

## Federal Budgeting Assignment #1

**ASSIGNMENT:** Students will prepare a two page memo to one of the Presidential candidates using the readings to support one of the following two propositions: (1) the federal government's role has become overextended and threatens to undermine the efficiency of the private economy or (2) the federal government needs to extend its role to new areas of public policy not adequately addressed by the private sector. Frame your arguments using an example of your choosing, e.g. health care for uninsured, federal control over passenger rail.

The readings for this were:

Lee, et. A., Public Budgeting Systems, chapters 1 and 2

William C. Mitchell, Fiscal Behavior of the Modern Democratic State: Public Choice Perspectives and Contributions

Anthony Downs, Why the Government Budget is Too Small in a Democracy –

John Mikesell, Fundamental principles of Public Finance

## Assignment #2

**ASSIGNMENT:** Write a memo to a Presidential candidate addressing the following dilemma, assuming that the economy is operating at or above potential capacity. What fiscal policy would mainstream economists recommend that the President propose when he/she gets elected and what options might the President pursue to achieve this fiscal target, e.g. tax cuts/increases and spending cuts/increases? What are the political challenges associated with gaining support for this policy?

## Assignment # 3

You are the budget director of HHS and advising the Secretary. He asks you to discuss the prospects for gaining approval through OMB and Congress of three new budget proposals: (1) an increase in coverage of uninsured children under the SCHIP program, (2) a new office building for HHS in downtown Washington, and (3) an increase in numbers of inspectors for food imports for the Food and Drug Administration. For each of these proposals, tell him how to think about the prospects for each type of proposal and tell him how he might best frame his argument throughout the budget process.

From Dr. Paul Posner's class "National Budgeting" taught at George Mason University.

