ANLY 515-50-2017 (Late Summer Semester)

Instructor: Dr. Martin A. Negrón

Homework 1: Due 7/25/17 @ 8:00 PM (EST)

Become familiar with the following two current issues dominating the news:

* The crisis in Venezuela
* The financial crisis in Puerto Rico

Part A: Identify risk areas

1. Identify 2 risks areas related to the two topics
   1. Financial crisis in Puerto Rico: Risk area – Health Care
   2. Financial crisis in Puerto Rico: Risk area – Bankruptcy
   3. Crisis in Venezuela: Risk area – Civil War
   4. Crisis in Venezuela: Risk area – Income

Part B: Identify risks

1. Identify 2 risks associated with each of the risk areas identified in Part A (Remember that risks are stated based on impact and likelihood)
   1. If Puerto Rico state can’t find a way to refinance its debt then the country may go into Bankruptcy, which would worsen the health care programs.
   2. If Puerto Rico can’t raise money for their public health care programs (Medicaid, Medicare), the country will keep losing works to the mainland.
   3. If Venezuela can’t provide enough basic needs like food for people, the country’s protests are going to keep increasing leading to a civil war.
   4. Venezuela has always been heavily dependent on oil exports. If international oil prices keep going down, Venezuela is on risk of getting into bankruptcy.

Part C: Identify variables

1. Identify 5 variables that could potentially affect the risks identified in Part B
   1. Population Hunger
   2. Oil Prices
   3. Heath Care Spending
   4. Country’s PIB
   5. Current Debt
   6. Unrest Level (protests/revolts per week)
   7. Worker Population

Part D: Identify outcomes

1. Identify potential outcomes in the form of variables (one for each risk identified in Part B) that could be affected by the risks identified in Part C.
   1. Population Hunger goes up -> Social unrest goes up
   2. Oil Prices goes up -> Social Unrest goes down
   3. Current Debt goes up and PIB goes down -> Health Care spending goes down
   4. Health Care spending goes down -> Worker Population goes down
   5. PIB goes down -> Total Debt goes up