Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Federal Spending – Guided Notes**

(pages 371-374)

1. Read the “Section Focus” paragraph at the top of page 371. What determines over ¾’s of the spending by

the federal government? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2. How does mandatory spending differ from discretionary spending?

***Examine the pie-chart on page 371 to answer the next two questions:***

3. What are the two areas that the federal government spends the most money?

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

4. Why do YOU think these two areas are emphasized in spending?

5. “In general, the percentage of federal spending that is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ has grown in recent years. The percentage of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ has decreased.”

6. How are entitlements determined?

7. What are two examples of entitlements? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

8. Why do some people not qualify for certain entitlements?

9. Who qualifies for the program of social security?

10. What is Medicare?

11. What provides the funds used to run Medicare?

12. What population benefits from Medicaid? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

13. What are the two sources for funding Medicaid?

14. In your opinion, is the government funding of pensions for veterans important? Why or why not?

15. Why is the spending on Social Security only going to rise over the next several years?

16. What are two factors that have added to the cost of funding the Medicare program?

17. After reading the section titled “Defense Spending”, explain why money spent on the military is considered discretionary spending.

***18. Review the list of areas where the government uses discretionary spending on pages 373-374. Select the***

***two areas where the use of tax dollars is “most important” and the two areas where you think funding***

***should be limited or cut. Support your reason for spending or cuts in each.***

|  |  |  |
| --- | --- | --- |
| **“MOST Important”** | Area | Reason why the spending of tax dollars should be focused here: |
|  |  |
|  |  |
| **“Least Important”** |  |  |
|  |  |