



2008 Issues Guide: the Economy

Written for the National Student/Parent Mock Election

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www.nationalmockelection.org

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OVERVIEW: The Economy

The American economy is a prime concern of voters in the 2008 election. With gas prices skyrocketing, the labor market contracting, and housing foreclosures endemic across the country, Americans are looking for a change. The broadest indicator of the health of the economy is gross domestic product, which in the first quarter of 2008 grew at a 0.6% annualized rate, well below the nation's historic trend. Furthermore, medium-term GDP growth is forecast between one and two percent for each of the next two years, indicating a period of prolonged weakness.

The cause of such an anemic economy is due to a burst housing bubble and the ensuing credit crisis. Further exacerbating the country's economic problems are sharply increased prices for oil and food, driving up inflation and stretching already tight pocketbooks.

The housing bubble was a result of interest rates held at historic lows by the Federal Reserve during the 2001 recession, and by a lack of banking oversight that allowed mortgage brokers to give home buyers mortgages they knew the buyers could not afford. Those bad loans were mostly in the form of subprime mortgages. When the Federal Reserve started to raise interest rates after the 2001 recession, many home owners with subprime mortgages began defaulting on their debt because their monthly mortgage payments spiked upward with the rising interest rates.

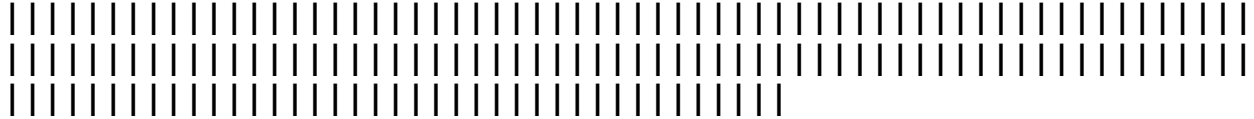
That caused the credit crises, as banks and investors who held the nonperforming mortgages faced huge losses, up to \$250 billion in the US and \$400 billion worldwide, and had to cut their lending to preserve capital. Today, it is more difficult to get a loan for any purpose, even if you have good credit. There is less demand for cars, homes and other consumer products, resulting in a slowdown in manufacturing. Jobs are being lost and new job growth has stalled.

A perennial presidential campaign issue, taxes will be one of the central economic issues debated in the campaign. At the forefront will be the extension, or termination, of President Bush's 2001

\$1.35 trillion tax cuts, most of them due to expire by January 1, 2011. One condition in the debate for further tax cuts is whether the nation can cut taxes at a time of war and huge budget deficits, without harming long-term growth. The future of programs such as Social Security, welfare and educational reform are tied to the federal tax policies and the health of the nation's economy.

America's economic anxieties are not only homegrown, but global. Many Americans are questioning economic globalization. For example, the rapid

development of the so-called BRIC countries (Brazil, Russia, India, China) are making many Americans uneasy as their economic growth rates race ahead of ours. A boom in commodity prices has bolstered the economies of oil exporting countries like Russia, while making life more difficult in the United States. And, the world's strongest growth engine is no longer the United States' but China's. Those global economic issues will be at the forefront of the campaign as the candidates adopt economic agendas that will preserve the standard of living American's have come to enjoy.



OVERVIEW: Major Presidential Candidates' Positions on the Economy

Directions : This summary focuses on several significant issues within the major campaign issue

-- the economy. For a more comprehensive description and rationale of their positions, see the Web sites of the McCain and Obama campaigns cited in "Sources" below. After studying this issue through research and current events discussion, decide how you feel about each candidate's position on the four specific economic issues. Go to the Comparing presidential candidates chart to record your viewpoint on the candidates' economic policies. To help you decide, write the abbreviation next to each policy statement below:

SA- strongly agree; A- agree; SD- strongly disagree; D- disagree; N- no opinion

Housing, Mortgage & Credit Crisis

John McCain supports:

_____ a "HOME Plan" to give assistance to responsible homeowners, with strict eligibility criteria.

_____ a Justice Department Mortgage Abuse

Task Force. Barack Obama supports:

