Unnumbered Figures for

Prospect Theory

for Risk and Ambiguity

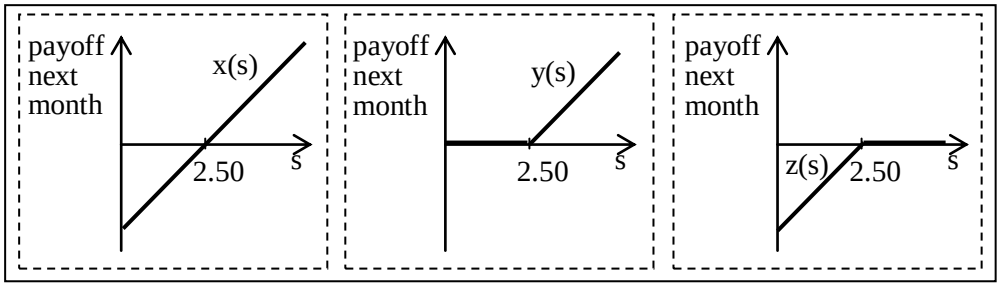
by Peter P. Wakker (2010);

provided on internet July 2013 (with permission of CUP)

All unnumbered figures were made using only the drawing facilities of MS-Word. There are no curves.

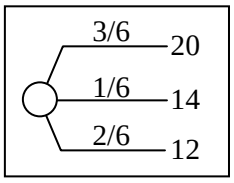
p. 31:

UNNUMBERED FIGURE 1.6.1



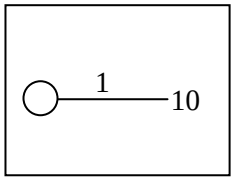
p. 47:

UNNUMBERED FIGURE 2.2.1



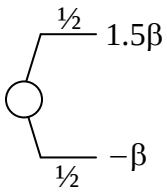
p. 47:

UNNUMBERED FIGURE 2.2.2



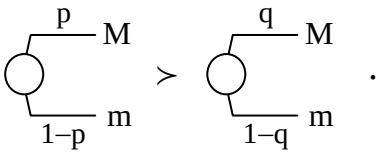
p. 57:

UNNUMBERED FIGURE 2.5.1



p. 58:

UNNUMBERED FIGURE 2.6.1



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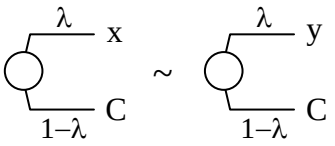
Elucidation: I left the period to the right of the figure. In my text the figure is part of a sentence and, then, assuming that you can let it be that too, the period at the end of the sentence should be there.

p. 63:

UNNUMBERED FIGURE 2.7.1

x ~ y implies 

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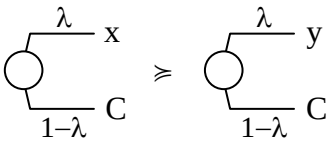
p. 64:

UNNUMBERED FIGURE 2.7.2

$x \succcurlyeq y$ implies 

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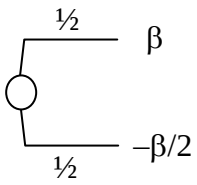
p. 82:

UNNUMBERED FIGURE 3.5.1



p. 113:

UNNUMBERED FIGURE 4.7.1

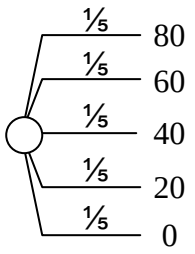
$$\left(\begin{array}{lll} \alpha_{E}x \sim \beta_{E}y & \& & \alpha'_{F}f \sim \beta_{F}g \quad \& \\ \gamma_{E}x \sim \delta_{E}y & \& & \gamma_{F}f \sim \delta_{F}g \end{array}\right)$$

$$\Longrightarrow \alpha' = \alpha \qquad (4.7.1)$$

ELUCIDATION: (4.7.1) is an equation nr. that is part of the equation nrs. in the text.

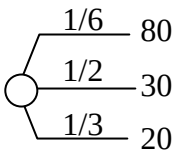
p. 155:

UNNUMBERED FIGURE 5.4.1



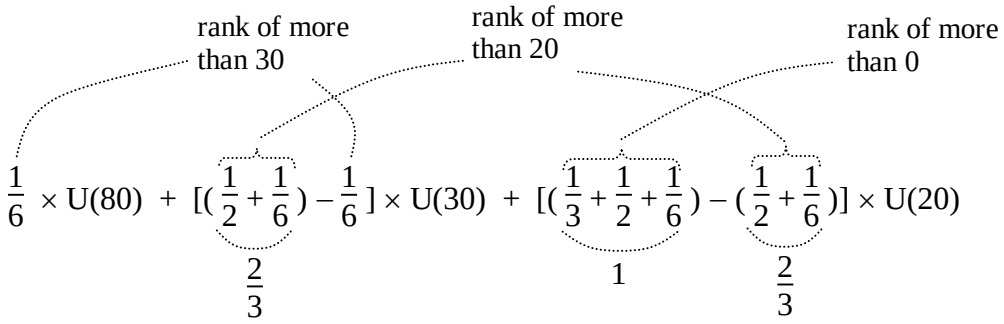
p. 158:

