

Fiscal & Monetary Policy Worksheet

Analyze how economic policies affect your finances

Part 1: Fiscal Policy Scenarios

1. The government cuts income tax rates by 5%. How does this affect: a) Your take-home pay? b) Government revenue? c) Potential future consequences?

Your analysis... //

2. Congress passes a \$2 trillion infrastructure spending bill. Identify THREE ways this could impact your personal finances:

1.\n2.\n3. //

Part 2: Monetary Policy Scenarios

1. The Federal Reserve lowers interest rates from 5% to 2%. Analyze the impact on: a) Your savings account
b) A mortgage you're considering c) Stock market investments

Your analysis...

2. You have \$5,000 in credit card debt at variable interest. The Fed raises rates by 2%. How much more will you pay annually?

Show calculation...

Part 3: Policy Comparison

The economy is in recession. Compare how fiscal policy vs. monetary policy could help, and explain which you think would work better:

Compare approaches...