### Module title
Economic Principles of Risk Management

### Abbreviation
12-Risk-141-m01

### Module coordinator
holder of the Chair of Economics, Information and Contract Economics

### Module offered by
Faculty of Business Management and Economics

### ECTS
5

### Method of grading
numerical grade

### Only after succ. compl. of module(s)
--

### Duration
1 semester

### Module level
graduate

### Other prerequisites
--

## Contents

Rational decisions under uncertainty

1. Measures of risk aversion
2. Mean preserving spread
3. Axiomatic foundations of the expected utility hypothesis (Neumann/Morgenstern, Savage)
4. Insurance contracts
5. Optimal portfolios
6. Adverse selection
7. Moral Hazard
8. Experimental evidence and alternative approaches

## Intended learning outcomes

After completing the course students are able to

1. explain the results of the economic theory of decisions under risk,
2. apply the involved methods to given simple examples on their own,
3. recognise, in which real life situations and how the results can be applied.

## Courses

V + Ü (no information on SWS (weekly contact hours) and course language available)

## Method of assessment

written examination (approx. 60 minutes)

Language of assessment: German, English

creditable for bonus

## Allocation of places

--

## Additional information

--

## Referred to in LPO I
(examination regulations for teaching-degree programmes)

--

## Module appears in

Master's degree (1 major) Business Management (2014)