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## KEY=MACROECONOMICS - MARSH CAMILA

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**Economics of Public Finance An Economic Analysis of Government Expenditure and Revenue in the United Kingdom** [Elsevier](#) The latest edition of this valuable book updates all previous material and incorporates much new material. It includes a consideration of the problems of and methods for controlling public spending, the relative merits of income tax and a direct expenditure tax, the changes required in the income tax unit, the petroleum revenue tax, the compliance costs of VAT and other new developments which have occurred since the second edition was published in 1978. **Expansionary Austerity New International Evidence** [International Monetary Fund](#) This paper investigates the short-term effects of fiscal consolidation on economic activity in OECD economies. We examine the historical record, including Budget Speeches and IMF documents, to identify changes in fiscal policy motivated by a desire to reduce the budget deficit and not by responding to prospective economic conditions. Using this new dataset, our estimates suggest fiscal consolidation has contractionary effects on private domestic demand and GDP. By contrast, estimates based on conventional measures of the fiscal policy stance used in the literature support the expansionary fiscal contractions hypothesis but appear to be biased toward overstating expansionary effects. **Supply-Side Economics in an Integrated World Economy** [International Monetary Fund](#) The macroeconomic effects of changes in tax and expenditure policies are examined in the context of the competitive equilibrium of a two-country, two-sector model of an integrated world economy. Governments finance purchases and net transfers of tradable and nontradable goods by imposing distortionary taxes on factor incomes and consumption. The model is parameterized and calibrated using data from large industrial economies, including estimates of effective tax rates. Numerical simulations provide estimates of the welfare costs associated with existing distortionary taxes and of the potential gains linked to a more efficient use of these taxes. Welfare gains from tax reforms favoring indirect taxation are substantial. The effects of permanent changes in expenditures depend on their sectoral allocation across tradables and nontradables and on whether they are debtor tax-financed. Trade in goods and assets is very sensitive to fiscal policy changes, but aggregate consumption patterns and welfare implications are not. **OCR Economics Student Guide 2: Macroeconomics 1** [Philip Allan](#) Written by experienced teacher Sam Dobin, this Student Guide for Economics: - Identifies the key content you need to know with a concise summary of topics examined in the AS and A-level specifications - Enables you to measure your understanding with exam tips and knowledge check questions, with answers at the end of the guide - Helps you to improve your exam technique with sample answers to exam-style questions - Develops your independent learning skills with content you can use for further study and research **Public Sector Economics Made Simple** [Elsevier](#) **Public Sector Economics: Made Simple** introduces the reader, step by step, clearly and methodically, to the concepts and principles of public sector economics. The functions and finance of central government, local authorities, and nationalized industries are examined within the framework of a national economy. Examples are given largely from the British economy but international comparisons are made. A large number of tables and diagrams are also provided so as to relate the theory to the real world. Comprised of 21 chapters, this book discusses the theory and practice of public finance, with emphasis on public expenditure, taxation, and the national debt. Fiscal policy with its economic, social, and political objectives is also considered and viewed in relation to monetary policy and prices and incomes policy. After an overview of economic systems and models, the book focuses on allocation of resources and provision of public goods; public expenditure in Britain; the theory of taxation and the tax system; taxes on income, profits, consumption, and capital; and taxable capacity, incidence of taxation, and the tax burden. Fiscal policy is analyzed in relation to economic growth, standard of living, and distribution of income and wealth. This monograph is intended for economists and students taking economics-related courses. **Public Finance in an Overlapping Generations Economy** [Springer](#) This book presents a theoretically-based comprehensive analysis of macroeconomic consequences of fiscal policy using a popular economic model: the overlapping generations growth model. A wide range of essential