_____ establishing a Foreclosure Prevention Fund to help responsible homeowners during the current Mortgage Crisis.

_____ legislation he proposed 2 years ago to end mortgage fraud and predatory lending practices.

Taxes:

John McCain supports:

_____ continuing President Bush's tax cut beyond 2010.

_____ cutting corporate tax rate from 35% to 25%.

_____ giving tax breaks to businesses for investing in equipment

and technology. Barack Obama supports:

_____ Letting President Bush's tax cut end.

_____ Increasing tax rates for the wealthiest Americans.

_____ tax incentives to companies that keep jobs in the USA.

_____ tax rebates to needy families and an increased Social Security supplement to seniors as part of an economic stimulus plan.

Trade and Globalization

John McCain supports:

- _____ free trade, with open borders to foreign goods and access to foreign markets for American goods.
- _____ reducing restrictions to international trade and improving enforcement of global trading rules.

Barack Obama supports:

- _____ implementing trade policies that benefit American workers and increasing the export of American goods.
- _____ renegotiating the North American Free Trade Agreement to ensure more protection for American jobs.

Increased Cost of Living, especially fuel prices

John McCain supports:

- _____ having the free market determine the cost of essential goods.
- _____ increasing global trade, leading to a stronger U.S. dollar that will help control the cost of living for Americans.

Barack Obama supports:

- _____ raising the federal minimum wage and indexing it to inflation.
- _____ providing additional tax rebates to workers.

Other economic issues important to you: Use the candidate's web sites cited below to learn their positions.

Issue: _____

Suggested Activity: Summarize each candidate's position on the economy on another sheet.

Sources:

Obama — McCain Comparisons at:

<http://www.obama-mccain.info/compare-obama-mccain-economy.php> McCain campaign at:

www.johnmccain.com/Informing/issues

Obama campaign at: www.barackobama.com/issues

Google Election Tools for Teachers at:

http://www.google.com/educators/elections_tools.html#letters

ACTIVITY: Writing a Personal Essay

How recent economic problems have affected my life.

INTRODUCTION:

Are current economic problems affecting my life? If yes, how? Does government have a moral/ethical responsibility to help its citizens during difficult economic times?

Many Americans today are pondering questions like those. For example, "Mortgage crisis takes toll on children, too" was the title of Lew Sichelman's Op-ed piece in the July 6, 2008 Los Angeles Times. The economic downturn is nearly always described in terms of adults losing their homes, jobs or investments. But what about kids?

Sichelman states "Everyone realizes the cost of foreclosure can be staggering. A recent report by the Joint Economic Committee of Congress pegs the average at nearly \$78,000 a house. But there's also the human component to losing a home that can't be counted in dollars and cents.

Take the toll on children, for example. According to the group First Focus, a bipartisan children's advocacy organization, nearly 2 million youngsters will be directly affected by foreclosure before the subprime mortgage crisis is over.

And that doesn't count children being evicted from investor-owned rental houses that go into default or those whose parents default on conventional loans.

Foreclosures often result in disruptions to a child's education, a recent First Focus report points out. Moreover, behavioral issues are more likely to arise in children who lose their homes, partly because peer relationships tend to disintegrate when children are forced from their neighborhoods.

'When families lose their homes, kids often lose their schools and access to services,' says Bruce Lesley, the group's president. The physical and mental health of displaced children can be severely compromised because there is likely to be less money available for health care or insurance, according to the report.

Schooling suffers too. Displaced children are only half as likely to be proficient in reading; they are more likely to be held back and eventually drop out; and they are more likely to experience behavioral problems, says the report."

