

ERRATUM

Utility of gambling I: entropy-modified linear weighted  
utility

and

Utility of gambling II: risk, paradoxes, and data

R. Duncan Luce<sup>(a)</sup> • C. T. Ng<sup>(b)</sup> • A. A. J. Marley<sup>(c)</sup> • János Aczél<sup>(b)</sup>

June 19, 2008

<sup>(a)</sup> Institute for Mathematical Behavioral Sciences, University of California,  
Irvine, CA, 92697-5100

<sup>(b)</sup> Department of Pure Mathematics, University of Waterloo, Waterloo,  
Ont., N2L 3G1 Canada

<sup>(c)</sup> Department of Psychology, University of Victoria, Victoria, Canada

Corresponding Author:

R. Duncan Luce  
Institute for Mathematical Behavioral Sciences  
Social Science Plaza  
University of California, Irvine, CA, 92697-5100  
Telephone: 949-824-6239  
FAX: 949-824-3733  
e-mail: rdluce@uci.edu

File: 08-06-19-error-UofG

**Erratum to:**

**Economic Theory DOI 10.1007/s00199-007-0260-5**

and

**Economic Theory DOI 10.1007/s00199-007-0259-y**

We refer to the above papers as UofG-I and UofG-II, respectively.

Equation (23) of UofG-I defines *separability*, which is assumed to hold with a common weighting function for all unitary binary gambles, whether the gamble involves a gain or a loss. This definition is appropriate when used in conjunction with *duplex decomposition*, Definition 14 of UofG-I, but is stronger than the assumption actually required, and used, in conjunction with *segregation*, Definition 9, of UofG-I.

The following revisions are required.

**For UofG-I**

Proposition 4 needs to be retained for later results involving duplex decomposition. A variant needs to be added for later results involving segregation. In the statement of the added proposition, replace “separable representation” with “separable representation over gains” and in the conclusion of the proposition replace “such that” with “such that for gains,  $x \succsim e$ .” The proof parallels that in the paper.

In the statement of Propositions 10, 11, and 13, replace “separable representation” with “separable representation over gains.” The proofs remain as in the paper.

**For UofG-II**

In the proof of Proposition 1, replace “Fixing  $x$  at  $x_0 \neq e$ ” with “Fixing  $x$  at  $x_0 \succ e$ ”.