## mueison s Preference TI

A Study by the Method of Rational Reconstruction

Stanley Wong



Routledge & Kegan Paul London, Henley and Boston

	Preface and acknowledgments	ix
1	Introduction . I'	1
2	Understanding and criticism 2.1 Introduction 2.2 The method of rational reconstruction 2.3 Theory construction as problem-solving 2.4 Criticism of the method of rational reconstruction 2.5 A solution to the problem of criticism	9 11 20 21 22
3	<ul> <li>The Hicks and Allen Programme</li> <li>3.1 Introduction</li> <li>3.2 The problem-situation of the Hicks-Allen theory</li> <li>3.3 The Hicks-Allen solution</li> <li>3.4 A problem-shift in the Hicks-Allen Programme</li> <li>3.5 On the law of diminishing marginal rate of substitution</li> <li>3.6 On the law of demand in the Hicks-Allen theory</li> </ul>	25 26 30 33 36 41
4	A new theory 4.1 The problem-situation of Samuelson (1938a) 4.2 The Samuelson solution 4.3 On the justification of the Samuelson Theory 4.4 The Samuelson Theory as an explanation	46 51 55 61

## Contents

5	A method of revealing preferences	
	5.1 The problem-situation of Samuelson (1948)	67
	<b>5.2</b> Definition of indifference in terms of revealed • .	
	preference	74
	5.3 Operationalism, indifference and revealed preference	' 79
6	The observational equivalent of ordinal utility theory	
	6.1 The problem-situation of Samuelson (1950b)	100
	6.2 The Houthakker solution	109
	6.3 A critique of the methodology of Paul Samuelson	112
7	Epilogue	
	7.1 Rational reconstruction self-applied	122
	7.2 Concluding remarks	127
	Notes	129
	Dibliggershy	400
	Bibliography	138
	Name index	145
5	Name much	145
	Subject index	147
	Subject much	11/