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Reply to Professor Harsanyi

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REPLY

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REPLY TO PROFESSOR HARSANYI

JOSEPH B. KADANE AND PATRICK D. LARKEY

Our differences with Professor Harsanyi are not as profound as might appear. His principal source of discomfort with our paper seems to be the indeterminancy that results from our inability to tell you what your opponent is likely to do. Our suggestion is that this is an empirical matter, and that we need studies of how different sorts of people play different sorts of games. Professor Harsanyi's position, as we understand it, is that you should assume that your opponent is "rational" and then decide what "rationality" implies for his behavior in the particular game in question, and act accordingly.

Thus we agree with Professor Harsanyi that "in deciding on the best strategy against an actually or potentially irrational opponent or opponents, normative game theory can provide only indirect help. Rather, what we need is an empirically supported *psychological* theory making at least probabilistic predictions about the strategies people are likely to use, . . . given the nature of the game and given their own psychological makeup. If we had such a theory, deciding on their best strategy against such an opponent . . . would . . . involve . . . a solution of a simple maximization . . . problem." We would add only that the empirical data cited in our paper supports the conclusion that opponents tend to be "actually or potentially irrational," and hence we attach urgency to further psychological research on actual behavior of people making decisions in game situations.

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REJOINDER

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JOHN C. HARSANYI

Frankly, I do not think it would serve any useful purpose to minimize the importance of our disagreement because it is about the very foundations of game

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