

Characterization of the Maximin Choice Function in a Simple Dynamic Economy

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February, 2005

Abstract

This paper examines the question how to characterize the maximin principle axiomatically in a simple dynamic economy proposed by Arrow (1973) and Dasgupta (1974a,b). We characterize the maximin principle in a choice function framework. Axioms are imposed not on the intergenerational preference but on the choice function which derives eligible consumption paths. Some axioms are familiar to the characterizations of the maximin principle, Hammond equity and Pareto principle. Others are often made use of in choice theory, Conditions α and β .

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