Tables xii
Figures xiii
Preface xv

1 Concepts and Problems

1.1 Questions and Answers 1
1.2 Mathematics and Empirical Science 2
1.2.1 Logical and empirical statements 2
1.2.2 The logical and empirical status of geometry 7
1.2.3 The logical modalities 10
1.3 Specifying the Meaning of a Technical Term 12
1.4 Inquiry and Argument 15
1.4.1 Kinds of logic 15
1.4.2 The logic of empirical inquiry 17
1.5 Deductive and Inductive Arguments 21
1.5.1 Deductive arguments 21
1.5.2 Inductive arguments and probability 23
1.6 Problems and Methods 28
1.6.1 The four main problems of this book 28
1.6.2 Theories and models in empirical science 31
1.6.3 The methods of this book 33
1.7 Conclusion 36

2 The Calculus of Inductive Probability

2.1 Introduction 39
2.2 The Calculus of Inductive Probability 40
2.2.1 Axioms 40
2.2.2 Truth-functional and modal logic 42
2.3 Some Theorems of the Calculus of Inductive Probability 45
2.3.1 Probability and the logical modalities 45
2.3.2 Multiplication principles 48
2.3.3 Addition principles 51
2.4 Relative Frequency 57
2.5 Bayes' Theorem and Induction 65
2.5.1 Bayes' theorem 65
2.5.2 Confirmation by repeated experimentation 71
2.5.3 The confirmation theorem 76
2.5.4 Applications to induction 85
2.6 Unconditional Probability 92
2.7 Summary 95

3 Alternative Inductive Logics and the Justification of Induction

3.1 Three Inductive Logics 99
3.2 Inductive Logics for Simple Models of Reality 104
3.2.1 Simple models of reality 104
3.2.2 Carnap's inductive logics 107
3.2.3 Induction and statistical uniformity 114
3.2.4 Inductive logics and Bayes' method 118
3.3 Hume's Thesis on the Justification of Induction 128
3.3.1 Alternative inductive logics and Hume's thesis 128
3.3.2 Historical comment 134
3.3.3 Speculative character of Hume's thesis 137
3.4 Frequency Theories of Probability 142
3.4.1 The frequency theory of empirical probability 142
3.4.2 The frequency theory of inductive probability 150
3.5 Summary 161

4 Probability and Action

4.1 Introduction 165
4.2 Peirce's Pragmatism 166
4.2.1 The pragmatic principle of meaning 166
4.2.2 Sameness of meaning 168
4.2.3 Analysis 169
4.2.4 The descriptive component 171
4.2.5 The normative component 175
4.2.6 Probability and pragmatism 176
4.3 The Traditional Theory of Utility 179
4.3.1 Utility and Choice 179
4.3.2 Quantitative probabilities and valuations 185
4.3.3 Infinite utilities 188
4.3.4 Two paradoxes of utility 193
4.3.5 Insurance and gambling 199
4.3.6 Simple ordering of preferences and uncertainties 207
4.4 The "Book" Theorem 213
4.5 Summary 216

5 The Pragmatic Theory of Inductive Probability

5.1 Introduction 247
5.1.1 Preview 247
5.1.2 Historical remarks 249
5.2 The Calculus of Choice—Grammar 254
5.2.1 The marking "game" 254
5.2.2 Choice and act trees 256
5.2.3 Complete sets of trees 259
5.3 The Calculus of Choice—Simple Ordering 262
5.3.1 Marking and logical equivalence axioms 262
5.3.2 Simple ordering of preferences 266
5.3.3 Simple ordering of uncertainties 270
5.4 The Calculus of Choice—Normal Forms 272
5.4.1 Normal form axiom 272
5.4.2 Comparative values 277

