

**Search** 



Home > Utility and Probability > Chapter

# **Economic Theory and the Hypothesis of Rationality**

Chapter

pp 25–37 | Cite this chapter



**Utility and Probability** 

#### Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 92 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

- > Store and/or access information on a device
- Personalised advertising and content, advertising and content measurement, audience research and services development

Accept all cookies

Reject optional cookies

ability at information processing and calculation that is far beyond the feasible and that cannot well be justified as the result of learning and adaptation.

1 This is a preview of subscription content, log in via an institution 2 to check access.

# Access this chapter Log in via an institution $\rightarrow$

Subscribe and save



Springer+

from €37.37 /Month

## Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 92 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

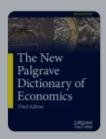
**Accept all cookies** 

Reject optional cookies

#### **Preview**

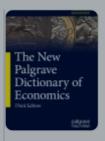
Unable to display preview. <u>Download preview PDF.</u>

#### Similar content being viewed by others



**Economic Theory and the** 

Is Economic Rationality in the Collective Rationality



#### Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 92 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

Accept all cookies

Reject optional cookies

des risques. In *Econométrie*, Paris: Centre National de la Recherche Scientifique.

Google Scholar

Arrow, K.J. 1979. The property rights doctrine and demand revelation under incomplete information. In *Economics and Human Welfare*, ed. M.J. Boskin, New York: Academic Press.

**Google Scholar** 

Aumann, R.J. 1976. Agreeing to disagree. *Annals of Statistics* 4, 1236-9.

**Article Google Scholar** 

Cass. D. and Shell. K. 1983. Do sunspots matter? *Journal of Political Economy* 

#### Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 92 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

**Accept all cookies** 

Reject optional cookies

Debreu, G. 1974. Excess demand functions. *Journal of Mathematical Economics* 1, 15–23.

**Article Google Scholar** 

Duffie, J.D. 1985. Stochastic equilibria with incomplete financial markets. Research Paper No. 811, Stanford: Stanford University, Graduate School of Business.

**Google Scholar** 

Geanakoplos, J. and Mas-Colell, A. 1986. Real indeterminacy with financial assets.

Paner No MSRI 717-86 Berkeley Mathematical Science Research Institute

#### Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 92 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

Accept all cookies

Reject optional cookies

Knight, F. 1921. Risk, Uncertaint, and Profit. Boston: Houghton Mifflin.

**Google Scholar** 

Lewis, D. 1969. Convention. Cambridge, Mass.: Harvard University Press.

**Google Scholar** 

Lucas, R. and Sargent, T. 1981. *Rational Expectations and Econometric Practice*. 2 vols, Minneapolis: University of Minnesota Press.

**Google Scholar** 

Mantel, R. 1974. On the characterization of excess demand. *Journal of Economic Theory* 6, 345–54.

### Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 92 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

**Accept all cookies** 

Reject optional cookies

Riley, J.G. 1979. Informational equilibrium. *Econometrica* 47, 331-60.

**Article Google Scholar** 

Shafer, W. and Sonnenschein, H. 1982. Market demand and excess demand functions. In *Handbook of Mathematical Economics*. Vol. 2, ed. K.J. Arrow and M. Intriligator, Amsterdam: North-Holland.

**Google Scholar** 

Simon, H. 1957. Models of Man. New York: Wiley.

**Google Scholar** 

#### Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 92 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

Accept all cookies

Reject optional cookies

Walras, L. 1874. *Elements of Pure Economics*. Translated by W. Jaffé, London: Allen & Unwin, 1954; Homewood, Ill.: R.D. Irwin.

**Google Scholar** 

Werner, J. 1985. Equilibrium in economies with incomplete financial markets. *Journal of Economic Theory* 36, 110–19.

**Article Google Scholar** 

Working, H. 1953. Futures trading and hedging. *American Economic Review* 43, 314–43.

**Google Scholar** 

#### Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 92 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

Accept all cookies

Reject optional cookies

DOI Publisher Name Print ISBN

https://doi.org/10.1007/978-1- Palgrave Macmillan, London 978-0-333-49541-4

349-20568-4\_8

Online ISBN eBook Packages

978-1-349-20568-4 Palgrave Economics & Finance

Collection

Economics and Finance (R0)

#### **Keywords**

<u>Market Power</u> <u>Demand Curve</u> <u>Rational Expectation</u> <u>Competitive Equilibrium</u>

**Incomplete Market** 

These keywords were added by machine and not by the authors. This process is experimental

and the keywords may be undated as the learning algorithm improves

#### Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 92 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

Accept all cookies

Reject optional cookies



### Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 92 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

**Accept all cookies** 

Reject optional cookies