

SPECIAL REPORTS

# JOHN STOSSEL

## ARE WE SCARING OURSELVES TO DEATH?

**Subjects:** Social Studies

**Grade Levels:** 9–12

**Running Time:** 45 minutes

### INTRODUCTION

Born in 1947, John Stossel is a 1969 graduate of Princeton University, where he earned a BA in psychology. He started his journalism career as a researcher for a Portland, Oregon, television station. When ABC News first hired him, Stossel became the consumer editor on *Good Morning America*. He joined the ABC News show, *20/20*, in 1981 and rose to the role of co-anchor (with Barbara Walters) in 2003. (In 2004 Elizabeth Vargas replaced Barbara Walters, joining John Stossel at *20/20*'s anchor desk.)

Stossel began hosting his own one-hour specials in 1994. On these and on his *20/20* opinion segment called "Give Me a Break", he deals with topics ranging from economics to pop culture to politics to censorship to widely believed but unfounded fears. Stossel has received many honors for his work, including 19 Emmy Awards.

This program is divided into three segments. Students may view and discuss the segments separately or together. This guide provides sets of discussion questions and a worksheet to accompany each segment.

You might use this program as part of a social studies or language arts unit focussing on critical thinking, drawing conclusions, and identifying facts and opinions. Help students distinguish verifiable facts from opinions. If some students disagree with conclusions that are drawn, encourage them to articulate why. Ask them to do library and Internet research to back up their views. Help them find impartial sources and detect biased sources.

Also encourage students to use critical thinking to analyze their own "mindsets" in favor of—or against—various popularly held beliefs. Challenge them to ask themselves why they believe as they do. From whom have they learned their beliefs? From the news media? From family members and friends? From politicians? From books, TV shows, or movies? What evidence can they cite to support their opinions? What are their sources?



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## OBJECTIVES:

### *The student will:*

- explore ethical, philosophical, sociological, and economic issues such as responsibilities and powers that the U.S. government—as opposed to individual Americans and private businesses—should reasonably possess;
- use critical thinking to detect faulty logic and distinguish between fact and opinion;
- determine whether to accept sources' opinions as valid, based on their credentials and the kinds of evidence they present;
- begin to develop the habits of mind that historians and scholars in the humanities and social sciences employ to study the past and its relationship to the present in the United States;
- begin to become informed, responsible and competent citizens in our participatory democracy.

## ON THE DVD:

### *Scene Selection*

The DVD is divided into 6 chapters. This allows the user to show the whole program or to enter at different points in the program.

The educator's guide is set up so that the program can be viewed a few chapters at a time. Following each segment, there are discussion questions, as well as a student response sheet.

DVD chapter	approximate length	DVD chapter title
1	5 minutes	Is Crime Increasing?
2	8 minutes	Why Do We Feel Crime is Increasing?
3	5 minutes	Correlation is Not Causation
4	9 minutes	Ranking Risks
5	10 minutes	Environmental Risks and the EPA
6	6 minutes	Freedom, Prosperity and Safety

### *Also Available*

Includes a segment from *Teaching Tools for Microeconomics from John Stossel* and another segment from *Teaching Tools for Macroeconomics, Government and International Trade from John Stossel*.

# RISK AND PERSONAL SAFETY

DVD Chapters 1 and 2 (13:00)

Use with Response Sheet #1

**Concept:** Marginal costs and benefits

To have a safe society, we must spend money to solve problems of crime, pollution, safety, etc. But how much money should be spent for how much safety? Increasing safety – like losing weight – is easy (cheap) at first and gets harder (expensive) the closer you get to the ideal; this is known as marginal costs and benefits.

**Is Crime Increasing? - Chapter 1 (5:00)**

**Concept:** Analysis of statistics

For violent crime the FBI uses reported crimes, thereby missing all unreported crime. Nor do they account for increases in population. The FBI reported that violent crime is up 82 percent. The Justice Department surveys people at random, and, in doing so, finds many unreported crimes. They also account for population increases. The Justice Department found that violent crime is down 2 percent.

**Concept:** Formation of public opinion

The media are at liberty to choose crime statistics from any source. If, for example, they choose the FBI statistics and ignore those of the Justice Department, how does that influence how public opinion and public policy are shaped? Why would the news media favor one set of statistics over another?

**Discussion Questions:**

1. The sets of statistics on crime shown by John Stossel suggest different conclusions. Does that mean one set is wrong?
2. Why would the news media favor some statistics over others?
3. Do advocacy groups, politicians and/or law enforcement personnel have anything to gain if crime increases?

**Why Do We Feel Crime is Increasing? - Chapter 2 (8:00)**

**Concept:** Supply and Demand

Economic freedom leads to prosperous societies with entrepreneurs vying for your business. Some enterprising person or business usually provides the services or products we demand. Remember how quickly T-shirts with the slogan “I Survived the Blackout” were available following the 2003 electric power grid failure.