UNNUMBERED FIGURE 5.4.2



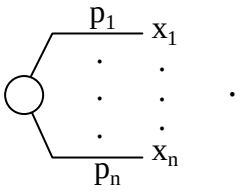
p. 159:

UNNUMBERED FIGURE 5.4.3



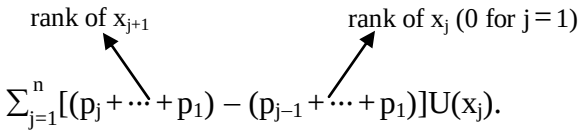
p. 159:

UNNUMBERED FIGURE 5.4.4



p. 160:

UNNUMBERED FIGURE 5.4.5

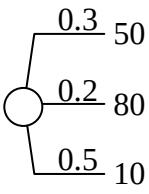


p. 165:

UNNUMBERED FIGURE 5.6.1

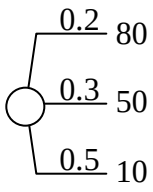
p. 166:

UNNUMBERED FIGURE 5.6.2



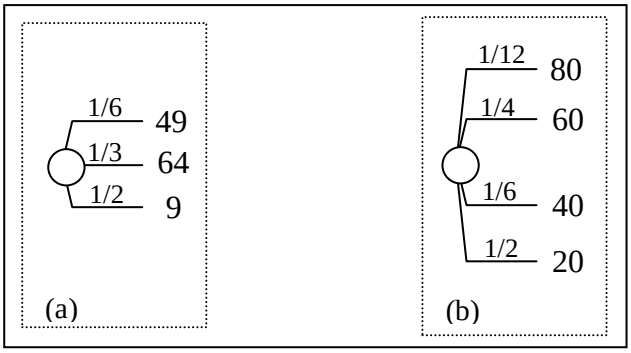
p. 166:

UNNUMBERED FIGURE 5.6.3



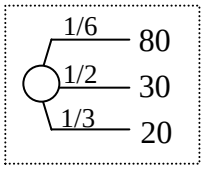
p. 167:

UNNUMBERED FIGURE 5.6.4



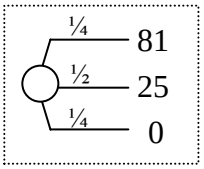
p. 167:

UNNUMBERED FIGURE 5.6.5



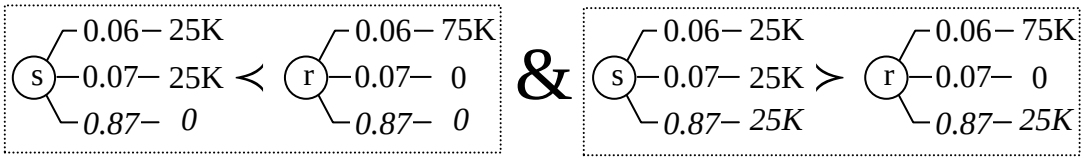
p. 168:

UNNUMBERED FIGURE 5.6.6



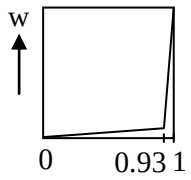
p. 176:

UNNUMBERED FIGURE 6.4.1



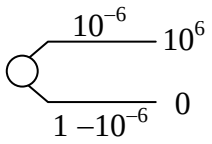
p. 177:

UNNUMBERED FIGURE 6.4.2



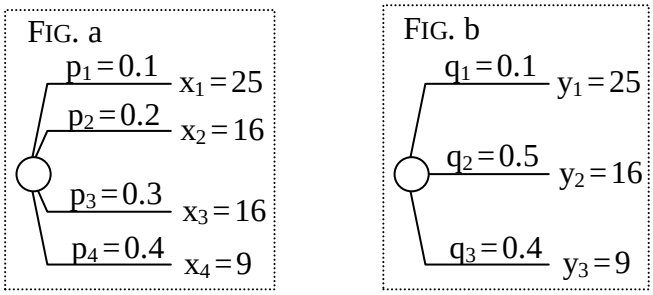
p. 180:

UNNUMBERED FIGURE 6.4.3



p. 197:

