# On Choice, Belief, and Distribution: Axiomatic Studies in Behavioural Economics

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## Introduction

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2. **Meritocracy**: an allocation rule that rewards more meritorious individuals.
   (Cappelen et al., 2020; Fleurbaey, 2008; Kagan, 2014; Sandel, 2020; Sen, 2000)

3. **Belief-dependent tastes**: individuals who "like" having specific beliefs.
   (Bénabou & Tirole, 2016; Geanakoplos et al., 1989; Golman et al., 2017; Legg & Hookway, 2024)

# 1. A FOUNDATION FOR UNIVERSALISATION IN GAMES

An individual $i$ in a two-player game:

- chooses a mixed action $\alpha_i$;

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I introduce **Equal sacrifice universalisation**.

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A social choice function $f$ maps preference profiles to outcomes.

The function $f$ is **meritocratic** if more meritorious preferences are rewarded more.

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*Main Result:*
I introduce and discuss **Pareto Meritocracy** and **Proportional Meritocracy**.

## 3. Identifying Belief-dependent Preferences

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$$U(f; \ell_S) = \underbrace{\sum_s p_{\ell_S}(s) u\left(f_s; \ell_S\right)}_{\text{Belief-dependent utility}}$$

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$$U(f; \ell_S) = \underbrace{\sum_s p_{\ell_S}(s) u(f_s; \ell_S)}_{\text{Belief-dependent utility}} + \alpha_{\ell_S} \underbrace{\sum_s p_{\ell_S^*}(s) u(f_s; \ell_S^*)}_{\text{Utility with distorted likelihood}}$$

where $\ell_S^*$ maximises $u$ under the best possible outcome.

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Belief-dependent tastes **imply** non-Bayesian updating.

Particular commitment devices enhance welfare.

## A methodological takeaway

The concepts under study explain behaviour in economically relevant settings, but:

- constitute significant departures from theoretical benchmarks;

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- lack of focus on the logical relationships between these and benchmarks.

I attempt to integrate novel concepts in a logically consistent corpus of knowledge.

I argue that generalisation to accommodate novel ideas opens unforeseen routes.

# References

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