

EC 121 a

Kota Saito

October 2, 2012

- Purpose: Study theoretical foundations for Economic Theory.
- Grading:
 - Presentation (40%)
 - Participation (30%)
 - Final Exam (30%)
- Text Book: (You should buy if you want to study Economics in graduate school):
 - David Kreps, “Notes on the Theory of Choice”. Westview Press.
- No class on Oct 9 and 11
- Schedule (Teaching 10 classes: Presentation 8 classes)
 - ABSTRACT CHOICE THEORY
 - * H. Varian, The Nonparametric Approach to Demand Analysis , *Econometrica* 50 (1982), 945-974.
 - * G. Kalai, A. Rubinstein and R. Spiegel, Rationalizing Choice Functions by Multiple Rationales, *Econometrica* 70 (2002), 2481-88.
 - CHOICE UNDER RISK
 - * M. Rabin, Risk aversion, diminishing marginal utility and expected utility theory: a calibration theorem, *Econometrica* 68 (2000), 1281-1292.
 - * J. Dubra, F. Maccheroni and E. Ok, Expected utility theory without the completeness axiom, *JET* (2004), 118-133.
 - (If we have time) THE SAVAGE MODEL AND SUBJECTIVE PROBABILITY

- * P.Fishburn Utility Theory for Decision Making Wiley 1970 Ch. 14.
- * F. Gul, Savage's theorem with a finite number of states, JET 57 (1992), 99- 110; and erratum in JET 61 (1993), p. 184.