Module title	Abbreviation
Economic Principles of Risk Management	12-Risk-242-m01

Module coordinator	Module offered by
holder of the Chair of Economics, Information and Contract Economics	Faculty of Business Management and Economics

ECTS	Method of grading	Only after succ. compl. of module(s)
5	numerical grade	--

Duration	Module level	Other prerequisites
1 semester	graduate	--

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 (type, number of weekly contact hours, language — if other than German)

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Module taught in: German and/or English

Method of assessment (type, scope, language — if other than German, examination offered — if not every semester, information on whether module is creditable for bonus)

written examination (approx. 60 minutes)
Language of assessment: German and/or English
creditable for bonus

Allocation of places

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Additional information

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Workload

150 h

Teaching cycle

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

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Module appears in

Bachelor' degree (1 major) Business Information Systems (2024)
Bachelor' degree (1 major) Economathematics (2024)
Bachelor' degree (1 major) Business Management and Economics (2024)
Bachelor's degree (1 major, 1 minor) Business Management and Economics (Minor, 2024)