5.4.3 Comparative probabilities 281
5.5 The Calculus of Choice—Quantitative 286
5.5.1 Utilities and quantitative probabilities 286
5.5.2 Proof of the main theorem 291
5.5.3 Savage's axiomatic system 299
5.6 The Pragmatic Theory of Inductive Probability 305
5.6.1 Introduction 305
5.6.2 The normative use of the calculus of choice 306
5.6.3 Probability statements and logical truth 312
5.6.4 Conclusion 318
5.7 Closely Related Theories of Inductive Probability 320
5.7.1 The a priori theory 320
5.7.2 The personalistic theory 325
5.8 Summary 327

6 The Logic of Causal Statements as a Formal Language

6.1 Introduction 337
6.2 The Structure of the Logic of Causal Statements 342
6.2.1 Grammar 342
6.2.2 Axioms 345
6.2.3 Proofs and theorems 350
6.3 An Abstract Interpretation 351
6.3.1 Examples 351
6.3.2 Modal models 358
6.3.3 Logical truth 362
6.4 The Mechanical Character of a Formal Language 367
6.4.1 Arithmetization of a formal language 367
6.4.2 Gödel's incompleteness theorem 372
6.4.3 Machines and algorithms 380
6.4.4 Machines and formal languages 388
6.5 Some Theorems of the Logic of Causal Statements 396
6.5.1 Derived rules of inference 396
6.5.2 Some metatheorems 407
6.5.3 Paradoxes of implication 412
6.6 Summary 416

7 The Logic of Causal Statements as a Model of Natural Language

7.1 Introduction 421
7.2 Laws of Nature 424
7.2.1 Laws and theories 424
7.2.2 Causal laws 427
7.3 Subjunctives and Dispositions 435
7.3.1 Causal modalities and subjunctives 435
7.3.2 Causal dispositions 440
7.3.3 Elliptical causal implication 444
7.4 Causality 451
7.4.1 Causes and effects 451
7.4.2 Contravening causes and completeness 457
7.5 Iterated Modalities 464

7.5.1 Change of dispositions 464
7.5.2 Comprehensive modal logics 467
7.6 Conclusion 474

8 The Dispositional Theory of Empirical Probability
8.1 Introduction 479
8.2 A Fair Coin 480
8.2.1 Dispositional model of the fair coin hypothesis 480
8.2.2 Causal and probabilistic dispositions 487
8.2.3 Dispositional models of atomic empirical probability statements 497
8.3 Dispositional Models of Empirical Probability Theories 503
8.3.1 Empirical probability theories 503
8.3.2 The dispositional theory of empirical probability 511
8.3.3 The positivistic theory of empirical probability 519
8.3.4 Prior probabilities and empirical probability 528
8.4 Alternative Theories of Empirical Probability 531
8.4.1 The frequency theory of empirical probability 531
8.4.2 Peirce's dispositional-frequency theory of probability 533
8.4.3 The personalistic account of empirical probability 538
8.5 Summary 542

9 Cause and Chance in Space-Time Systems
9.1 Introduction 549
9.2 Space-time Systems 551
9.2.1 Induction and repetition 551
9.2.2 Indexical symbols and properties 554
9.2.3 Cellular automata 562
9.2.4 Local and global laws 568
9.3 Causality in Nature 571
9.3.1 Uniformity of nature 571
9.3.2 Determinism 574
9.3.3 Near-determinism 577
9.3.4 Tychism 581
9.4 Determinism and Chance 585
9.4.1 Embedded subsystems and probability 585
9.4.2 Entropy and randomness 592
9.4.3 Determinism and randomness 597
9.5 Summary 603

10 The Presupposition Theory of Induction
10.1 Introduction 607
10.2 The Epistemological Status of Causal Necessity 608
10.2.1 Empirical and a priori concepts 608
10.2.2 Causal necessity is a priori 613
10.2.3 Causal necessity is irreducibly modal 619
10.3 Causal Models of Standard Inductive Logic 622
10.3.1 Possible causal systems 622
10.3.2 Verification of causal laws 627
10.4 The Presupposition Theory of Induction 632
10.4.1 The a priori aspect of inductive probability 632
10.4.2 Epistemological status of the presuppositions 636