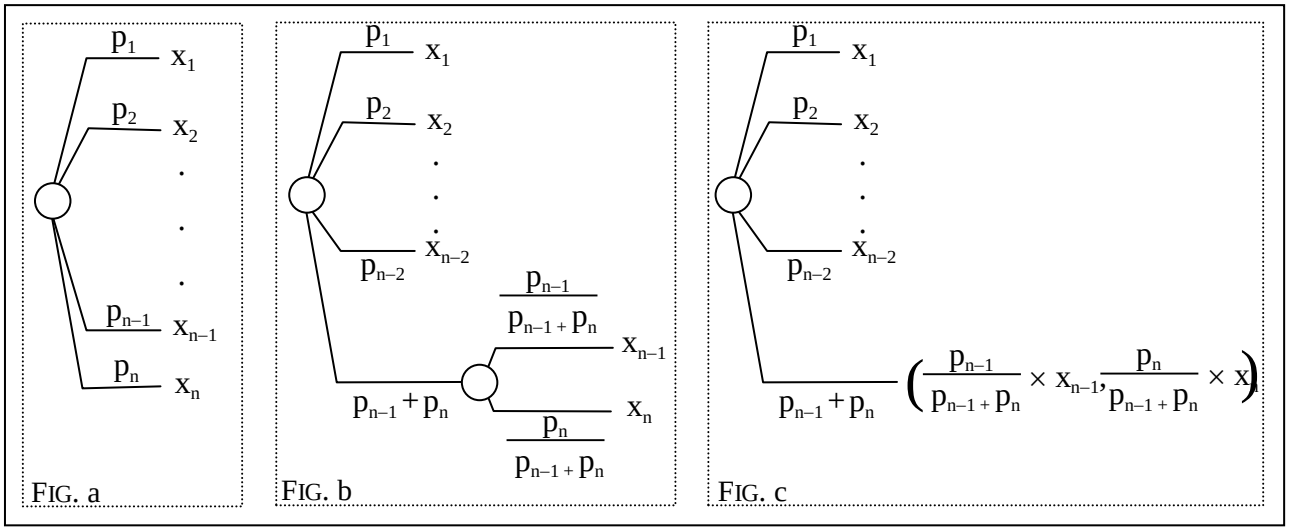
UNNUMBERED FIGURE 6.7.1



Unnumbered Figures for Elaborations of Exercises

p. 408:

UNNUMBERED FIGURE J.3.2.1



p. 410:

UNNUMBERED FIGURE J.3.3.2

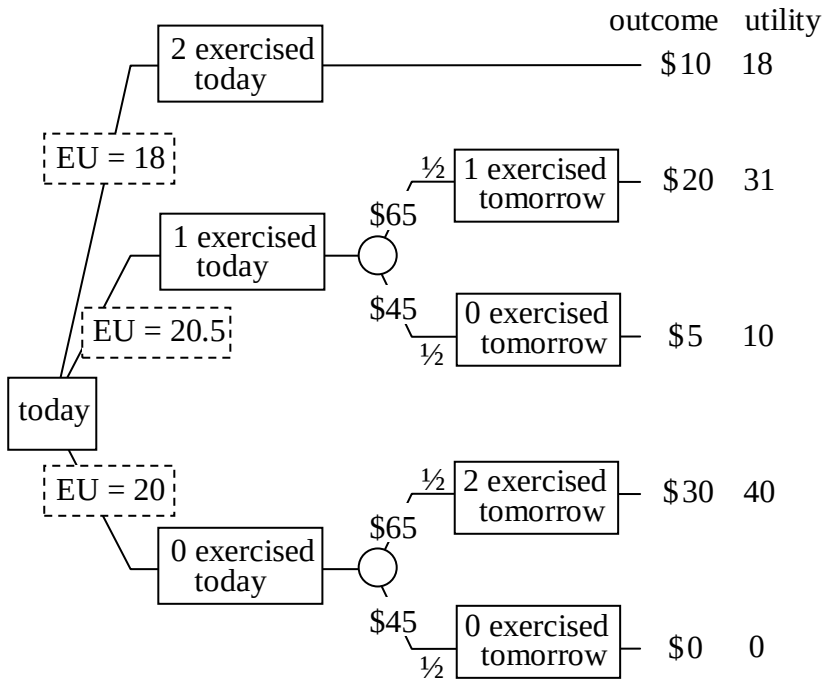
$$(10^6 \ , \ 10^6) \ \succ \ (2.5\times10^6 \ , \ 0.05)$$

$$(10^6 \ , \ 10^6) \ \succ \ (0.05 \ , \ 2.5\times10^6)$$

$$(2\times10^6, 2\times10^6) \ < \ \left(\begin{matrix} 2.5\times10^6 \\ + \\ 0.05 \end{matrix} \ , \ \begin{matrix} 2.5\times10^6 \\ + \\ 0.05 \end{matrix} \right)$$