public finance issues is analyzed, including the effects of tax reform on dynamic efficiency, positive and normative effects of public spending, considerations of taxes on fixed assets and monetary holdings, and sustainability of deficits. A unique approach is applied in the study of public finance: one expected to generate substantial interest among current graduate students and active researchers. **Taxes and Government Spending** [Lerner Publishing Group](#) Describes how federal, state, and local governments tax citizens, the different kinds of taxes, and how tax revenues are spent. Also explains how federal spending affects the national economy and discusses the federal deficit. **Public Finance in Theory & Practice** [S. Chand Publishing](#) Useful for Graduate and P.G. Students of Economics and Candidates Appearing for

**Competitive Examinations.** It examines every major problem of the economy of public sector first in the context of the developed countries of the western world and then their relevance is looked into from the angle of the developing countries. **Applied Macroeconomics for Public Policy** [Academic Press](#) **Applied Macroeconomics for Public Policy** applies system and control theory approaches to macroeconomic problems. The book shows how to build simple and efficient macroeconomic models for policy analysis. By using these models, instead of complex multi-criteria models with uncertain parameters, readers will gain new certainty in macroeconomic decision-making. As high debt to GDP ratios cause problems in societies, this book provides insights on improving economies during and after economic downturns. Provides a detailed analysis of existing macroeconomic models Addresses the dynamics of debt to GDP ratio and the effects of fiscal and monetary policy on this ratio Shows how to use models to evaluate the dynamics of the debt to GDP ratio in cases of government spending and tax cuts and to decide whether such economic measures are efficient Uses optimal theory to obtain optimal yearly debt levels to reach the established goals (decrease debt or balance budget) Provides many examples and software exercises to promote learning by doing **The Macroeconomics of Financing Government Expenditure A Survey of the Static Consequences** [NUS Press](#) "This book surveys the main issues relating to the static macroeconomic consequences of the government budget constraint, that is, the effects of alternative sources of financing government expenditure on macroeconomic variables such as inflation, exchange rates, interest rates, national output, private savings and investment. Government expenditure is constrained by available sources of finance, broadly divided into internal and external sources. The study advocates a judicious balance between the alternative sources for the financing mix to be adequate as well as consistent with macroeconomic stability."--BOOK JACKET.Title Summary field provided by Blackwell North America, Inc. All Rights Reserved **The Macroeconomic Effects of Public Investment Evidence from Advanced Economies** [International Monetary Fund](#) This paper provides new evidence of the macroeconomic effects of public investment in advanced economies. Using public investment forecast errors to identify the causal effect of government investment in a sample of 17 OECD economies since 1985 and model simulations, the paper finds that increased public investment raises output, both in the short term and in the long term, crowds in private investment, and reduces unemployment. Several factors shape the macroeconomic effects of public investment. When there is economic slack and monetary accommodation, demand effects are stronger, and the public-debt-to-GDP ratio may actually decline. Public investment is also more effective in boosting output in countries with higher public investment efficiency and when it is financed by issuing debt. **Government Spending Effects in a Policy Constrained Environment** [International Monetary Fund](#) The theoretical literature generally finds that government spending multipliers are bigger than unity in a low interest rate environment. Using a fully nonlinear New Keynesian model, we show that such big multipliers can decrease when 1) an initial debt-to-GDP ratio is higher, 2) tax burden is higher, 3) debt maturity is longer, and 4) monetary policy is more responsive to inflation. When monetary and fiscal policy regimes can switch, policy uncertainty also reduces spending multipliers. In particular, when higher inflation induces a rising probability to switch to a regime in which monetary policy actively controls inflation and fiscal policy raises future taxes to stabilize government debt, the multipliers can fall much below unity, especially with an initial high debt ratio. Our findings help reconcile the mixed empirical evidence on government