**Concept:** Risk assessment

With television channels dedicated solely to news, we now hear much more about crime than in the past. Crimes that previously were only reported in local media now receive national coverage. It “feels” as if there is more crime even though statistics don’t support that perception.

**Discussion Questions:**

1. How have changes in communications technology contributed to the perception that criminal activities are increasing?
2. What changes in people’s behavior have resulted from fear of crime?
3. How have entrepreneurs in the classic supply-and-demand fashion responded to the perception that crime is increasing?
4. Do you agree with John Stossel that “What could happen” and “What is likely to happen” are quite different?

# WHY THE INCREASED FEAR OF RISK?

DVD Chapters 3 and 4 (14:00)

Use with Response Sheet #2

## Correlation is Not Causation - Chapter 3 (5:00)

For example, the Washington Redskins football team has a 15-0 record of “predicting” Presidential elections. In the last home game before an election, if they win, the incumbent party is reelected; if they lose, the incumbent loses. Similarly, for example, we see food additives correlated with cancer. Do we overreact when things are correlated with cancer? Has it been established to be causal or merely correlative?

**Concept:** Risk assessment

Life is risky. There is no human activity that does not involve some risk. Some risks are small; eating spaghetti when dressed in white. Some risks are great; riding a bicycle at 30 miles per hour down a bumpy tree-lined path. But by taking risks people add to human knowledge and that leads to a “better tomorrow.”

**Concept:** Government regulation

Government can be looked at like any other business. It's to the benefit of government agencies to always find problems to solve. Unlike private businesses that go bankrupt if they fail to satisfy customers, government agencies march along like the “Energizer Bunny.” Once government requires a solution, e.g., catalytic converters for car exhaust, the incentive for innovation and better auto emission control is removed.

### Discussion Questions:

1. Can government regulations keep us safe?
2. Is freedom worth some risk? Should you be allowed to take the risk of riding a bicycle without wearing a safety helmet?
3. Who's going to determine what's too risky to be allowed?

## Ranking Risks - Chapter 4 (9:00)

**Concept:** Scarcity

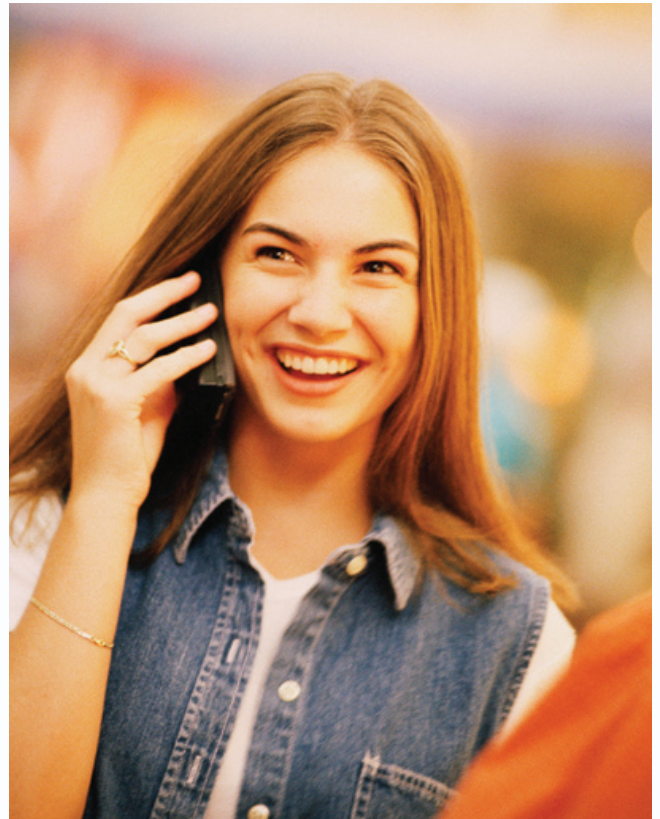
Airlines want their planes to be full of passengers paying the highest possible price. It's better for them to have slightly fewer available seats (supply) than customers who want to fly (demand). This is known as scarcity. When goods are scarce, sellers can charge more than when goods are plentiful.

**Concept:** Statistical murder

There is a regulation that requires parents to place infants in a car seat on airplanes – in the name of safety. This leads many parents to drive instead of fly in order to save the expense of purchasing an additional seat. Statistically, driving is significantly more dangerous than flying; therefore, the result will be more deaths than otherwise. This is known as statistical murder.

### Discussion Questions:

1. Are you convinced that flying in airplanes is safer than driving in a car? If not, why not?
2. How does knowledge affect our sense of risk?
3. Give some examples of statistical murder.





# ENVIRONMENTAL AND OTHER RISKS

DVD Chapters 5 and 6 (16:00)

Use with Response Sheet #3

## Environmental Risks and the EPA - Chapter 5 (10:00)

**Concept:** Democracy and risk

John Stossel shows the example of Aspen, Colorado, where, despite high lead levels in the soil, there was no history of illness caused by lead. Although blood tests showed that the lead levels of Aspen children were among the lowest in the nation, the EPA (Environmental Protection Administration) still wanted to level houses and remove four feet of topsoil.

