

1. Let  $c$  be the cup holders and  $p$  be the horsepower of a car.

a) There are lots of things that will work here. A simple example is:  $u(c, p) = c + \frac{p}{1+p}$ . Note that  $\frac{p}{1+p}$  is a “sigmoid” (s-shapes) function ranging from 0 to 1 over the domain  $[0, \infty)$ . Any similar function would work since no finite increase in the amount of power will overcome the addition of a single cup holder.

b) There are numerous ways to show this. Hopefully this argument will be instructive:

$\succsim(x)$  and  $\precsim(x)$  are both unions of closed rays (lines extending from a point to infinity) and in the case of  $\succsim(x)$  an additional closed line segment. While the union of an infinite number of closed sets is not necessarily closed. The union of a finite number of them is closed and this is good enough to show that  $\precsim(x)$  is closed.  $\succsim(x)$  on the other hand has an infinite number of these closed rays. In topology this sort of thing is referred to as the close long ray.

We can prove in a more mundane way that it is closed. In a closed set, every convergent sequence in the set converges to a point in the set. For a convergent sequence in Euclidian space, the distance between points in the sequence must eventually get arbitrarily close together (they are *Cauchy*). Since the rays are a finite distance apart, every convergent sequence in  $\succsim(x)$  sets eventually has every point on a single ray. Because each of these rays is closed, the sequence thus converges to a point on that closed ray. Thus, the entire set of them is closed.

c)  $\precsim(c, p)$  is open at  $(c+1, p)$  since  $(c+1, p-\epsilon) \in \precsim(c, p)$  for all  $\epsilon > 0$  but  $(c+1, p)$  is in  $\succ(c, p)$ .

2.

a) For every pair (unordered) of objects (there are  $\frac{n(n-1)}{2}$  such pairs), there is a  $\frac{1}{4}$  chance that  $x \succ x'$  and  $x' \succ x$ . There is a  $\frac{3}{4}$  chance that this is not the case. Thus, the probability is  $\left(\frac{3}{4}\right)^{\frac{n(n-1)}{2}}$ .

b) Now we take out the probability that neither  $x \succ x'$  nor  $x' \succ x$  (which occurs with probability  $\frac{1}{4}$ ) and we have  $\left(\frac{1}{2}\right)^{\frac{n(n-1)}{2}}$ .

c) If  $\succ$  meets these conditions it is a complete total order and ranks the objects. There are  $n!$  such rankings possible. There are  $2^{n(n-1)}$  total ways to create  $\succ$ . Thus the probability is  $\frac{n!}{2^{n(n-1)}}$ .

3. Since  $V$  is strictly increasing  $V(U(x)) \geq V(U(x'))$  if and only if  $U(x) \geq U(x')$  if and only if  $x \succsim x'$  since  $U$  represents  $\succsim$ . Thus,  $V$  represents  $\succsim$ .

4. Let  $x, x'$  be in the intersection. Then  $x$  and  $x'$  are in each  $A_i$ . Because each  $A_i$  is convex  $t(x) + (1-t)x' \in A_i$  for all  $i$ ,  $t(x) + (1-t)x'$  is in the intersection of all  $A_i$ . Thus,  $\bigcap A_i$  is convex.