spending effects with low interest rates. **How to Combat Recession Stimulus without Debt** [Oxford University Press](#) Recessions are a recurring phenomenon and there are repeated debates about how to combat them when the crisis hits and after the economy begins to grow again. Laurence Seidman argues that currently we are not ready to combat the next recession. A recession involves a plunge in aggregate demand for goods and services which compels producers to cut production and employment. Fortunately, a large boost in demand can be achieved by a large fiscal stimulus-primarily a temporary large increase in tax rebates for households plus several fiscal supplements. But fiscal stimulus has always involved a large increase in government debt, something Congress understandably resists. The assumption that a large fiscal stimulus requires an increase in government debt is false, Seidman asserts in this thought-provoking book. In fact, it is astonishingly easy to implement even a very large fiscal stimulus without any increase in government debt. All it takes is for Congress to enact a fiscal stimulus and the Federal Reserve to make a transfer (not loan) to the Treasury roughly equal to the fiscal stimulus so the Treasury doesn't have to borrow. **Stimulus-without-debt** consists of a transfer (not loan) from the Federal Reserve to the Treasury so that the Treasury does not have to borrow to finance fiscal stimulus enacted by Congress. Seidman explains all aspects of this new way to combat recession, "stimulus-without-debt." He presents evidence that fiscal stimulus works in a recession-it increases aggregate demand which stimulates production and employment. He explains why the fiscal stimulus should consist primarily of tax rebates for households plus several fiscal supplements. His analysis covers basic foundations as well as implications for inflation, central banks, and how to address secular stagnation. When the next recession hits, we will be ready to combat it if we know how to use fiscal stimulus without increasing government debt. Seidman shows us how. **Easy Economics A Visual Guide to What You Need to Know** [John Wiley & Sons](#) Explains the complicated subject of economics with illustrations and a series of easy-to-follow questions and answers. **Public Finance The Economics of Government Revenues and Expenditures The Macroeconomics of Corruption Governance and Growth** [Springer](#) This textbook examines corruption through a macroeconomic lens, exploring the relationship between corruption, fiscal policy, and political economy. The book merges macroeconomic growth models with elements of political economic theory to address important applied topics such as income inequality within and across countries, growth slowdowns, and fiscal crises. Most of the basic ideas are illustrated using a two-period model of government investment that captures the future cost of policies that favor the present (Chapters 2-3). The more subtle and advanced issues are illustrated and, in some cases, quantified, using the overlapping-generations model of economic growth (Chapters 4-6). The models used to illustrate the mechanisms of economic growth are extended to incorporate politics and the behavior of public officials (Chapters 3, 5-7). The text concludes with a thorough discussion of policy reforms designed to address the issues discussed in earlier chapters. Intended for students familiar with intermediate-

level economics, the book contains a technical appendix, including detailed explanations of each model, end-of-chapter questions and problems, and a complete solutions manual, making it ideal for self-study. Offering a unified explanation for the causes and consequences of government failure, fiscal crisis, and the needed policy reforms, this text is appropriate for advanced undergraduate and beginning graduate courses in macroeconomics, political economy, and public policy. **Fiscal Policy and Debt Dynamics in Developing Countries** Economics of Public Finance An Economic Analysis of Government Expenditure and Revenue in the United Kingdom [Pergamon](#) **The Macroeconomic Effects of War Finance in the United States** Taxes, Inflation, and Deficit Finance [Routledge](#) This book, first published in 1998, presents a quantitative investigation of the macroeconomic effects of different fiscal and monetary policies that have been used to finance wars in the US. It examines both positive and normative effects of historical government policies. **The Economics of Public Spending Debts, Deficits, and Economic Performance** [Edward Elgar Publishing](#) This text argues that in many jurisdictions free market advocates have resorted to public sector downsizing and privatization as a means of alleviating problems of unemployment and slow economic growth, and that, as a consequence, the strategy of reducing public