

UTILITY THEORY: ANALYSIS OF CONSUMER BEHAVIOR IN TERMS OF RISK

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Research methodology. For the purpose of understanding the utility theory and stages of its development logical-historical method is used; to compare the use of main classes of models we used method of comparative analysis; to form models of coalition-like class the method of economic-mathematical modeling is used; to determine the deviant behavior of taxpayers the analysis and synthesis method is used.

Results. The use of main classes of models in modern utility theory is discussed. The main issues of the utility theory are determined, and the main stages of its development are analyzed. The situation of normative-descriptive dualism is outlined, which is manifested in the contradictions of theoretical predictions with revealed empirical facts. Potential ways to overcome the inconsistency are identified.

The modern utility theory occupies an important place within the framework of economic theory as a basis for understanding and prediction of individual behavior under risk and uncertainty. For the long period of utility theory evolution, its subject has undergone significant changes: from the analysis of individual choice under certainty up to estimation of risk alternatives (lottery). Normative-descriptive dualism can be distinguished as the main problem of the utility theory at the current stage: prediction of standard theory (model of coalition-like class) cannot predict or even explain post factum rather significant body of empirical evidence. Contrariwise, antagonistic models that fit the effect of splitting events at an acceptable level of descriptive properties do not have enough theoretical ground, which does not allow one to assert their superiority over the models of coalition-like class.

Novelty: One option of surpassing such dualism could be the improvement of descriptive model properties of coalition-like class by weakening initial conditions (basic set of axioms) by allowing infringement of the principle of monotony. Models that fit such specifications will be able to explain most of the new empirically identified behavioral heuristics without violating the principle of coalition-like class which has sufficient theoretical justification.

Practical value. In modern conditions for the implementation of the theoretical study of economic behavior of tax defaulters, researchers use the theory of subjective expected utility of individuals, according to which the purpose of fiscal evasion is to maximize expected utility of

the individual. One of the areas of combating shadow income is modeling deviant behavior of economic agents aimed at decision-making on tax evasion in order to conceal part of the income.

The possibility of using the theory of subjective expected utility of individuals to analyze decision-making on tax evasion is considered. It is noted that in order to identify the shadow income, informal modeling of economic agents' deviant behavior aimed at decision-making on tax evasion should be used.

Keywords: utility theory, risk and uncertainty, decision making, subjective expected utility theory, behavioral economics, deviant behavior, coalition-like models, tax evasion.

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