## Discussion Questions

# Chapter 7 Economic and Budgetary Policy

1. Discussion: The impasse over the federal budget led to a 2-week shutdown in fall 2013. What was the impact of shutting down government? Why has it become so difficult for the U.S. government to pass its annual budget? What is needed?
2. Discussion: What is the current U.S. deficit and debt? In what tangible ways is the debt currently impacting our lives?
3. Discussion: What are some other ways to measure economic growth (aside from GDP)?
4. Discussion: Most agree that we should work to bring down the deficit. Should the United States increase revenues by eliminating tax credits and loopholes, raising taxes, or stimulating the economy, or should the United States make much more extensive budget cuts?
5. Discussion: Our country’s economy has direct and indirect effects on our quality of life. Come up with some examples of government fiscal or economic policy that impact your life directly or indirectly.
6. Brief writing/discussion: In your opinion as a resident of the United States, based on your general knowledge, score the United States on a scale of 1 to 10 on each of the five goals of economic policy (growth, stable prices, positive balance of trade, managing deficits and debts, and full employment).
7. Discussion: Was President Obama’s stimulus plan effective? On what indicators do you base your answer? What problems still are present that policy makers should address?

Discussion: Wealth inequality in America. The gap between wealthy and middle class/poor is widening in America. What impact will this have on the United States? What should be done, if anything?