deficits, balancing budgets and achieving surpluses has become widely accepted as the only road to prosperity. **The Means to Prosperity Fiscal Policy Reconsidered** [Routledge](#) While recent developments in monetary theory have been fast to spread to policy analysis and practice and the media, the same is not true of fiscal policy, and a void has emerged. Issues such as timing, cyclical adjustments, long-term sustainability, and social implications are often seen as detached from discussions in the public arena. This book fills this gap. It delivers a keen assessment of the role and scope of current fiscal policy. New contributions and critical reviews of state of the art research analyze fiscal policy in terms of viability, potency, consequences and sustainability, and also shed light on its relation to economic and political ideas. The general tone of this volume is cautiously favourable of fiscal activism, although the emphasis is placed more on medium-term adjustments than on short-term 'fine-tuning'. The authors believe that the legacy of the last fiscal revolution has been an excessively negative view of deficits and debt, and believe that this volume will contribute to open a dialogue on fiscal issues, and bring back a more balanced view of fiscal policy. With contributions from leading authorities including Barbara Bergmann, Jeffrey Frankel and David Colander, this is a major new contribution to the field. **The Federal Budget and Government Spending** [Greenhaven Publishing LLC](#) The federal budget affects all of us, whether we know it or not. Monies spent by the government go into our education, our security, our military, and our bridges and roads. But who is accountable for the budget, and what happens if we don't agree where the money is going? The expert viewpoints in this informative anthology examine where our tax dollars go, whether citizens have a say in spending, and what it means when the deficit just keeps growing. **Stability with Growth Macroeconomics, Liberalization and Development** [OUP Oxford](#) There is growing dissatisfaction with the economic policies advocated by the IMF and other international financial institutions - policies that have often resulted in stagnating growth, crises, and recessions for client countries. This book presents an alternative to "Washington Consensus" neo-liberal economic policies by showing that both macro-economic and liberalization policy must be sensitive to the particular circumstances of developing countries. One-size-fits-all policy prescriptions are likely to fail given the vast differences between countries. This book discusses how alternative approaches to economic policy can better serve developing countries both in ordinary times and in times of crisis. **Macroeconomic Implications of the Government Budget Identity The Case of a Predetermined Fiscal Deficit and a Pure Nominal Interest Rate Peg** **PUBLIC FINANCE** [PHI Learning Pvt. Ltd.](#) Public Finance, which focuses on the policies of the government, especially in relation to tax, expenditure and budget, may be considered a very traditional and 'dry' subject. However, insofar as it has a huge impact on the national economy and the welfare of the citizens, Public Finance assumes tremendous significance and becomes a challenging and interesting subject of study. Divided into nine parts, this compact and concise text gives a detailed discussion on the nature and scope of public finance, theory of public goods, canons of taxation, types of taxes, theories of taxation, and incidence and shifting of taxation. The book also covers public debt, its management and its burden, government budgeting, budgeting theory and balanced budget. Finally, the text dwells on fiscal federalism, and public enterprises and black money, the last two being so important in the Indian context today. What distinguishes the text is the clear analysis of growth and welfare economics, as these have a crucial bearing on the Indian economy. What is more, the text is interspersed with many examples to illustrate the theory discussed and also gives practical insights. This book is primarily intended as a text for undergraduate students of Economics and Commerce for their course on Public Finance/Public Economics. **Red Ink The Budget, Deficit, and Debt of the U.S. Government** Aiming to present a neutral approach to the US federal budget, this text provides a detailed explanation of the intricacies of the budget, its history, and the institutional details that create it. It includes discussions of taxes, entitlements, welfare, social security, Medicare, agricultural subsidies, trust funds, budget enforcement, and the politics of the deficit and deficit-reduction. The text traces how spending and tax bills originate and follows them as they make their way through a maze of congressional procedures, regulations, and