ECON Unit 4: Government, Fiscal Policy, and Taxation

Chapters 17-18

A tax based on the benefits-received tax (examples, what does this look like)

Affects the distribution of resources in US economy

Civilian workers

Cyclical unemployment

Demand-pull inflation (examples, what does this look like)

Excise taxes and customs duties (examples, what does this look like)

Expenditures

Federal government provides what services (examples, what does this look like)

Federal government stabilization policies

Fiscal policy

Free market system

Government Functions

Government Redistributes income (examples, what does this look like)

Government size and what it should provide

Government’s economic over-involvement

Individual freedoms

Preparation of Federal Budget

Recession and methods to repair the economy

Regulating economic activity by federal government (examples, what does this look like)

Revenues

Structural unemployment

Taxation policies

Taxes (good or bad) for the economy

Taxes: Progressive, Proportional, Regressive (definitions, examples, what does these look like)

Tools of Fiscal Policy

Unemployment measurement

Unemployment rate