

Risk Analysis Models

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Abstract: A common opinion among analysts and decision-makers is that the results of risk analyses are associated with large uncertainties. Model uncertainty is commonly regarded as one of several contributors, and efforts have been made to provide a measure of uncertainty stemming from models applied in the analyses.

Model uncertainty has been subject to considerable attention in recent literature. No agreement seems to exist, however, on the definition of the concept in itself and how it should be measured. Another question, although not so often discussed, is how model uncertainty affects the value of the analysis results when brought forward in a decision-making setting.

The intention of this paper is to contribute to clarification of these issues.

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