

# Pegah Rahmani

**Address:**

Department of Economics  
University of Toronto  
150 St. George St.  
Toronto, Ontario  
M5S 3G7, Canada

**Phone:** +1-437-987-1545**Email:** pegah.rahmani@mail.utoronto.ca**Website:** www.pegahrahmani.com

---

**Citizenship:**

Iranian

**Research Interests:**

Behavioral Economics, Micro Theory, Decision Theory, Experimental Economics

## EDUCATION

Ph.D. in Economics, University of Toronto 2026 (Expected)

*Committee:* Yoram Halevy (supervisor), Marcin Peski, Colin Stewart

M.Sc in Economics, Sharif University of Thechnology 2020

B.Sc in Electrical Engineering, Sharif University of Thechnology 2017  
Minor in Computer Science

## RESEARCH

**Incomplete correlation-sensitive preferences**

(Job Market Paper)

**Anticipated Regret**

(with David Dillenberger, Yoram Halevy, Johannes Hoelzemann, Gideon Nave)

**Context Effects and the Limits of Rank-Based Salience**

(with Ryan Webb)

## ACADEMIC EXPERIENCE

Teaching Experience 2022 - 2023

- ECO 326: Advanced Economic Theory - Micro

Teaching Assistant 2021 - present

- ECO 200: Microeconomic Theory
- ECO 316: Applied Game Theory

Research Assistant 2021 - 2022

- Xianwen Shi: Proofreading
- Anton Tsoy: Proofreading

## LANGUAGES

English, Farsi (native), French (beginner)

*Programming languages:* Stata, R, Python, MATLAB, C++

## REFERENCES

Yoram Halevy  
Department of Economics  
University of Toronto  
150 St. George St.  
Toronto, Ontario  
M5S 3G7, Canada  
yoram.halevy@utoronto.ca

Colin Stewart  
Department of Economics  
University of Toronto  
150 St. George St.  
Toronto, Ontario  
M5S 3G7, Canada  
colin.stewart@utoronto.ca

Marcin Peski  
Department of Economics  
University of Toronto  
150 St. George St.  
Toronto, Ontario  
M5S 3G7, Canada  
marcin.peski@utoronto.ca

Last Updated: October 27, 2025

## Abstracts

---

### **Incomplete correlation-sensitive preferences: An axiomatic framework for decision making under uncertainty**

(Job Market Paper)

This paper develops a unified axiomatic framework for decision making under uncertainty, from which both correlation-sensitive and expected multi-utility models emerge as special cases. Unlike standard correlation-sensitive models that assume completeness, it allows incomparability by replacing completeness with two natural axioms: reflexivity, requiring consistency under symmetric comparisons, and monotonicity, ensuring that mixtures with incomparable options cannot reverse existing preferences. When transitivity is additionally imposed, the framework collapses to the expected multi-utility model. The framework offers a foundation for understanding how incompleteness, correlation sensitivity, and transitivity jointly shape choice under uncertainty.

### **Anticipated Regret**

(with David Dillenberger, Yoram Halevy, Johannes Hoelzemann, Gideon Nave)

A well-known phenomenon in the decision science literature (Loomes and Sugden 1982, Bell 1982, and Fishburn 1982) is that anticipated regret affects choices and valuations. We analyze Kahneman and Tversky's (1979) famous decision problem of the certainty effect – a special case of the common ratio effect à la Allais (1953) as well as extensively documented probability insensitivity in mid-ranges. We propose that these phenomena are, in fact, manifestations of anticipated regret; offer a behavioral definition of anticipated regret without committing to a specific functional representation; and document evidence of anticipated regret in a controlled lab setting. We find that more than half of our participants exhibit strict Certainty Effect, and about two-fifths of them exhibit aversion to anticipated regret.

### **Context Effects and the Limits of Rank-Based Saliency**

(with Ryan Webb)

Rank-based saliency has been proposed as a general mechanism for context-dependent choice, distorting decision weights according to outcome comparisons across states. Because the model allows a wide range of functional forms for saliency, it is flexible enough to fit many observed behaviors. We study its predictions in risky choice by introducing dominated distractors into binary lotteries. Despite its generality, the model yields a sharp restriction: if any menu-induced reversal occurs, it must be from the safer lottery to the riskier one. Our experimental findings contradict this prediction. In several cases, subjects instead shift toward the safer option when a dominated distractor is added. This shows that even in its most general formulation, rank-based saliency cannot capture the full range of attraction effects in risky choice, highlighting a structural limitation of the model.