protocols. **Common Confusions in Macroeconomics** [AuthorHouse](#) **Smart Economics Commonsense Answers to 50 Questions about Government, Taxes, Business, and Households** [Greenwood Publishing Group](#) Straight-shooting answers to everyday economic questions--from "Will the National Debt Sink Our Economy?" to "Can Families Afford College?" **Transfer Spending, Taxes, and the American Welfare State** [Springer Science & Business Media](#) In 1989 the federal government spent \$1197 billion, a mind-boggling sum that is almost impossible to visualize. Since there were 248.8 million people living in the United States in that year, the government spent an average of \$4811 for every man, woman, and child in the nation. For a hypothetical family of four, federal spending in 1989 amounted to an average of \$19,244. To put this sum in perspective, the money income of an American family averaged \$35,270 in the same year. To finance spending \$1197 billion, the government collected taxes from American citizens and residents in an amount of \$1047 billion. Because of a shortfall between what it spent and what it took in taxes, the government had to borrow \$150 billion, partly from individuals, but mostly from banks, insurance companies, and foreigners. How, where, and on whom did the federal

government spend all this money? Since federal spending in 1989 totaled 23 cents in comparison to every dollar spent for the buying of goods and services, finding an answer to this question is not a trivial matter. Spending by Washington reaches into every nook and cranny of the economy, touching the lives and fortunes of almost everyone in the nation. Thus, answers to these questions are of more than academic interest. **Principles of Public Finance** [Springer](#) This textbook equips instructors and students with an overview of the existing literature so that the latter can attain an overall understanding of macroeconomic and microeconomic public finance. The literature on public finance has grown dramatically with theoretical studies and empirical analysis, and much of the focus has been on macroeconomic effects of public services. The standard textbook offerings, however, are mainly restricted to microeconomic topics of public finance. This text intends to fill this gap by presenting a theoretical-based, comprehensive explanation of public finance. Particular emphasis is directed at developing tools that can be applied theoretically and empirically to clarify essential economic concerns in the current public sector in advanced countries, including Japan. Such concerns include the macroeconomic effect of fiscal policy, the dependence on bonds for covering government deficits, and social security reform. The main text explains the standard concepts of public finance, and the appendix offers various advanced topics. The material will facilitate an understanding of how to investigate changes in the public sector, interpret results, and basically do research on fiscal policy. The textbook will be of value to a broad range of course offerings, including those generally focused on fiscal policy, on social security reform and on tax reform. **Fiscal Policy after the Financial Crisis** [University of Chicago Press](#) The recent recession has brought fiscal policy back to the forefront, with economists and policy makers struggling to reach a consensus on highly political issues like tax rates and government spending. At the heart of the debate are fiscal multipliers, whose size and sensitivity determine the power of such policies to influence economic growth. **Fiscal Policy after the Financial Crisis** focuses on the effects of fiscal stimuli and increased government spending, with contributions that consider the measurement of the multiplier effect and its size. In the face of uncertainty over the sustainability of recent economic policies, further contributions to this volume discuss the merits of alternate means of debt reduction through decreased government spending or increased taxes. A final section examines how the short-term political forces driving fiscal policy might be balanced with aspects of the long-term planning governing monetary policy. A direct intervention in timely debates, **Fiscal Policy after the Financial Crisis** offers invaluable insights about various responses to the recent financial crisis. **Sovereign Risk, Fiscal Policy, and Macroeconomic Stability** [International Monetary Fund](#) This paper analyzes the impact of strained government finances on macroeconomic stability and the transmission of fiscal policy. Using a variant of the model by Curdia and Woodford (2009), we study a "sovereign risk channel" through which sovereign default risk raises funding costs in the private sector. If monetary policy is constrained, the sovereign risk channel exacerbates indeterminacy problems: private-sector beliefs of a