Source:

<http://www.latimes.com/features/health/medicine/la-re-lew6-2008jul06,0,2112211.story>

Purposes of the activity:

- a) Learn about the economic issues of the 2008 presidential election.
- b) Reflect upon and research how the current economic issues and problems affect you and your family.
- c) Prepare to make a reasoned decision about which candidate's economic positions matches your opinions and needs. Advice about good essay writing can be found at the WordPress web site at: <http://wordpress.com/tag/essay-writing/>

Writing Prompt: *Has the recent economic downturn affected you or your family?*

Economist Bob Herbert states the economic problems which many American families face today: "The class war is over, and we lost... Over the past 30 years or so, Americans' wages have remained relatively flat. But women went into the workplace, wives and mothers started working. People started putting things on their credit cards. There was a stock market bubble there for a while. We had a housing bubble. People refinanced and stuff. Now, they're coming up against a wall. They're not finding a way now to get some extra money to power the consumer economy." See Bill Moyers' Journal blog at: <http://www.pbs.org/moyers/journal/blog/economy/>

Steps in writing and sharing the essays:

1. Analyze the material in this economy guide and other cited sources that explain the key economic problems that the next elected president will face. Examples of excellent articles are:

- a) "The squeeze on the middle class" at: <http://articles.moneycentral.msn.com/Investing/HomeMortgageSavings/MiddleClassConundrumDoYouFitIn.aspx?page=all>
- b) "Why you might never own a home" at: <http://articles.moneycentral.msn.com/Investing/HomeMortgageSavings/WhyYouWillNeverOwnAHome.aspx?page=all>
- c) "The child-care crisis" at: <http://articles.moneycentral.msn.com/Investing/HomeMortgageSavings/ChildcareCrisis.aspx?page=all>
- d) "Middle-class reality check: The 'essential' indulgences" at: <http://articles.moneycentral.msn.com/Investing/HomeMortgageSavings/MiddleClassRealityEssentials.aspx?page=all>

2. Besides the four problems described in the reading above, is there another economic problem that is affecting you and your family even more? Examples are: loss of job(s)

by parent(s), lack of summer jobs, increased food prices, loss of savings or investments, etc. You can write about this economic issue with teacher approval.

3. Rank the problems in order of how much each affects you and your families' lives. 1 = most impact to 4 or 5 = least impact on you and family.

4. Decide which economic problem(s) you will write about according to how they affect your daily life and your family's well being.

5. Research for your essay:
 - a) interview family members about how the economy is affecting them;
 - b) read about the economic issues using a web search and news periodicals.

6. Outline a first draft: 2 to 4 paragraphs that:
 - a) describe the economic problems which affect you and your family;
 - b) describe the effects upon you and your family;
 - c) describe possible solutions to the economic problems or issues.

7. Write your essay in any creative style using proper grammar and spelling.

8. Have a family member and/or classmate proofread it for accuracy and for proper writing.

9. Students share their essays (anonymously if they wish) with class. Students could share their essay (or excerpts of it) using a safe, educational **blog** such as:
 - **Imbee** - Grades 3 – 7 students can share ideas in a safe and supervised environment on at www.imbee.com or its Kidsfluence blog at: http://www.imbee.com/discover/groups_featured
 - **iCue** - students 13 and older, by NBC Learn (part of NBC News) provides a safe, educational social networking environment for at: www.icue.com/ It also has many hours of current and historic video for student use and in the classroom. Click on *Decision '08* for election news, daily quiz, historical information about U.S. elections and a blog by clicking on Forums link at top of Web page.

10. Class discussion on questions such as: *Is there a pattern of economic issues that the class shares? How does economics, the dismal science, affect Americans on a daily basis? Are the economic issues long-term and short-term problems? What are possible solutions to those issues? What do you know about the presidential candidates' positions on those economic issues? Does government have a moral/ethical responsibility to help its citizens during difficult economic times?*



ACTIVITY: Survey – How Do Local Citizens Feel About the Economy?

Introduction:

During presidential campaigns, public opinion polls/surveys are used by the media, candidates' campaigns and by independent researchers. For example, the August 5, 2008, CBS Poll, reported on www.PollingReport.com, asked: "Which one issue would you most like to hear the candidates for president discuss during the 2008 presidential campaign?" (Open-ended question) The results were:

Economy/Jobs	
36%	War in Iraq
17%	
Gas/Heating oil crisis	9%
Health care/Medicare /Medicaid	
8%	
Environment	5%
Immigration	2%
Defense/Military	2%
Taxes/IRS	2%
Other	11%
Unsure	8%

Conduct your own poll in this election season on the issue of the United States' economy (or any other important issue) to give you a sense of people's views about the economy and its specific issues. This poll will be an unofficial picture of your community's views.

