

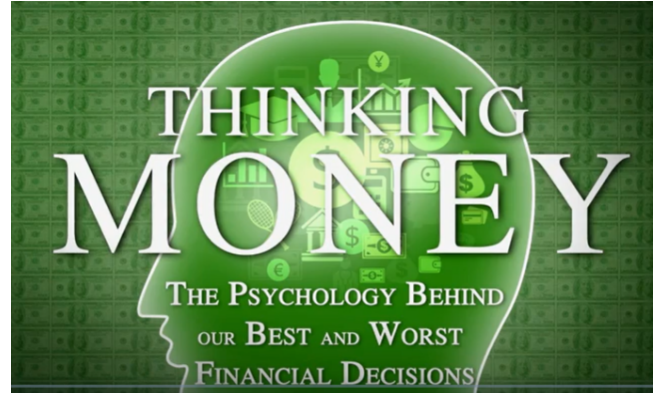
Thinking Money: The psychology behind our best and worst financial decisions

PBS Documentary Link:

<https://www.pbs.org/video/mpt-presents-thinking-money-psychology-behind-our-best-and-worst-fin/>

Financial Literacy Outcome(s): Module 1 Why Money Matter, Module 2 The Decision-Making Process, Module 3 Goal Setting, Module 4 Net Worth

Host Dave Coyne leads viewers through an exploration of what behavioral economics reveals about why we spend, save (or don't save) and the way we think about money. Dave meets with innovative thinkers who mix economics with psychology. Their experiments and insights into our financial behavior teach us to recognize how our brains and the marketplace can trick us into spending money we shouldn't.



Viewing/Post Viewing Questions

Ideas/Facts

While watching, record key 5-8 facts or ideas.

Terms/Definitions

Define as you watch or look up after viewing.

- Classical Economics (assumes we are all rational consumers making logical choices). Behavioural Economics is different because
- Endowment Effect
- Overconfidence Bias

- Motivated Reasoning
- Illusion of Invulnerability
- Loss Aversion (ie. Coffee mugs)
- Choice Architecture
- Power of Defaults

General Post Viewing

Scarcity means “not enough”. How does scarcity, according to the documentary, relate to your personal finances? Refer to example(s) from the documentary and then to your own life.