Consider what former President Ronald Reagan said: "The nine scariest words in the English language are: 'We're from the government and we're here to help.'"

**Concept:** Regulation and costs

The introduction of new drugs fell from an average of 38 per year between 1951-62, to fewer than 17 per year between 1963-90. By concentrating on reducing the risk from bad drugs, Congress and the FDA (Food and Drug Administration) may have contributed to the death of those denied access to potentially lifesaving drugs.

Freedom to try things helps us determine how to make life safer. Should the early inventors of airplanes have been prohibited from trying to fly because some who tried were killed? Their mistakes led to the safe air travel we enjoy today.

### Discussion Questions:

1. Can there be too much government regulation?
2. Should federal or state government be able to make communities act against their will?
3. How do we judge science? Which evidence did you find most convincing in the case of the lead in the Aspen soil? Why?

## Freedom, Prosperity and Safety - Chapter 6 (6:00)

**Concept:** Resource allocation and innovation

If we focus our spending on efforts to achieve safety and "risk-free" living, what will happen to progress? Progress is dependent upon innovation, and innovation is born of risk. Allowing people to risk harm or financial loss may have bad consequences for the person involved but improve the lives of many others.

**Concept:** Personal freedom vs. safety

Unintended consequences often accompany innovation. Once government mandates a safety requirement it is very difficult to change. Air bags are required and they do save lives. But they have also killed infants and elderly folks. If government didn't require airbags people would be free to choose between this added protection and the added risk to children and grandparents.

### Discussion Questions:

1. Should we trust scientists, government or ourselves?
2. Do you agree with Stossel's concern that fear of risk will slow progress?
3. Which do you value more, freedom or safety?



# RESPONSE SHEET #1

*(Discuss after watching Chapter 1 – Is Crime Increasing?  
and Chapter 2 – Why Do We Feel Crime is Increasing?)*

Use these questions as a starting point for discussion and further research. Also jot down any questions that come into your mind as you view the show.

1. Refute the following statement: "Risk is bad, therefore, everyone benefits by having less risk."
2. How do scarcity and opportunity costs explain why certain public policies designed to reduce risk can increase risk?
3. How do insurers protect against moral hazard and adverse selection?
4. Mr. Stossel observes that gated communities reduce interaction between different groups. He later suggests that lack of familiarity leads to increased fearfulness and an increased perception of risk. Do the interview segments in the video support those conclusions? State an example from the video.
5. Without talking about money, what does it cost you to live as part of a community? What are the benefits?

# RESPONSE SHEET #2

*(Discuss after watching Chapter 3 – Correlation is Not Causation and Chapter 4 – Ranking Risks.)*

Use these questions as a starting point for discussion and further research. Also jot down any questions that come into your mind as you view the show.

1. Why do people fear risk?
2. “Crime must be out of control because I see it every night on the news.” Critically evaluate this statement.
3. We trust “experts” to tell us the truth. Critically evaluate.
4. What role does expected punishment play in deterring crime?
5. What do the thousands of new regulations tell us about politics?

# RESPONSE SHEET #3

*(Discuss after watching Chapter 5 – Environmental Risks and Safety and Chapter 6 – Freedom, Prosperity and Safety.)*

Use these questions as a starting point for discussion and further research. Also jot down any questions that come into your mind as you view the show.

1. Why does the FDA keep lifesaving drugs off the market and “statistically murder” thousands of people every year?
2. “Public policy should reduce pollution and other risks to zero.” What does this tell us about the concept of scarcity and unintended consequences?
3. On average, do new technologies pose more risk or less risk? Explain.
4. What effects do regulations designed to enhance workplace safety have on the incentives to create wealth and higher wages?
5. Some say that Superfund has become a “lawyers’ slush fund.” What do you think, and why?



# FINAL RESPONSE SHEET

*(Discuss after watching all six chapters.)*

1. Define the cost/benefit principle. Give an example in terms of risk/safety.
2. Why is there an increased fear of risk? What steps can be taken to properly assess risk?
3. What factors and/or policies are most likely to change criminal behavior?
4. What issues must be considered when trying to reduce crime?
5. Explain how regulations result in unintended consequences.

## KEY WORDS AND CONCEPTS

*adverse selection*

*causation*

*correlation*

*Delaney Clause*

*diminishing marginal benefits*

*drug lag*

*equilibrium*

*headline hysteria*

*information costs*

*moral hazard*

*opportunity cost*

*rational ignorance*

*risk*

*risk averse*

*risk takers*

*scarcity*

*spurious correlation*

*Superfund*

*transaction costs*

*Type I error*

*Type II error*

*unlimited desires*

*variance*

*zero tolerance*

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### SPECIAL THANKS

ABCNEWS Classroom acknowledges In The Classroom Media for its development of classroom materials for this title.

#### In The Classroom Media

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