







## **Chapter 4: Risk and Decision-Making**

- **Evaluating risk preferences with utility functions**

- **Payoffs**

- **Payoff scale**

- **Order effects confound**



## **Chapter 6: Monopoly and Cournot Markets**

- **Monopoly predictions**

- **Cournot Duopoly**

- **Price mark-ups as a means of predicting behavior in Oligopoly markets**
  - what happens to price elasticity as  $N \rightarrow \infty$  ?



## **Chapter 11: Asset Markets**

- **Bubbles and crashes**
  - Net present value review
  
- **rational (but optimistic) bubbles**
  
- **irrational bubbles**
  - the bigger idiot theory
  
- **A Limit Order Experiment (infinite horizon approximation)**