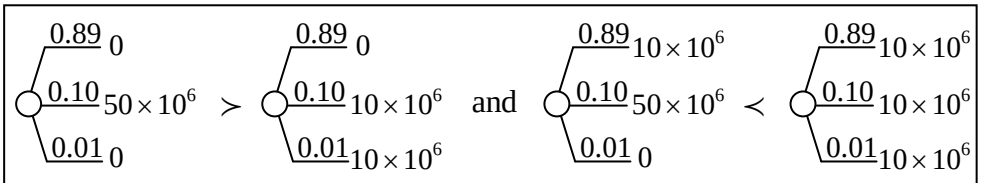
p. 410:

UNNUMBERED FIGURE J.3.3.3



p. 425:

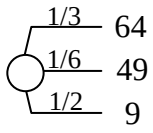
UNNUMBERED FIGURE J.4.12.1



Figs. 2.4.1g and h violate the sure-thing principle for risk.

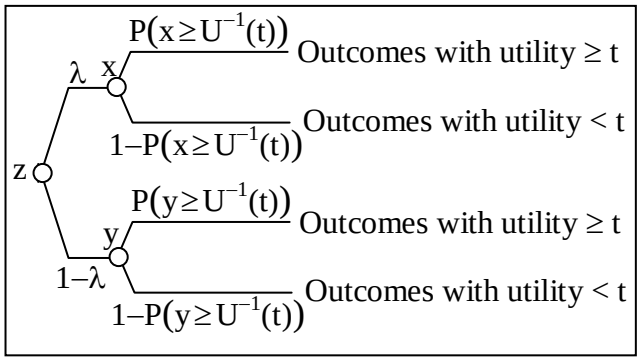
p. 427:

UNNUMBERED FIGURE J.5.6.1



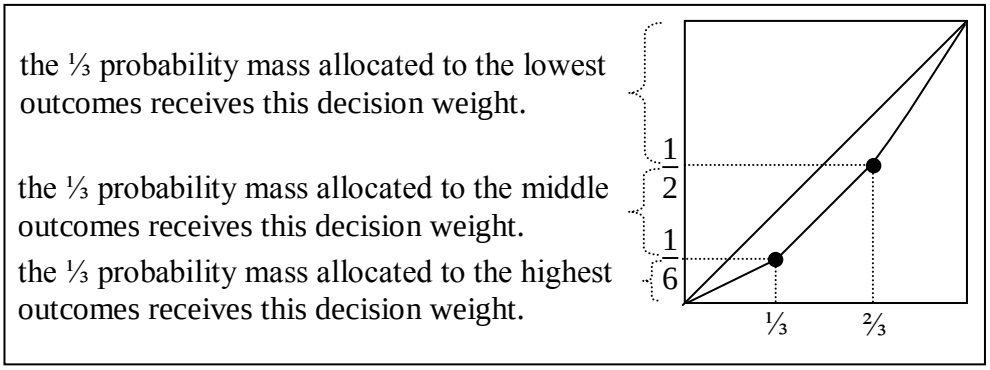
p. 432:

UNNUMBERED FIGURE J.6.6.2



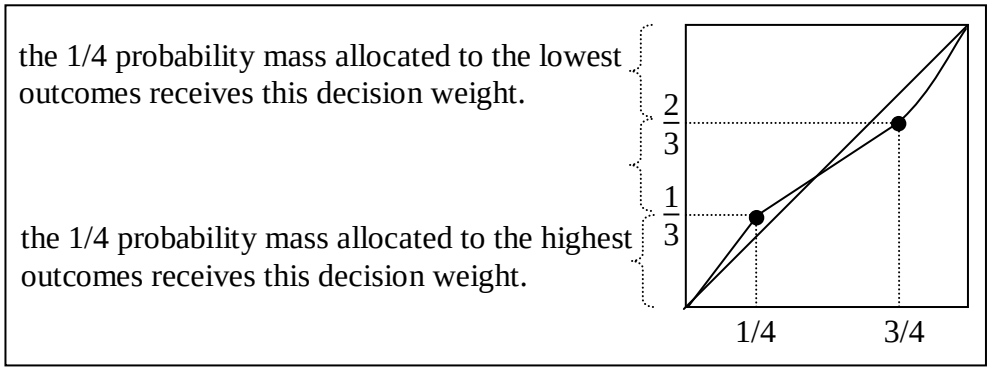
p. 435:

