

## The John Bates Clark Award

*Citation on the Occasion of the Presentation  
of the Medal to*

DAVID KREPS

*December 29, 1989*

David Kreps's contributions to economic research are nothing short of pathbreaking. This is evident in finance, where his work on arbitrage pricing is especially noteworthy, and in his modeling of rational expectations equilibria. Also important are Kreps's extensions of utility theory to dynamic contexts (temporal resolution of uncertainty), induced preferences, and flexibility. Especially and insistently, however, he has made pioneering contributions to dynamic game theory. Kreps's research goes to core issues. Rather than finesse "complicated" behavioral attributes of human actors by employing behavioral assumptions that are accommodated by state-of-the-art apparatus, Kreps insists that the complications be faced instead. Issues of learning, reputation, culture, unforeseeability, and the like that were once believed to be beyond reach are brought within the ambit. Kreps combines keen intuition, deep curiosity, and extraordinary skills of modeling and exposition. Innovative and tractable new models are his trademark. The added breadth and depth of his contributions have brought new life to and renewed excitement in the study of economics.