

National Budget Simulation Worksheet

Name: _____ Date: _____

Directions: When you have reached your target, print out your results of the "Your New Budget" page. When you are finished with the lesson hand the paper that you printed in to your teacher along with this worksheet. Now on the same "Your New Budget" page scroll to the bottom and consider your "Spending Changes" and which programs you have cut. This will help you answer the questions below.

1. How will the program cuts that you made affect specific groups (the elderly, students, environmentalists, savers, the poor, foreign aid recipients, producers, etc.)? What programs did you choose to cut? Why did you choose those programs over others?
2. Would other cuts have had less impact on people's lives? Which budget cuts had the largest impact on reducing the deficit?
3. Which decisions might be perceived as politically motivated?
4. What are the tradeoffs of preserving some programs while protecting others?
5. How do your decisions result in the marginal benefit to society outweighing the marginal cost to society?
6. If you had the opportunity to raise taxes rather than cut programs, which policy would you choose?