

## Abstract

This thesis deals with gambling behavior, both from the point of view of decision theory and with regard to the Czech gambling experience. Gambling at actuarially unfair odds is commonplace, yet the standard model of consumer choice cannot explain this phenomenon owing to the usual assumption of risk aversion. Theories of decision under risk dealing with betting behavior and answering the question why people gamble are surveyed. The phenomenon can be explained by adjustments within the expected utility theory, but non-expected utility models provide an alternative approach that seems to be descriptively more accurate. In the second part fundamental points of the Czech gambling reality are covered with the aim to provide a comprehensive overview as a tool for future researchers. The empirical part proceeds with analysis of socio-economic determinants of gambling participation and expenditure, to our knowledge for the first time based on Czech data. Given the absence of specialized micro-level data, two independent data sources from general expenditure surveys have been used. Strong conclusions for public policy could not be reached but the analysis still provides valuable insights.