weakening economy may become self-fulfilling. In addition, sovereign risk amplifies the effects of negative cyclical shocks. Under those conditions, fiscal retrenchment can help curtail the risk of macroeconomic instability and, in extreme cases, even stimulate economic activity. **Public Debt An Illusion of Democratic Political Economy** [Edward Elgar Publishing](#) Over the past decades, economists have witnessed with growing uneasiness their failure to explain the ballooning of public debt in most countries. This book provides an alternative orientation that explains why concepts of public debt that are relevant for authoritarian regimes are not relevant for democratic regimes. Using methodological individualism and micro-economics, this book overcomes flaws inherent in the standard macro approach, according to which governments manipulate public debt to promote systemic stability. This unique analysis is grounded in the writings of Antonio de Viti de Marco, injecting current analytical contributions and formulations into the framework to offer a forthright insight into public debt and political economy. **Debt, Democracy and the Welfare State Are Modern Democracies Living on Borrowed Time and Money?** [Springer](#) Why is it that government debt in the developed world has risen to world war proportions in a time of peace? This can largely be attributed to governments maintaining welfare expenditures beyond what tax revenues allow. But will these governments refrain from doing what is necessary for economic growth for fear of losing their electorate? **Deficit Why Should I Care?** [Apress](#) At the turn of this century, the American national debt stood at just under \$6 trillion and the deficit at a "mere" \$86 billion. Today, the national debt has topped \$14 trillion, and the yearly deficit for 2011 is projected at a whopping \$1.4 trillion. According to the U.S. Treasury Department's Annual Report on the Public Debt, the debt is estimated to hit \$19.6 trillion by 2015. The federal government has borrowed roughly 40 percent of its total budget for the last several years, a disturbing trend that could leave the U.S. in an economic crisis. Astronomical interest payments, a debt burden to your children and grandchildren, and an increased reliance on foreign creditors are just a few of the problems. Although the U.S. has experienced soaring unemployment, stagnant production, and a crippled housing market, foremost on economists' minds are rising deficits and ballooning debt. Others feel fears of the national debt are overblown or pale in comparison to today's economic problems. This clear, concise book will give you the need-to-know on the debt. You will learn: How to calculate deficits and the national debt The history of U.S debt and its recent unparalleled growth over the years How and why the government borrows money Methods and tactics for balancing the budget The economic arguments for, and against, accruing a debt The impact of the debt on interest rates and inflation The impact of the debt on the value of the dollar and U.S. economic power This book also answers key questions: Can the government go bankrupt? Why have there seemingly been no repercussions of the large debt to date and is that likely to change? When the interest on the debt becomes higher than the revenue of the government, what happens? And many more practical insights into the government debt controversy. **Business professionals, parents, retirees, and students are all talking about the debt. This quick read will provide an understanding of the ramifications of the rising debt and what the consequences may be. Government Deficit and Fiscal Reform in Japan** [Springer Science & Business Media](#) **Government Deficit And Fiscal Reform In Japan** presents a theoretical-based comprehensive analysis of economic consequences of government deficits and fiscal reform in Japan. Particular emphasis is directed at developing tools that can be applied to theoretically and empirically clarify essential

economic concerns in Japan such as generational incidence of fiscal reform and a growing dependence on government bonds for covering financial deficits. This book evaluates the recent movement of Japanese fiscal reform and government deficit. The authors first summarize fiscal policy in 1990's. Then, they move on to investigate the macroeconomic impact of government debt and the sustainability problem, and then discuss benefits and costs of public investment. The political aspect of fiscal reconstruction movements in Japan is also examined. Finally, the authors investigate the behavior of central government's control on local governments' debt issuance and its effect on the real activities of local governments. This book points out that the long-run structural fiscal reform is more important than the short-run Keynesian fiscal policy in Japan.

