



## ***Business Science Virtual Film Series***

### **REFLECTION QUESTIONS**

*Respond to the following questions in a 2- to 3-page essay format and submit to your professor for grading.*

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1. How much did you know about financial crisis before watching *The Big Short*? What have you learned since that confirmed or deviated from your prior understanding of the events of 2008? Explain.
2. What role did the rating agencies play—Moody's, Standard & Poor's, and Fitch? Were they at fault, or was the system such that they were forced to become unwilling partners?
3. Talk about the mortgage initiators. What role did they play? Discuss the array of mortgages offered and how they destabilized the system.
4. Steve Eisman, Mike Burry, and the men who ran the "garage band hedge fund" made huge fortunes off the downfall of others. Do you see them as prophetic heroes, greedy opportunists...or something else?
5. Editorial Bonus Question (not required, but your chance to share your informed opinion): Why did a handful of outsiders foresee what would happen with the sub-primes while neither the heads of the large financial firms nor government regulators saw what was coming? Do you think it was genuine ignorance (the derivatives were simply too obscure to understand) or willful ignorance (no one really wanted to turn off the money spigot)? What about the risk managers for the Wall Street firms—where were they in all of this?