Background information Households and risk management - Households live the paradox of being expected to adopt a positive attitude towards risk while at the same time behaving financially responsibly. They are expected to actively manage their assets (for example houses and equity investments) and liabilities (for example personal loans and mortgages) and optimize their portfolio by diversifying and planning ahead. Assignment question Deep and wide-ranging disaggregation [deregulation] has left households with the responsibility for making important and technically complex micro financial decisions involving risk--such as detailed asset allocation and estimates of the optimal level of life- cycle saving for retirement-- decisions that they had not had to make in the past, are not trained to make in the present, and are unlikely to execute efficiently in the future [...] (Merton, 2000, p.4) Critically assess this claim. Elaborate on this point while taking into consideration different theoretical approaches on rationality under risk, weak uncertainty, and strong uncertaint