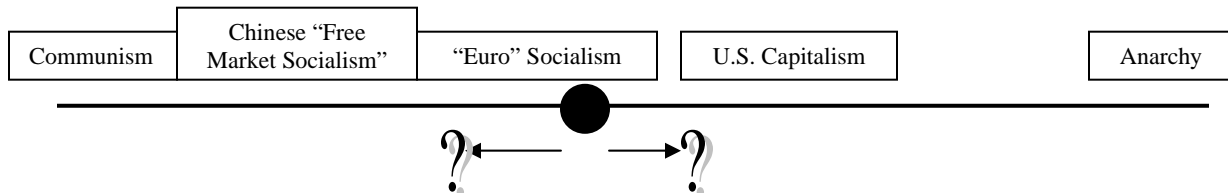


## Economics Final Paper

In class, I have had you imagine an abacus with just one bead. On the left is totalitarian communism where the government controls all aspects of the economy. On the right is free market anarchy where anything (or anyone) can be bought and sold regardless of the consequences. Where should the bead be placed?



An additional analogy we have used in class is comparing free market capitalism to a football game. Economic activity is the game itself and the government acts as the referee. What would a football game look like with too many rules?? What would a football game look like withOUT any rules? Similarly, what would an economy look like with too much or not enough regulation?

The trick is finding the right balance.

### ***THE QUESTION***

*Considering that the recession that is just ending was the worst since the Great Depression, how does the American economy return back to health while ensuring that the U.S. economy will remain competitive globally for years to come? Consider short-term needs with long-term sustainability.*

Possible areas of discussion (**This list is not complete**):

- Adam Smith
- Karl Marx
- John Maynard Keynes
- Fredrick von Hayek
- Milton Friedman
- Alan Greenspan
- Ben Bernanke
- Paul Krugman
- David Brooks
- Timothy Geithner
- University of Chicago
- Capitalism
- Trade offs
- Allocation
- Exploitation
- Invisible hand of the market place
- Socialism
- Communism
- Fall of Soviet Union
- Rise of China
- Regulation
- Incentives
- Taxes
- Progressive Tax
- Regressive Tax
- Deficit spending
- Education
- Meritocracy
- Market bubbles
- Poverty
- Inflation
- Deflation
- Unequal distribution of wealth
- Redistribution of wealth
- Socioeconomic Status
- Utilitarianism
- Liberalism
- John Rawls
- Maximin Critereon
- Libertarianism
- Gross Domestic Product
- Economic expansion
- Economic recession
- Unemployment
- Need vs Want
- Materialism
- Consumerism
- Debt
- Compounding interest
- Globalization
- Tariffs
- Corruption

## Paper Requirements

- Typed, detailed “topic” outline
- An awesome title
- Five pages minimum typed, double spaced
- Demonstrates a thorough understanding of modern economic theory
- Five “high quality” sources minimum, works cited page included  
(Sorry, your textbook is NOT a source)

Outline due Friday, January 8<sup>th</sup>

Final Paper due Friday, January 15<sup>th</sup>

### Get started.

**Use these questions to brainstorm the primary topics you want to discuss in your paper.**

1. What are three things the government could do to encourage growth in business?
2. What are three things the government could do that would be a long-term investment in our society that would lead to economic growth?
3. Give examples where there is not enough regulation in the American economy.
4. Give examples where there is too much regulation in the American economy.
5. Which economist have we studied do you most agree with? Why?
6. What is the long-term impact of large government debt?
7. Should government economic policies focus first on the middle class, the poor, or the wealthy? Why?
8. If consumers save instead of spend, it is good for them personally but not for the economy. If they spend and don't save, they jeopardize themselves financially. What is the solution to this dilemma?
9. Currently the United States has the largest economy in the world. China is catching up and may pass the U.S. sometime in the next 20 to 30 years. What would be the consequences of this?
10. How might taxes be used to encourage or discourage certain behavior? How might taxes be used to benefit larger society?