10.5 Historical Antecedents 639
10.5.1 Keynes' principles of induction 639
10.5.2 Kant's theory of causality 643
10.6 Summary of the Presupposition Theory 647

11 Chance, Cause, and Reason

11.1 Fundamental Concepts 651
11.2 Questions and Answers 655
11.3 A Unified Theory of Probability, Causality, and Induction 657

Bibliography 659

Index 673

1	Branches of Logic	16
2	The Most Likely Number of Successes	59
3	Probability and Frequency	60
4	Calculation Format for Bayes' Theorem	68
5	Bayes' Method of Finding an Unknown Probability	78
6	Success of Bayes' Method in Finding the True Hypothesis	80
7	Success of Bayes' Method in Estimating an Unknown Probability	82
8	Convergence of Opinion of Two Investigators Who Start Inquiry With Different Prior Odds	90
9	Universe Descriptions of a Model With Two Individuals and Two Basic Properties	106
10	Alternative Inductive Logics for a Model	111
11	Parallelism Between Some Concepts of Classical Thermodynamics and Some Concepts of Inductive Logic	115
12	Variance of Acts	195
13	Normal Form Acts for Two Consequences and Four Possible Universes	261
14	Truth Table for "$(P \text{ v } Q) \text{ v } (\sim P \text{ v } Q)$"	346
15	Some Basic Conjunctions of a Model of the Ancestral Relation	356
16	Gödel Numbers	367
17	Illustration of the Conditional Proof Algorithm	399
18	Illustration of the Generalization Rule Algorithm	401
19	Illustration of "Height" as Defined for the Exchange Rule Algorithm	404
20	Illustration of the Exchange Rule Algorithm	406
21	Comparison of Five Kinds of Implication	446
22	Iterated Modal Operators Compared with Iterated Modal Predicates	471
23	Modal Structure of a Causal Model of Standard Inductive Logic	624
24	Three Classifications of Statements Compared	645

1	Choice tree for gambling	219
2	Act tree for Fig. 1	219
3	Act tree for indifference	220
4	General form of choice and act trees	220
5	The sure-thing paradox	221
6	Utility function that justifies insuring	222
7	Utility function that justifies gambling	223
8	Utility function that justifies simultaneous insuring and gambling	224
9	Preference relations among acts	225
10	Pragmatic manifestation of "P is more likely than Q"	225
11	Pragmatic manifestation of equal probabilities	226
12	An extended act tree	226
13	Ungrammatical and grammatical trees	227
14	Normal-form choice tree	228
15	Non normal-form choice trees	229
16	Examples of the logical equivalence axiom	230
17	Illustration of the first part of the logical equivalence axiom	232
18	Illustration of the second part of the logical equivalence axiom	233
19	Example involving both parts of the logical equivalence axiom	234
20	Example of the subset axiom	235
21	Transitivity of preference	235
22	Subset axiom applied to an extended tree	236
23	Violation of the invariance axiom	236
24	Joint example of logical equivalence and invariance axioms	237
25	Ordering of uncertainties axiom	238
26	Probabilistic impossibilities	238
27	Normal form of an extended tree	239
28	Probabilistic impossibilities and normal form	240
29	Illustration of the trimming and normal form algorithms	241
30	Proof of a reduction theorem	242
31	Proof of the partial act theorem	243
32	Proof of a lemma on comparative values	243
33	An act tree in which every choice maximizes a utility function	244
34	Proof of theorem [18]	245
35	Automata primitives	381
36	Finite automaton	382
37	Tape units	385

38 Turing machine $\mathfrak{M}$ 386
39 Universal Turing Machine $\mathfrak{U}$ 387
40 Construction of theorem and non-theorem enumeration machines 390
41 Construction of a decision machine for theoremhood 391
42 Construction of a truth enumeration machine 394
43 Two-dimensional cellular space 563
44 Partial history of a deterministic cellular automaton 565