiore di Pisa, the University of Sheffield, the University of Sussex and the University of Sydney, where I delivered talks on material that has ended up in the book.

I wrote some of this book whilst holding a Leverhulme Research Fellowship at the Faculty of Philosophy, University of Cambridge, and then at the Sydney Centre for the Foundations of Science, University of Sydney. I wrote some of it whilst holding a Distinguished Visiting Professorship at the Scuola Normale Superiore di Pisa. And I wrote some of it whilst holding a Visiting Fellowship at the Research School of Social Sciences in the Australian National University, Canberra. I am grateful to all of these institutions for their hospitality, and also to the Leverhulme Trust. I also thank the Faculty of Philosophy at the University of Cambridge, and Girton College, Cambridge, for granting me leave from teaching and administrative duties in order to finish the book.

Material from section 3.1 has appeared in my paper 'Push the button', *Philosophy of Science* 79 (July 2012): 386–95, and is reproduced by permission

Preface

of the University of Chicago Press. Copyright 2012 by the Philosophy of Science Association. All rights reserved.

Material from section 5.1 has appeared in my paper 'Causal Decision Theory and the fixity of the past', published online in the *British Journal for the Philosophy of Science* on 16 September 2013 by Oxford University Press on behalf of the British Society for the Philosophy of Science.

Material from section 5.2 has appeared in my 'Causal Decision Theory: a counterexample', in *Philosophical Review*, 122, 2: 289–306. Copyright 2013, Cornell University. Reprinted by permission of the present publisher, Duke University Press, www.dukepress.edu.

Material from s. 7.2 is here reproduced from my paper 'Infallibility in the Newcomb Problem', published online in *Erkenntnis* on 11 April 2014, copyright Springer Science+Business Media Dordrecht 2014, and appears here with kind permission from Springer Science+Business Media.

Material from section 7.3.3 has appeared in A. Ahmed and H. Price, 'Arntzenius on "Why Ain'cha rich?", *Erkenntnis* 77: 15–30, copyright 2012 Springer Science+Business Media B.V., and reappears here with kind permission from Springer Science+Business Media B.V.

Finally, and most of all, I am grateful to my family (Frisbee, Isla, Iona and Skye) for putting up with me during the writing of this book. My father, Dr G. M. Ahmed, died in early 2013 after a period of illness that he bore with characteristic stoicism and good humour. I should like to dedicate the book to my mother, Mrs S. Ahmed, and to the memory of my father.