

When you don't know your own good.

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## ABSTRACT

Looking at common social situations that can be modeled as games, one finds that in many cases it is costly or even impossible for an agent to find the values of his own utility function (Elster, 1993). For example, for a full evaluation of a career one needs a lifetime in that career as well as a lifetime in another. Choosing one's friends and choosing a restaurant are other examples. In particular, in such situations the agents will be unable to accurately compare the outcome with what could have been, had they chosen differently. This kind of lack of information has major effects both on repeated game strategies and on evolutionary dynamics as they are defined by Hofbauer and Sigmund (1998) and Gintis (2000).

This paper is a theoretical study of this phenomenon in two kinds of situations:

- 1) agents who lack complete knowledge of their own utility functions interact with agents who possess complete knowledge,
- 2) all agents have similar costs for obtaining information about their respective payoff.

In this context I discuss the advantages and disadvantages of curiosity and risk aversion, and in some degree of belonging to a group.

I describe how experiments on these situations will be carried out in the lab under construction in Västerås, and I show some preliminary results from a few prototypical experiments.

## References

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