Student Guide: **“Is fear the worst viral epidemic?”**

**Date: Feb 13, 2020**

**A Lesson in:**

* Risk
* Short Term v Long Term

**Before the Reading:**

1. What is the biggest motivating factor in your life?

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1. Do you find that negative consequences or positive rewards are more effective when helping you make choices? Share a story you remember that answers the question.

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1. Can you remember a period in American history (prior to 2020), in which there were significant economic consequences to individuals? Provide at least one example.

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1. Today, Americans, and individuals throughout the global economy have found fear as a motivating factor to help them make decisions about what to do with money they have invested in the stock market. What global event (in the first few months of 2020) has caused individuals to fear the risk of investing their money in the stock market?

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1. Why do you think that has been the case?

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**During the Reading with Newspapers in Education:**

1. Take a look at the “Cartoons for the Classroom: Is fear the worst viral epidemic?”
   1. What do you see in the cartoon (by Dave Whamond) in the upper left hand part of the page?

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* 1. What do you think is happening?

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* 1. What do you wonder?

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* 1. How may this cartoon show what is happening in the American or global marketplace?

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1. On the right hand side of the article, read through the “Talking Points” and answer each one.

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| **“Talking Points”** | |
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1. Economist Daniel Kahneman provides a quote for “Between the lines.” Rewrite a phrase or part of the quote that stands out to you the most.

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1. Using the whole quote, what message does Kahneman try to convey?

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1. Do you agree with the Between the lines quote? Why or why not?

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1. In the bottom right side of the article, John Darkow has created a black and white cartoon to provide an idea of what is going on in “The Market.” Looking at the sketch, what do you see?

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1. What do you think is portrayed?

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1. What do you wonder?

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1. A bull is labeled “The Market,” what *market* is he referring to? How do you know?

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1. What does Darkow want to tell his viewers is going on in “The Market?”

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1. What is the consequence to the “freakout” mentioned by the CDC?

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**After the Reading:**

1. Why do you think human emotion affects the decisions people make with their money?

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1. What types of people are more willing to take “possible risks” and ignore the widespread fear of the public?

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1. When it comes to investing money, the longer amount of time you have to invest typically allows you to take riskier actions when investing. *Match the individuals with the amount of risk they should be comfortable taking given the same goal of retirement at 64 years of age.*

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| 1. Kelly Kapoor - 25 years old, plans to invest for retirement, has only $1,000 available to invest now. | 1. Low Risk (Conservative) Investment Options: Government Bonds, Money Market Accounts, CDs, Cash |
| 1. Michael Scott- 41 years old, investing for retirement, has $15,000 worth of assets/ investments. | II. Mid Risk (Moderately  Aggressive) Investment  Options: Real Estate, Mutual  Funds, Large/Small Cap Stock |
| 1. Creed Bratton- 62 years old, investing for retirement, has $588,000 worth of assets/investments. | III. High Risk (Very Aggressive)  Investment Options:  Collectables, Futures |

1. What may be the best solution for the recovery of the global market when there is widespread fear? (What kinds of wise economic decisions must be made?)

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