

I.O.U.S.A.

<http://www.iousofthemovie.com/>

Federal Debt: _____

G.D.P. _____ What is GDP? _____

What percentage of our GDP is the Federal Debt? _____

I. Budget Deficit

What percentage of GDP was the Federal Debt during these events?

Civil War _____

World War I _____

Great Depression _____

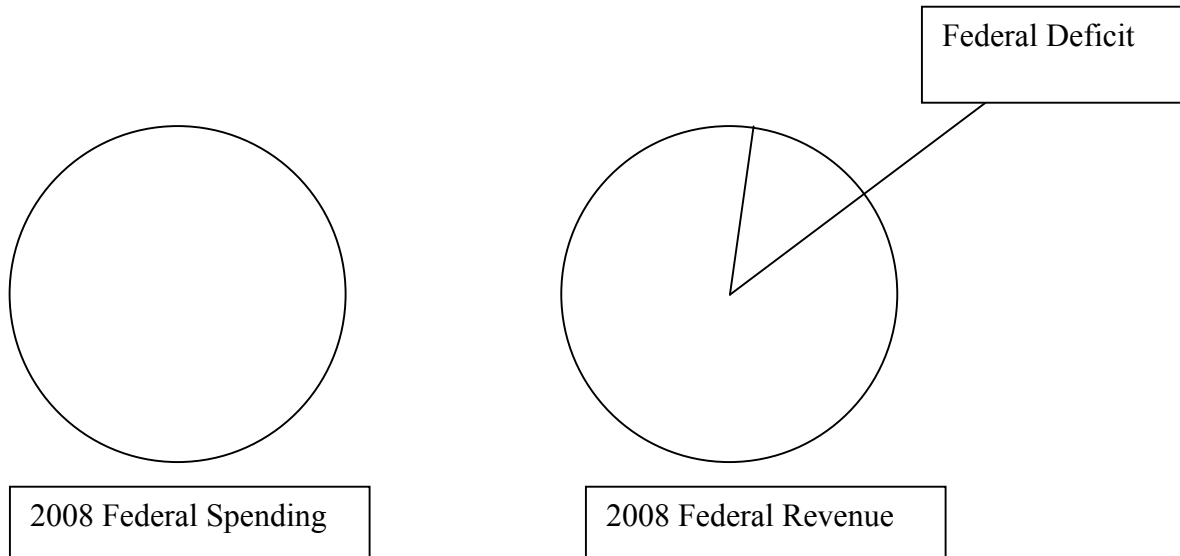
World War II _____

Vietnam War _____

President Regan 1980's _____

President Clinton 1990's _____

Describe the difficult decisions you need to make in order to have a balanced budget.



Social Security:

Medicare:

Medicaid:

Why will Social Security and Medicare soon create even bigger deficits? By 2030?

II. Savings Deficit

Compound Interest:

http://www.moneychimp.com/calculator/compound_interest_calculator.htm

Personal Savings Rates

1960's _____

2000's _____

What is a consumption-addicted society?

III. Trade Deficit

What is a trade deficit?

#1 Largest Exporting Country in the World _____

Lowest Country in the world (#224) _____

Warren Buffett's Thriftville v.s. Squanderville

America's top 5 trade deficits are with the following countries:

1. _____ at \$ _____ Billion
2. _____ at \$ _____ Billion
3. _____ at \$ _____ Billion
4. _____ at \$ _____ Billion
5. _____ at \$ _____ Billion

How does the Federal Government borrow Money? Who does the government borrow it from?

Past-

Today-

What does financial warfare look like?

IV. Leadership Deficit

Major economic decisions under President Bush

2000:

2003:

National Debt:

2000: _____ 2008: _____

Paul O'Neill (Fired 2002)

Promises:

Total Liabilities the Government currently has is \$ _____ Trillion

1. Current Programs
2. Social Security
3. Medicare

By the year 2040 these obligations will count for _____ of GDP.

Three Comparisons: How to solve the crisis?

Current Federal Tax _____



Earmarks- Pork



Bush Tax Cuts Expire 2010



Iraq War