**Writing Assignment #2**

**30 possible points**

**Due December 1, 2016**

The purpose of the second writing assignment is to help you to grasp an understanding of fiscal policy, government spending and taxation. The article I chose for you to read, and think about for the paper, was clipped from the *Wall Street Journal*, via *MSN/Money*. While the *Wall Street Journal* is a conservative – financial news source, notice the quote from the *Heritage Foundation* (a conservative think-tank), I believe it is a good piece to think about in the context of fiscal policy. *How will new infrastructure spending be paid for, given our huge budget deficit? Also, what are the tax implications of subsidizing infrastructure growth as discussed in the article?*

$1 trillion in new infrastructure spending over 10 years – both candidates specified the need. President-Elect Trump’s thoughts for implementation are different, so discussion of that could be interesting in your paper. **Chapter 11: Fiscal Policy and chapter 12: Federal Budgets and Public Policy were already tested. As well, you are advised to read Chapter 16: Macro Policy Debate: Active or Passive prior to writing the paper.** **Discussing why infrastructure spending may be necessary, what that means for the economy, and how the spending is paid for, and what THAT means for the economy *IS REQUIRED.*** That is, an explanation of whether *deficit spending* will be required or not, and how this spending/tax policy might affect the economy is a very important portion of the grade (60%).

The paper must conform to our defined standards: 1” borders (all FOUR borders), your name, etc. in the header, 12 point Times New Roman font, double spaced and only one page (a second page is only for references or citations, if needed). Proper spelling, use of grammar, etc. will detract from the paper and therefore have points deducted. Please indent the beginning of your paragraphs rather than using an extra line to separate paragraphs. The grading rubric below is included as a guide in writing your paper.

**Grading Rubric**

\_\_\_\_\_ Paper 1 page long – 3 points deducted if page requirement is not met (1” borders, etc.)

\_\_\_\_\_ Name in the “Header” (11 point font is preferable), title & date if you wish – 3 pts deducted

\_\_\_\_\_ Grammar/Typographical/Spelling errors – 3 points subtracted for each error

\_\_\_\_\_ Specific risks/opportunities identified in the paper – 18 points