How to Conduct a Survey:

Choice of two methods:

- Phone survey: Begin by identifying the people you are interested in surveying, called the population. For this activity, use the people in your community. When conducting survey research, one does not talk to every member of the population; rather, you talk to a sample of that population. Therefore, the next step is to identify the sample as well as how you will interview those individuals. Most polls today are done over the telephone (options -- a paper-and-pencil survey or a face-to-face interview). Real pollsters use computers to both pick and dial the numbers of the people in their sample. For this survey you will have to identify the phone numbers yourself. One way to do this (not the best, however) is to use the local telephone book. You won't use everyone in the phone book; you'll pick a set number of people from that list of names and numbers.

The key to obtaining a sound sample is to select people randomly. For example, you shouldn't just pick the first 50 people on page 1 of the phone book. Rather, you need to pick people in what may seem like a hap-hazard manner. One way to randomly select your participants (you should try and get more than 100 individuals) is to simply pick a number between one and ten — say seven — and turn to every seventh page of the phone book and pick a series of people from that page — maybe every seventieth person — until you reach your desired number (this will be your sample size).

- Interview survey: Younger students (elementary and middle levels) could interview their parents, relatives and neighbors in person. Since the sample would not be random, this survey would not be valid for drawing conclusions about the entire community's viewpoints. However, students would learn about public surveys and the campaign issue(s).

High school and college students, with interview training and adult supervision, could randomly select persons to ask the survey questions at a shopping mall, town square or at school, etc. Be sure that your students get permission to conduct the survey at those locations. Surveying can be done by simply asking the questions or by having survey sheets for the interviewees to complete.

After identifying your sample, you need to decide what questions you are going to ask. You can create your own questions about the economy or use questions such as:

1. Which of the following statements most closely describes your family's financial condition now as compared to four years ago, during the last presidential election?
 - a) much better;
 - b) some improvement;
 - c) about the same;
 - d) less well off;
 - e) serious financial concerns.
2. Which economic problem has affected you and/or your family the most?
 - a) raising food prices;
 - b) fuel prices;
 - c) lost of job;
 - d) decrease in savings or investments;
 - e) house mortgage;
 - f) other, please name.
3. Do you think that the U.S. economy is in a recession? YES NO
4. What do you believe is the most serious economic problem that the next president will face?
 - a) loss of American jobs;
 - b) financial crisis from housing and credit problems;
 - c) fast- growing national debt;
 - d) weak U.S. dollar;
 - e) effects of globalization with other countries giving more competition to the U.S. economy;
 - f) different problem -- please describe briefly.
5. Which statement describes your belief that the role of the federal government should have in dealing with economic problems?
 - a) government action can be a major force in maintaining and improving the economy.
 - b) government should limit its role to regulation and get involved only during national emergencies.
 - c) little or no government involvement is best for business.
6. Which statement describes your belief about taxes?
 - a) lowering taxes on investors and businesses stimulates economic growth,

helping all Americans.

- b) keeping the current tax rates for all citizens.
- c) raising taxes on the wealthiest to ensure basic services to the poor (limited redistribution of wealth).

Guidelines:

- You can modify these questions or create your own questions. Your questions are objective, not “leading questions” that suggest what the answer should be.

- When making phone calls or doing in-person interviews, remember to use a gracious greeting. You might say something like: “Hello, my name is [name] and I’m calling from [school] for a class project. Could I have two minutes of your time?” After the last question, thank the person for their time.

After conducting the survey:

- Tally the survey results and note how many persons responded to each question. Interviewees’ comments and other answers should be written in a brief narrative.
- Research the possible news media -- local newspapers, radio or community blog that might want to publish your poll results. Write a cover letter to those to whom you plan to send your results explaining how and why the poll was taken. Include the questions you asked.
- Class analysis and discussion -- What are your survey results? Are there any significant patterns in the results? How do your results compare to survey results done in your state or nationwide? Were there any surprises in your results? What might be reason for surprising results? Might your poll results help predict the real election results?
- With teacher guidance, students could share their survey results at Google Election Tools for Teachers: Google presentations or blog.

