

Handout D Key

A comparison—answer key

Scenario One (Chinese System)

Pros

- The entire process is quicker.
- You get your money right away.
- Because the insurance company isn't involved, your premiums probably won't go up.

Cons

- The policeman could do a poor estimate of damages.
- There could be other damages that you don't know about until later and you would have to pay for those out of pocket.
- You don't have a way to contact the other person involved in the accident if something else comes up later.

Scenario Two (American System)

Pros

- You can find the person if you need to; they can't skip out on their responsibilities.
- You won't end up paying too much because you have different estimates for repairs; the person can't cheat you.
- You have a company that will pay the damages so you don't have to come up with a lot of money all at once.

Cons

- It takes a long time to get the money you are owed.
- Your insurance premiums will probably go up.
- The accident might go on your driving record because you filed a police report.

I think the _____ system makes the most sense for handling automobile accidents because

[Students' answers will vary. The important thing is that they back up their decision with reasons and facts.]

