

Second-order beliefs and unambiguous events ^{*}

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Abstract

This paper axiomatizes models with second-order beliefs that distinguish exogenously given unambiguous and ambiguous events. Second-order subjective expected utility of Seo (2009) and Second-order maxmin expected utility of Nascimento and Riella (2011) are elaborated. Extracted second-order beliefs agree with some first-order probability on unambiguous events with probability one. A definition of unambiguous events, which resembles that of Klibanoff et al. (2005), completely identifies all the unambiguous events under a technical assumption.

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