

Travel Safety

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With the recent tragedies involving the Boeing 737 Max airplane, travel safety is back in the news. The debate of flying versus driving is always a curious one. It says many things about human risk behavior. Most people know it is much safer to fly than to drive. Here are the latest United States fatality statistics for 2017[1]:

- Commercial airline fatalities: 0
- Passenger and light trucks: 23,551

The message is clear. The drive to and from the airport in the United States has been the most dangerous part of the trip. So why are people still scared to fly? It's human unconscious bias that creates this problem. The media covers airplane fatalities in great detail. Very rarely do you hear car fatalities covered in the national or even local news. Thus, we are trained to react differently to the two events. The remote control in our brain won't allow us to naturally overcome it.

The reason I use this example is because I suffered from this bias. My instinct was fear of flying. It took retraining my brain to overcome it. Even this week before I departed to San Francisco for a conference, I was hesitant to fly. However, it's through general understanding of travel, studying of statistics, and good behavior training that I have been able to overcome this fear.

Investing has many parallels. The news does a good job of highlighting risk in the stock market. It can scare people into thinking that investing in the stock market is a dangerous endeavor. The media is always on the lookout for the next "accident." However, over long periods of time, the statistics show that avoiding the stock market altogether can be a very costly move.

Just like I retrain my brain every time I fly, investors must continually retrain their minds. Investors must understand what their investment plans are, why those investments are structured in certain ways, and how they are going to react in difficult time periods. When that plane starts hitting turbulence, remind yourself of airplane safety statistics. Losing emotional control in that situation will do more harm than good.

As we continue to move through 2019, let's all remind ourselves of what the long-term plan is, what might happen in the short term, and how we are going to react along the way. If we can control our emotions and stick to the plan, we should get to our destination.

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[1]United States Bureau of Transportation

<https://www.bts.gov/content/us-air-carriera-fatal-accidents-first-phase-operationb>

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