More on expected Utility
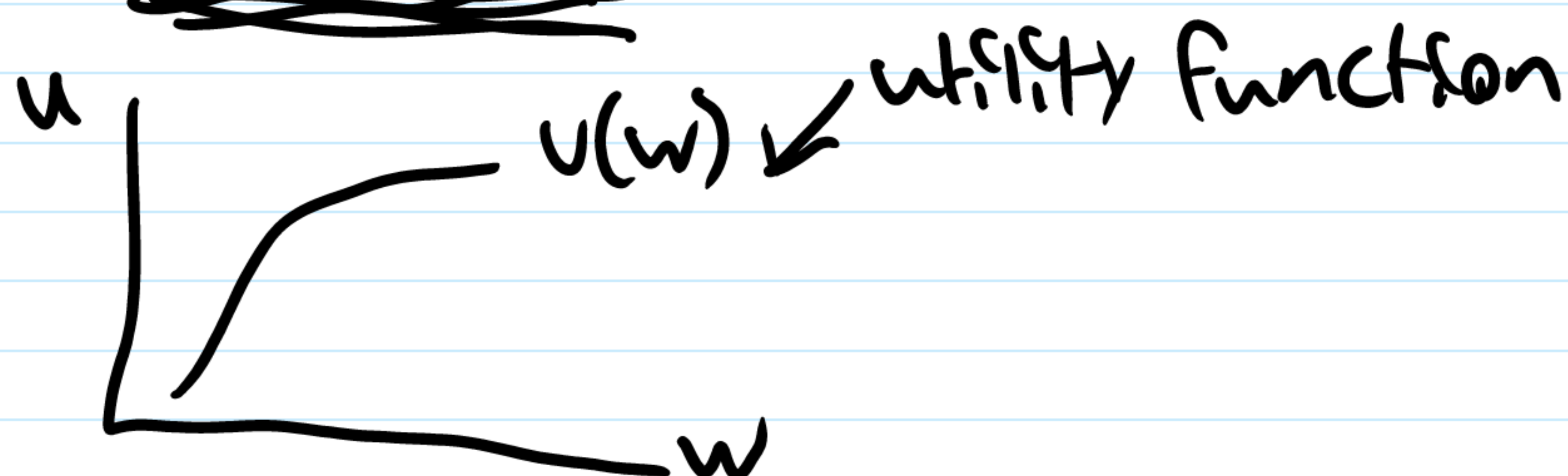
Ranking = ordinal (cant Multiply)
Risk neutral, money outcomes
  & will take any fair gamble
  Risk Aversion
  ~~———————~~

u

$v(w)$ ← utility function

w

Von-Neumann Morgenstern Utility function

- Continuity
- More is better
- Transitivity
- Independence of irrelevant outcomes