Sources: newspapers, non-partisan Internet sites such as: National Public Radio at: <http://www.npr.org> or “Roundup of recent polling on the economy” at: www.surveyusa.com/indx.php/2008/07/25/roundup_of_recent_polling_on_the_economy/

o

r Google’s Election Tools for Teachers links.

Adapted from David Dulio, 2004 Election Teachers Guide, an excellent overview about conducting a survey. Changes to his procedures are this author’s responsibility.

Note to all readers: This is a watered-down version of how to conduct a poll. Much has been written on how to do this successfully and appropriately. This kind of poll is not like those conducted by the major media. However, it is also not like those conducted on Internet Web sites or television call-in shows: this one will be better. Please be sure to consult one of the reference books noted below with any questions, or to get a full and complete explanation of how polling is conducted in “the real world” of survey research.

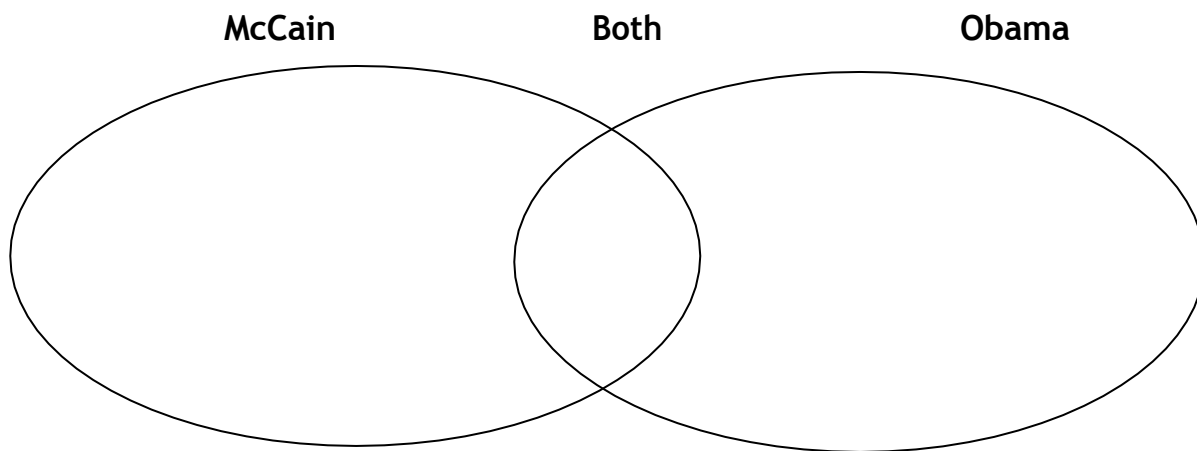
For more information on polling, see one of the following references: Herbert Asher, *Polling and the Public: What Every Citizen Should Know* 6th Ed. (Washington, D.C.: CQ Press, 2004); Michael W. Traugott and Paul Lavrakas,

The Voter's Guide to Election Polls 3rd Ed. (Lanham, M.D.: Rowman and Littlefield, 2004; or Jeffrey M. Stonecash, Political Polling: Strategic Information in Campaigns (Lanham, M.D.: Rowman and Littlefield, 2003).



ACTIVITY: Compare and Contrast - Presidential Candidates' Positions on the Issues of the Economy

1. Research the candidates' positions and proposals for improving our nation's economy. Use their official campaign web sites and campaign literature, and search news reports and speeches that deal with this issue.
2. Using key words or phrases, record the major economic proposals of McCain and Obama on this Venn diagram.



