

## Twitter Thread by Matt Notowidigdo



**Matt Notowidigdo**

@ProfNoto



**$u'$  - marginal utility**

**$u''$  - related to risk aversion**

**$u'''$  - related to precautionary saving (prudence)**

**$u''''$  - ??**

**I heard once that @mileskimball had intuition for the roles of 4th & higher-order derivatives of  $u()$  -- would love to be able to break that out at an Econ party**

The derivatives of the Position vector with respect to time have interesting names:

Velocity ( $v$ ) = change in Position

Acceleration ( $a$ ) = change in Velocity

Jerk ( $j$ ) = change in Acceleration

Snap ( $s$ ) = change in Jerk

Crackle ( $c$ ) = change in Snap

Pop ( $p$ ) = change in Crackle

\U0001f9d0 [pic.twitter.com/fo7RNjum6f](https://pic.twitter.com/fo7RNjum6f)

— Fermat's Library (@fermatslibrary) [October 19, 2018](#)

[Ain't no party like an Econ party, 'cause an Econ party discusses higher-order risk attitudes]