

United States Economic Policy Review

Posted on October 25, 2019

Fiscal Policy

The fiscal policy of a government revolves around the government's activities in attempting to change the economic state of the country. The government has a variety of ways of influencing the country's current economy. At times, government plans and spending can lead a country to a very critical financial condition. These financial conditions affect the country's investment, employment rate as well as national savings. Such government activities tend to change or influence the countries' economies. The countries' economic conditions affect their economic growth. The effect cannot be immediate, and it is also not predictable, but it is a sure thing that it would occur at no given time in the economy of the country. Through inflation in the country's economy, the United States government comes up with a scrutinized policy to figure out the economic crisis that is currently experienced in the state. Policies are designated in such a way that they influence the way the market moves (Stokey, pg. 125). The paper here analyses the United States government's act of scrutinizing its policy in order to address issues related to the country's economy.

United States Economic Conditions and National Debt

Looking at how the United Nations is doing, our point is to answer questions pertaining to the economy of the United States at large. The United States is not generally doing well in their economies. They have been experiencing economic inflations for a couple of years. Economic inflation has greatly been influenced by government policy on controlling the economy. The government's way of spending leaves the United Nations at a point that critically affects its nation's economy. Also, bearing in mind the huge amount of debt they have, they are not doing well. The United Nations government is now using some of the fiscal policies to curb the issue of economic inflation. The United States is now not doing that well because there is an increased rate of unemployment that affects its economy, hence inflation in the economy. The increased unemployment rate has forced the United States to get to a more interesting point to settle the issue; hence, they are not doing that well.

With over \$ 20 trillion in debt, the United States is not doing well as far as the economy is concerned. The national debt of the United States prevents the country's investors from performing effectively because of a change in the route of taxation. With over \$ 20 trillion in debt in the United States, the government will try to fix employers, hence affecting employment.

Government Spending and Tax Policy

Yes, I do agree with the United States' approach toward managing its economic growth. Currently, the United States government has changed the way through which they spend money. It is one of the greatest policies as it focuses on keeping people busy with business by circulating money to them (Bianchi et al. pg 113). The United States government is keen on the crisis. Circulating more money to reach consumers helps create jobs that will not be necessary for the government to employ. In such a policy, the government will create more sources from which it would draw money. The United government, through its policy, is in a position to generate more sources of income and be relieved of such an economic situation.

Still, I agree with the approach because there are several obvious ways through which the government can get out of the financial crisis and from the huge debt. Through the reduction of tax, the government would have formed one major way through which an individual could solve the issue of unemployment. The reduction in government taxation on the country's businesses would help businessmen get up with their business well, and there would be a continuous flow of tax. The small continuous flow of taxation would gradually help the government and increase their national saving. The national savings would help the United States government's way of using money and reduce the need to seek loans from abroad. Increasing government spending can also help manage the economy of the United States. By increasing government spending, consumers are going to benefit in one way or another, and this is more effective as it helps the consumers save a little bit of what has been cut. Such is a great activity of the government, and slowly, they have made progress.

Though I agree with cutting taxes and the government's way of spending money, there are several incidents that the United States has taken to curb the situation efficiently. Knowing when the right time to cut taxes is and when the exact time to reduce government spending would really help the economy grow. In the same way, the government will be able to gain the trust of consumers. The United States government shall learn how to reduce government spending when it is in time of inflation. When they reduce their spending, it would help balance the economic inflation. Such government action can help to achieve the set policy. It will play a significant role in seeing the national savings through.

Automatic Stabilizers

The automatic stabilizer regulates the country's economic state, and it is something I totally agree with. The automatic stabilizer is a good policy since it does not rely on voters to pass. Automatic stabilizers favor the consumers because tax, in this case, is cut. When the tax is cut by automatic stabilizers, there would be growth in economic, and what the consumer saves little can facilitate the start of another of business that will help in growing the economy. The small investment generated out of small saving would help to fix the inflations and hence a positive move to agree with. The

automatic stabilizer would help in the automatic regulation of the government's way of spending money. The policy is full of positive sides that I should agree with.

Now, looking at its importance, the automatic stabilizer is best because there will be no obstacles in the way of regulating the activities. Even though those in authority might tend to get things done in their own interest, the automatic stabilizer does not work in such a way. With its way of automatically adjusting taxes and the way the government spends, the automatic stabilizer is one of the best government policies.

National Debt and Income Redistribution

Debts and national concerns: I also agree with this policy because it is fair and effective when it comes to debts and national concerns. The redistribution of income would help the state pay their debts without causing a great negative impact on the economy (Dupor et al pg. 16). The policy is fair in such a way that those with higher amounts of salary income should pay higher interests to pay the debts. It is a good idea because those with low incomes might be slightly affected. The effect would not affect their employment, especially those with their own created employment.

Unintended consequences might arise out of their current actions. The policy of national debt and concerns might make individuals think in a different way. They might decide to take a different path. When those with relatively higher incomes are taxed highly, they might tend to think that there is no justice and that their rights are violated. It could be a consequence because it might affect those who will fail to make that decision and, hence, the economy. Such an act can even worsen the national debt and concern. The situation can be so because the rate of payment might have been affected in one way or another.

Policy Consequences and Evaluation

There could be a consequence of the United States government not performing up to its expected level. This is because there will be fewer ways of spending money on the important issues that concern the state's economy (Rendahl pg. 1189). The economy at that point could have been averted, and this might have caused a serious economic consequence based on their current actions. The time consequences might appear could not be gauged. It would have been of great importance if their policies could have been based on the two possible ways of outcomes. It would have been of major significance because if such a scenario had occurred, more would have been learned about it. The kind and magnitude of consequence will determine how much was done in cubing the situation.

The rating of their success is based on the effort they have put into managing the state's economy. I would rate them 7 out of ten. Looking at the effort and the policies they got in place, they are vastly trying to figure out how to fix things. They are at a point where more effort focuses on employment issues and the economic growth of the country. It is one of the significant ways of managing and

controlling the country's financial situation. The remaining three are denied because they failed to focus on the outcome of the important policy failures. When one of the policies fails, there will be consequences, and this was not addressed. The example in a point where those individuals with a relatively higher income pay more than others, they were supposed to pay attention at this point. What could have happened?

Conclusion

In summary, fiscal policy is the government policy that is used to control the country's economy. The United States' current situation is not good; there are reduced chances of employment and inflation in the economy. The government of the United States has policies in place to manage the state's current economy. There are some of the approaches which I agree with because they are efficient. There is also the possibility of unintended consequences that result from the current policy action.

Work Cited

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