UNNUMBERED FIGURE J.7.2.2a



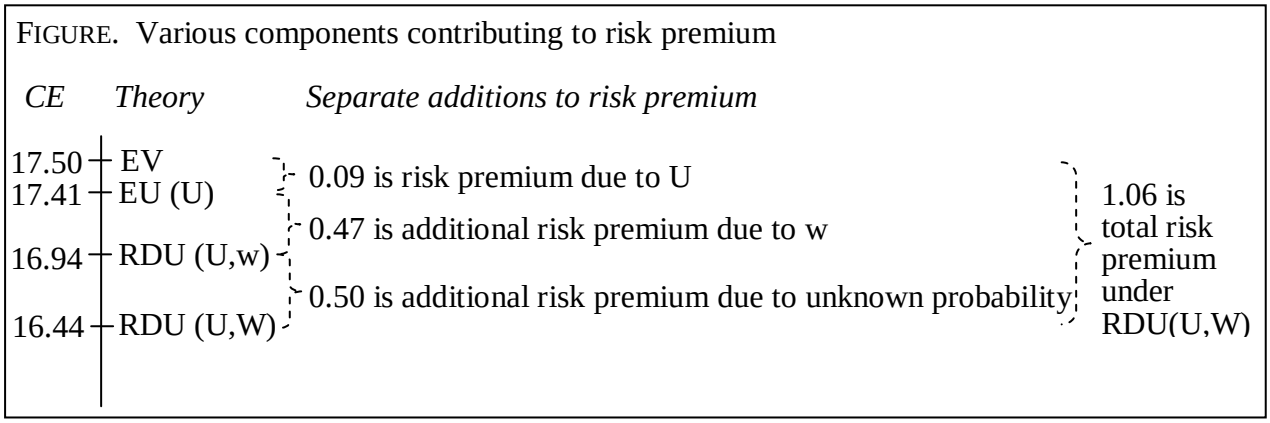
p. 436:

UNNUMBERED FIGURE J.7.2.2b

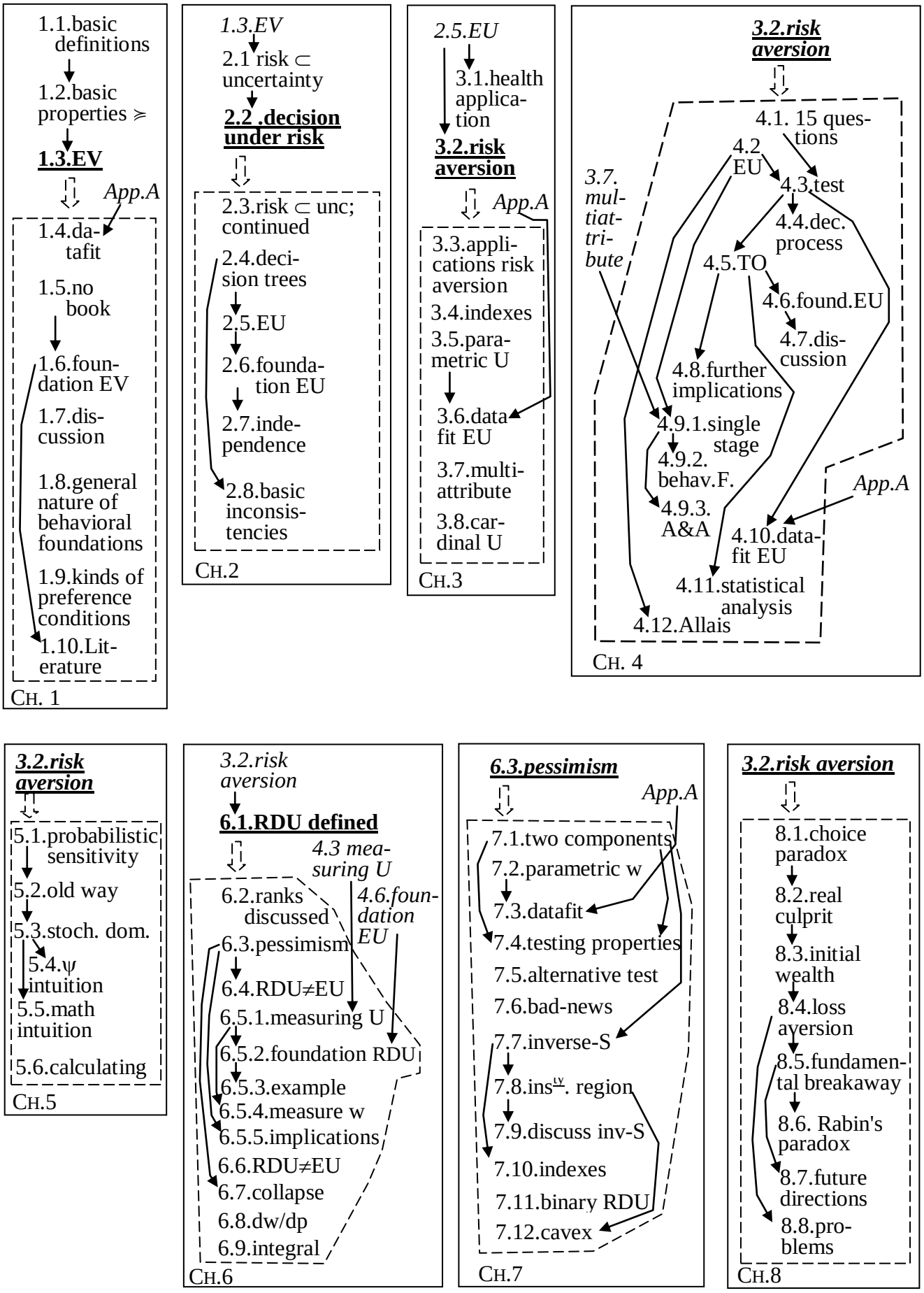


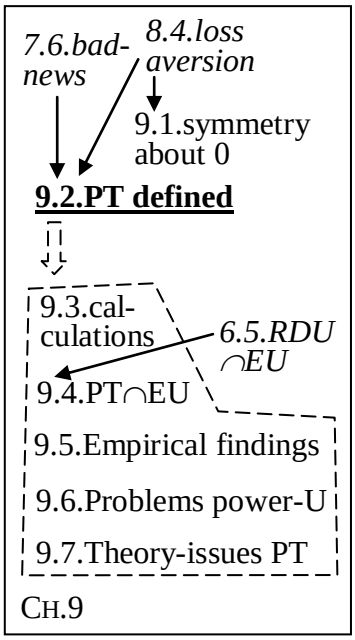
p. 451:

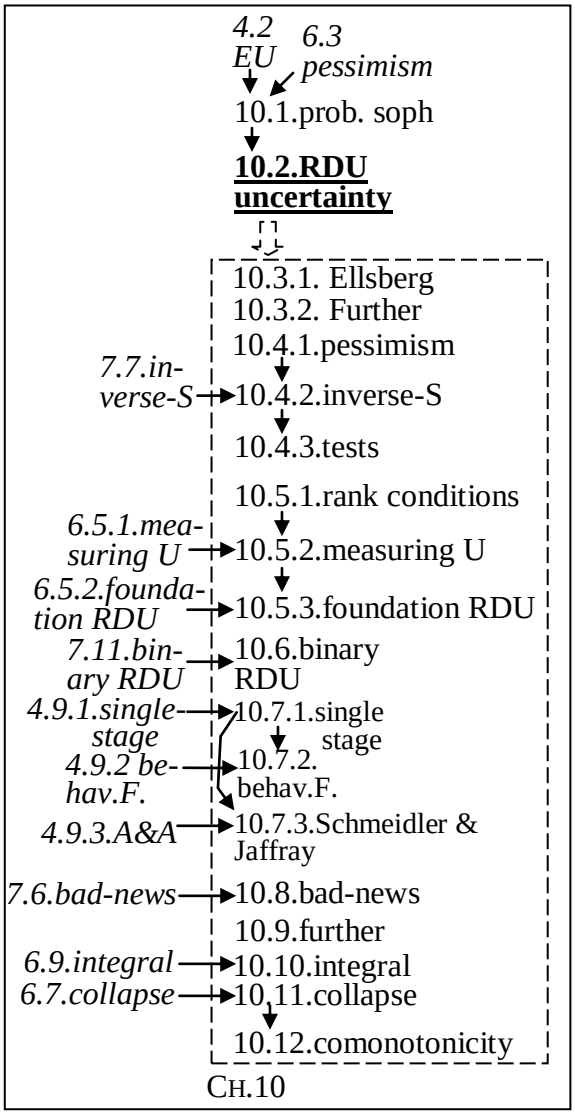
UNNUMBERED FIGURE J.11.3.1

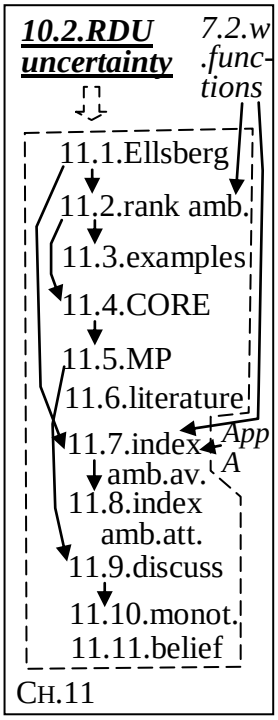


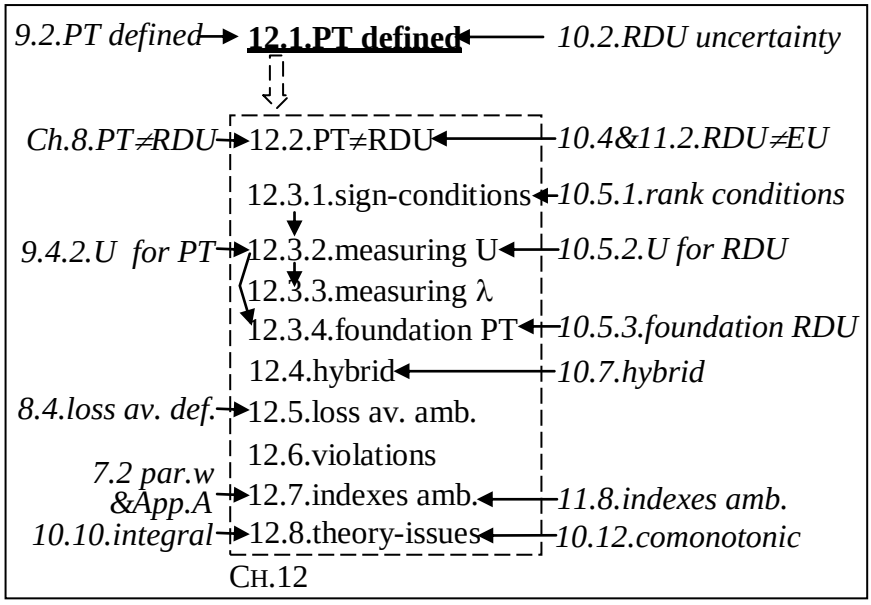
pp. 456-460: ALL FIGURES FROM CHAPTER K


1.1.basic definitions
1.2.basic properties ≽
1.3.EV
App.A
1.4.da-tafit
1.5.no book
1.6.foun-dation EV
1.7.dis-cussion
1.8.general nature of behavioral foundations
1.9.kinds of preference conditions
1.10.Lit-erature
CH. 1
1.3.EV
2.1 risk ⊂ uncertainty
2.2 .decision under risk
2.3.risk ⊂ unc; continued
2.4.deci-sion trees
2.5.EU
2.6.founda-tion EU
2.7.inde-pendence
2.8.basic inconsis-tencies
CH.2
2.5.EU
3.1.health applica-tion
3.2.risk aversion
App.A
3.3.appli-cations risk aversion
3.4.indexes
3.5.para-metric U
3.6.data fit EU
3.7.multi-attribute
3.8.car-dinal U
CH.3
3.2.risk aversion
4.1. 15 ques-tions
4.2 EU
4.3.test
4.4.dec. process
4.5.TO
4.6.found.EU
4.7.dis-cussion
3.7. mul-tiat-tri-bute
4.8.further implications
4.9.1.single stage
4.9.2. behav.F.
4.9.3. A&A
App.A
4.10.data-fit EU
4.11.statistical analysis
4.12.Allais
CH. 4
3.2.risk aversion
5.1.probabilistic sensitivity
5.2.old way
5.3.stoch. dom.
5.4.ψ intuition
5.5.math intuition
5.6.calculating
CH.5
3.2.risk aversion
6.1.RDU defined
4.3 mea-suring U
4.6.foun-dation EU
6.2.ranks discussed
6.3.pessimism
6.4.RDU≠EU
6.5.1.measuring U
6.5.2.foundation RDU
6.5.3.example
6.5.4.measure w
6.5.5.implications
6.6.RDU≠EU
6.7.collapse
6.8.dw/dp
6.9.integral
CH.6
6.3.pessimism
App.A
7.1.two components
7.2.parametric w
7.3.datafit
7.4.testing properties
7.5.alternative test
7.6.bad-news
7.7.inverse-S
7.8.insᵘ. region
7.9.discuss inv-S
7.10.indexes
7.11.binary RDU
7.12.cavex
CH.7
3.2.risk aversion
8.1.choice paradox
8.2.real culprit
8.3.initial wealth
8.4.loss aversion
8.5.fundamen-tal breakaway
8.6. Rabin's paradox
8.7.future directions
8.8.pro-blems
CH.8


7.6.bad-news
8.4.loss aversion
9.1.symmetry about 0
9.2.PT defined
9.3.cal-culations
6.5.RDU ∩EU
9.4.PT∩EU
9.5.Empirical findings
9.6.Problems power-U
9.7.Theory-issues PT
CH.9


