

Module Handbook (<https://modhb.uni-kl.de/>)

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Module WIW-FE-INS-M-7

Insurance Economics (M, 4.5 LP)

Module Identification

Module Number	Module Name	CP (Effort)
WIW-FE-INS-M-7	Insurance Economics	4.5 CP (135 h)

Basedata

CP, Effort	4.5 CP = 135 h
Position of the semester	1 Sem. in SuSe
Level	[7] Master (Advanced)
Language	[EN] English
Module Manager	Wenzelburger, Jan, Prof. Dr. (PROF DEPT: WIW) (/staff/57/)
Lecturers	Wenzelburger, Jan, Prof. Dr. (PROF DEPT: WIW) (/staff/57/)
Area of study	[WIW-FE] Macroeconomics
Reference course of study	[WIW-88.21-SG] M.Sc. Business Studies (/mhb/FB-WIW/cos-534/)
Lifecycle-State	[NORM] Active

Courses

Type/SWS	Course Number	Choice in Module-Part	SL	PL	CP	Sem.
4V	WIW-FE-INS-K-7 (/mhb/courses/WIW-FE-INS-K-7/)	P	-	PL1	4.5	SuSe

- About **[WIW-FE-INS-K-7]**: Title: "Insurance Economics"; Presence-Time: 45 h; Self-Study: 90 h

Examination achievement PL1

- Form of examination: **written or oral examination**
- Examination Frequency: each semester

Evaluation of grades

The grade of the module examination is also the module grade.

Mündliche Prüfung (30 Minuten) oder Klausur am Ende des Semesters.

Contents

From [WIW-FE-INS-K-7] Insurance Economics (/mhb/courses/WIW-FE-INS-K-7/):

The main objective of this module is to familiarize students with the modelling of insurance demand and supply.

Topics:

- Foundations of expected utility theory
- Co-Insurance and deductible insurance
- Mossin's theorem
- Insurance principles
- Adverse selection, moral hazard
- Asymmetric information

Competencies / intended learning achievements

- Understand how decisions makers choose from a given set of lotteries
- Compute optimal levels of co-insurance and deductibles
- Understand and compare insurance principles
- Model insurance decisions under asymmetric information

Literature

From [WIW-FE-INS-K-7] Insurance Economics (/mhb/courses/WIW-FE-INS-K-7/):

- Rees, Ray and Wambach, Achim: The Microeconomicsof Insurance. Foundations and Trends in Microeconomics Now Publishers Inc. Delft, 2008
- Dionne, Georges: Handbook of Insurance, Springer 2013
- Mas-Colell, Andreu; Whinston, Michael D. and Green, Jerry: Microeconomic Theory. Oxford University Press 1995
- Gravelle, Hugh and Rees, Ray. Microeconomics. 2004

Requirements for attendance (informal)

None

Requirements for attendance (formal)

None

References to Module / Module Number [WIW-FE-INS-M-7]

Course of Study	Section	Choice/Obligation
[MAT-88.B84-SG] M.Sc. Actuarial and Financial Mathematics (/mhb/FB-MAT/cos-579/)	Financial Economics	[P] Compulsory
Module-Pool	Name	
[WIW-FE-MPOOL-7 (/mhb/modulepools/WIW-FE-MPOOL-7/)]	Field of Specialization: Financial Economics	