

Task 2

Instruction: Watch the video and answer the questions IN THE SPACE PROVIDED.

Tip: You should turn on English subtitles. You should also read the questions first.

Your answer does not need to be long.

Video: <https://www.youtube.com/watch?v=XsRk9RThGt0&t=1s> (Main Video)

<https://youtu.be/5RDMdc5r5z8?t=111> (Key Diagram)

1. What are the four ways to spend money according to Milton Friedman?

- 1.) using your money to spend on yourself.
- 2.) using your money to spend on someone else.
- 3.) using someone else's money to spend on yourself.
- 4.) using someone else's money to spend on someone else.

2. How does each of the four ways differ? (Hint: watch the second video.)

if you use your money to spend, you will economize. However, using your money to spend on yourself will seek higher value than using your money to spend on someone else.

if you use someone else's money to spend, you will not economize. However, using someone else's money to spend on yourself will seek higher value than using money to spend on someone else.

3. Give real-life examples of the four ways to spend money.

- 1.) using your money to spend on yourself. Ex. you will carefully buy the car that is the most beautiful and cheapest for yourself in order to make sure that you get the most for your money.
- 2.) using your money to spend on someone else. Ex. if you want to buy a cake for your friends, you will not really care what kind of cake your friend like. You will just buy any cakes that is cheapest and not over your budget.
- 3.) using someone else's money to spend on yourself. Ex. if my mom gives unlimited money to me for having dinner, I will choose the meal that is the most delicious for me and can make me full, no matter how expensive it is.
- 4.) using someone else's money to spend on someone else. Ex. I use my mother's money to buy a cake for my friends.

4. According to Milton Friedman, which way to spend money is the least efficient?

using someone else's money to spend on someone else.

5. What is the key message from the video?

The instinct of people, and the four ways to spend money, such as using your money to spend on yourself, using your money to spend on someone else, and using someone else's money to spend on yourself, and using someone else's money to spend on someone else.

Moreover, in order to seek the highest value or get the most of your money in effective way, you have to use your own money on yourself, and using someone else's money to spend on someone else is less effective way to spend money because it make people who get money unaware about value of money.

6. At the end of the second video, the speakers mention that public/government schools have some problems. Do you think private schools better address the same problems? Why or Why Not?

Yes. In private schools, teachers have to spend their own money to students so private school will economize more than public schools. Moreover, private schools will have better equipment for studying because the students spend tuition fees higher than public schools.

public school spend someone else money on someone else money