

CRITICAL RATIONALISM AND DECISION THEORY

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[Abstract]

The two main areas of so-called “normative” decision theory are decision making under uncertainty, where Bayesianism (or subjective expected utility theory) is the most prominent approach, and decision making under risk, where the v. Neumann-Morgenstern (NM) theory is widely accepted. Normative decision theory is normative in the sense of a hypothetical imperative: it is, supposedly, in the interest of a decision maker to decide in line with the theory. This claim seems to be false in the case of Bayesianism. The NM theory, in contrast, is closely linked to the propensity interpretation of probability. It seems that, at least in simple decision problems, an adherent of the propensity theory would accept the claim that it is in his own interest to decide in line with the NM theory.