

Paper 2: Expected Utility Theory as a Normative Theory

Technical Requirements

Please submit your paper on Canvas. For fairness, I will grade your papers without knowing your identity. To “blind” your paper, please submit a *.pdf file*. Your paper ought to be double-spaced in 12pt, Times New Roman font. Include only your student number at the top of your paper. *Do not include your name* or any other identifying information. As a rough guideline, most students need about 1,250 to 1,750 words to address the prompt below. Your paper should not exceed 2,000 words, however. Please include a complete bibliography with any other sources that you have consulted.

Topic

Write a paper defending or criticizing subjective expected utility (SEU) theory as a normative theory. You should discuss precisely one representation theorem for decision-making under uncertainty (e.g., Savage’s or Jeffrey’s), and you will almost certainly want to discuss money pump arguments (if any exist) for the “axioms” of your chosen theorem. You may discuss arguments for probabilism

Different authors use the term “SEU theory” in different ways, and so please make sure to explicitly define the term at the beginning of your paper. To do so, your paper will almost certainly need to address the following questions:

- Are you interpreting utility and credence functions as “psychologically” real? Do utility functions merely “represent” preferences?
- What relationship are you assuming exists between preference and utility? Between preference and choice behavior?

Your paper should not simply be a summary of the articles we have read; your paper must either contain a new argument or *expand* upon arguments that we have read (e.g., by providing novel examples supporting various premises). No matter what, remember to consider a plausible objection to your own position and respond.