4.2 EU
6.3 pessimism
10.1.prob. soph
10.2.RDU uncertainty
10.3.1. Ellsberg
10.3.2. Further
10.4.1.pessimism
7.7.in-verse-S
10.4.2.inverse-S
10.4.3.tests
10.5.1.rank conditions
6.5.1.mea-suring U
10.5.2.measuring U
6.5.2.founda-tion RDU
10.5.3.foundation RDU
7.11.bin-ary RDU
10.6.binary RDU
4.9.1.single-stage
10.7.1.single stage
4.9.2 be-hav.F.
10.7.2. behav.F.
4.9.3.A&A
10.7.3.Schmeidler & Jaffray
7.6.bad-news
10.8.bad-news
10.9.further
6.9.integral
10.10.integral
6.7.collapse
10.11.collapse
10.12.comonotonicity
CH.10


10.2.RDU uncertainty
7.2.w.func-tions
11.1.Ellsberg
11.2.rank amb.
11.3.examples
11.4.CORE
11.5.MP
11.6.literature
11.7.index amb.av.
App A
11.8.index amb.att.
11.9.discuss
11.10.monot.
11.11.belief
CH.11


9.2.PT defined
12.1.PT defined
10.2.RDU uncertainty
Ch.8.PT≠RDU
12.2.PT≠RDU
10.4&11.2.RDU≠EU
12.3.1.sign-conditions
10.5.1.rank conditions
9.4.2.U for PT
12.3.2.measuring U
10.5.2.U for RDU
12.3.3.measuring λ
12.3.4.foundation PT
10.5.3.foundation RDU
12.4.hybrid
10.7.hybrid
8.4.loss av. def.
12.5.loss av. amb.
12.6.violations
7.2 par.w &App.A
12.7.indexes amb.
11.8.indexes amb.
10.10.integral
12.8.theory-issues
10.12.comonotonic
CH.12

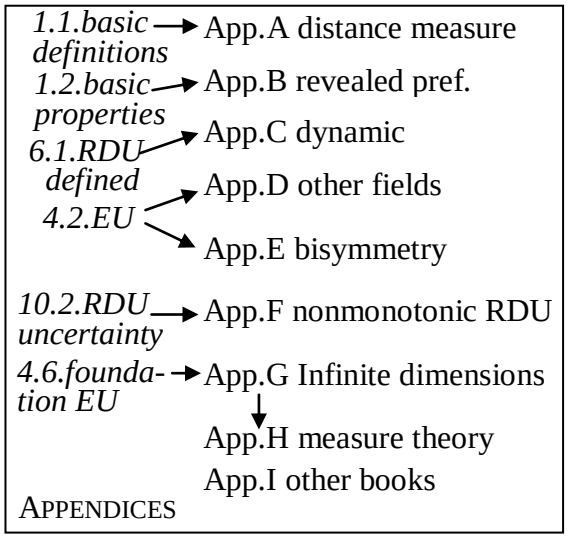


FIGURE K.1. The reading required to understand the definition of PT for uncertainty in §12.1

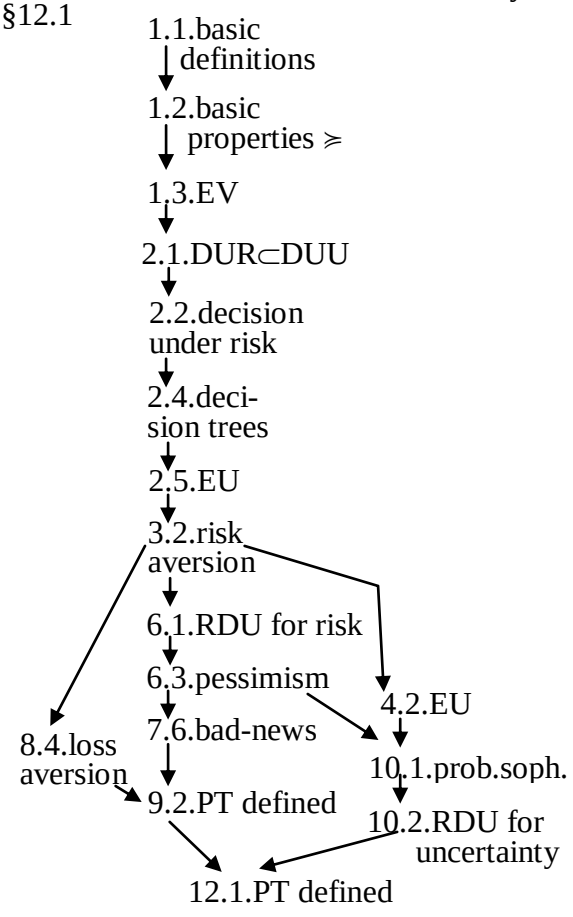


FIGURE K.2. The reading required to understand the pragmatic indexes of ambiguity attitudes based on prospect theory