**Tracking America's Economy** M.E. Sharpe This completely revised and updated edition of Norman Frumkin's acclaimed work offers vital information for the urgent growing debate on the state of the nation's economy. Frumkin makes complex ideas and statistical data accessible to people without special training in economics. His goal in this book is to provide a better understanding of the performance of the American economy, and a basis for evaluating proposals intended to influence its future course. Using data current through the first half of 2003, Frumkin focuses on the meaning and use of a wide array of indicators of economic growth, employment, wages, productivity, investment, saving, and finance in assessing the current state of the U.S. economy and forecasting future developments. Equally useful for economists, students, investors, journalists, and anyone concerned with the economy, this totally revised edition includes detailed coverage of many important new topics, such as terrorism's impact on the economy, federal debt and interest rates, job openings and unemployment, government spending and taxes, the 2001 recession, and much more. Equally useful for economists, students, investors, and anyone concerned with the economy, this totally revised edition includes detailed coverage of many important new topics, including: --reclaiming American manufacturing; --differential patterns of the expansions of the 1980s and the 1990s-2000; --wealth effect of stock market and housing prices; --significance of consumer confidence surveys; --age of nonresidential structures and equipment and future investment; --housing affordability; --government spending and tax components; --frequency of tax changes; --taxation and work effort; --sustainability of balance of payments deficits and foreign indebtedness; --jobless recoveries in 1991-92 and 2002-03; --interstate variations in income and unionization; --interstate variations in unemployment insurance; --job openings and unemployment; --terrorism impacts on economic growth and productivity; --spread of oil price changes to the non-energy sectors

**On the Difference Between Tax and Spending Policies in Models with Finite Horizons** This paper uses the Blanchard (1985) finite horizon model to study how taxes and government spending can be managed to stabilize aggregate demand. It is shown that tax policy cannot stabilize demand in less time than it stabilizes the public debt, but that, if government spending is the instrument of policy, demand can be stabilized independently of the dynamics of the debt. These results imply that if the objective is to stabilize the debt while maintaining demand as close as possible to a predetermined target path, and taxes are the instrument, taxes would have to be changed temporarily as much as feasible. On the other hand, if the instrument is government spending, it can be changed gradually to achieve the objectives. The dynamic effects of taxes are a straightforward implication of the intertemporal budget constraint, when it is assumed that agents cannot be surprised by government policies. More traditional dynamics can be obtained if it is assumed that the government succeeds in announcing a policy and implementing a different one. If however the announcement is not credible, discretion is inferior to a predetermined tax rule.

**White House Burning: The Founding Fathers, Our National Debt, and Why It Matters to You** Vintage America is mired in debt—more than \$30,000 for every man, woman, and child. Bitter fighting over deficits, taxes, and spending bedevils Washington, D.C., even as partisan gridlock has brought the government to the brink of default. Yet the more politicians on both sides of the aisle rant and the citizenry fumes, the more things seem to remain the same. In *White House Burning*, Simon Johnson and James Kwak—authors of the national best seller *13 Bankers* and cofounders of *The Baseline Scenario*, a widely cited blog on economics and public policy—demystify the national debt, explaining whence it came and, even more important, what it means to you and to future generations. They tell the story of the Founding Fathers' divisive struggles over taxes and spending. They chart the rise of the almighty dollar, which makes it easy for the United States to borrow money. They account for the debasement of our political system in the 1980s and 1990s, which produced today's dysfunctional and impotent Congress. And they show how, if we persist on our current course, the national debt will harm ordinary Americans by reducing the number of jobs, lowering living standards, increasing inequality, and forcing a sudden and drastic reduction in the government services we now take for granted. But Johnson and Kwak also provide a clear and compelling vision for how our debt crisis can be solved while strengthening our economy and preserving the essential functions of government. They debunk the myth that such crucial programs as Social Security and Medicare must be slashed to the bone. *White House Burning* looks squarely at the burgeoning national debt and proposes to defuse its threat to our well-being without forcing struggling middle-class families and the elderly into poverty. Carefully researched and informed by the same compelling storytelling and lucid analysis as *13 Bankers*, *White House Burning* is an invaluable guide to the central political and economic issue of our time. It is certain to provoke vigorous debate.

**Macroeconomic Policy, Credibility and Politics** Psychology Press First published in 2001. Routledge is an imprint of Taylor & Francis, an informa company.