Questions based on your research and the graphic organizer above:

1. Do McCain and Obama have any similar views or solutions for our country's economic issues? If so, what are they, and why did they agree on those issues?
2. On what economic issues do McCain and Obama differ the most? Describe their differences.
3. What might this comparison tell us about the differences between the Republican and Democratic parties?
4. Which candidate is more likely to believe in the following political ideas about the economy? Write **M** for John McCain and **O** for Barack Obama.

_____government action can be a major force in improving the economy

_____limited government involvement is best for business

_____lower taxes on investors and business stimulates economic growth

_____limited redistribution of wealth benefits the entire country

_____ free trade is best _____ protecting American jobs through trade
controls is best



ACTIVITY: My Opinion – Do I Agree With the Candidates’ Positions on the Economy?

Directions: Use your Presidential candidates’ positions sheet for determining which candidate you agree with most in dealing with our economy. Write the key words or phrase representing the candidate’s position for each of the economic issues: Housing & credit crisis, taxes, trade & globalization, and cost of living.

John McCain, Republican

Agree with his position on: Disagree with his position on: Uncertain – No opinion:

--	--	--

Barack Obama, Democrat

Agree with his position on: Disagree with his position on: Uncertain – No opinion:

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Optional: Third Party Candidate: _____

To find out which presidential candidates besides McCain and Obama are on the ballot in your state, see: <http://www.politics1.com/p2008-ballot.htm>

You will need to research the candidate’s positions on the issues using a web site . For a list of candidates and their web site links, see:

<http://www.politics1.com/p2008.htm>

Agree with his position on:

Disagree with his position on:

Uncertain – No opinion:

--	--	--

Your decision: Based on your research and the completed chart above, which presidential candidate's positions do you agree with most? Explain why their plans for dealing with the economy are the best for the country.

For this issue I believe that _____ has the best plans to deal with our nation's economic issues and problems because:



|||||

ACTIVITIES: The U.S. Constitution and the Economy

INTRODUCTION: The Big Question: *What does the U.S. Constitution “say” about the federal government dealing with economic issues and problems?*

Questions to research and discuss in order to answer The Big Question:

- What does the U.S. Constitution say about the type of economy that the United States should have?
- Does the U.S. Constitution give the president powers over the nation’s economy? Can the president affect the economy on a daily basis? In the long-term?
- Does Congress have powers over economic activities within the United States? What about the Supreme Court’s role in economic decisions? Which branch of the federal government has the power to promote and regulate the nation’s economy?
- What is the relationship between business and commerce rights and an individual’s civil rights? When are these rights the same? Do they come in conflict?
- Should the President take credit or blame for the condition of the U.S. economy?
- Does the national government have a moral/ethical responsibility to help its citizens in difficult economic times? (Ethics in democracy theme)

With the economy being the No. 1 issue of the 2008 presidential campaign, both John McCain and Barack Obama are telling voters that their economic policies would stimulate the American economy if he becomes president. Obama promises to revive the economy “rapidly and vigorously” if elected president. See the Associated Press July 27, 2008, article “Obama promises a revived economy” and Obama’s Web site at: <http://www.barackobama.com/issues/>.

John McCain is advocating a “pro-growth, pro-jobs strategy to get our economy back on track.” See his Web site at: www.johnmccain.com/Informing/issues/. News reports and editorials give the impression that the president controls the destiny of our nation’s economic health. Examples are: a) the New York Times July 12, 2008 “There He Goes Again” stating that “the nation needs the next president to have a clear-eyed vision for the economy -- and the federal budget in particular.” Then it faults McCain for his tax-cut proposals and promise to balance the national budget at same time. On the other hand, the July 29, 2008, Wall Street Journal opinion article by Michael J. Boskin declares that “Obamanomics Is a Recipe for Recession.” But, how much effect can a new president really have on our economy? What does “promote the general welfare” mean in the preamble of the U.S. Constitution?

Dick Polman wrote an opinion article, “When it comes to the economy, presidents don’t matter much,” in the August 3, 2008, Philadelphia Inquirer. Excerpts show his doubt about presidential influence over the economy: “...in

this country we cling to the myth of the omnipotent presidency. A candidate would probably commit political suicide if he admitted the truth that, while presidents are indeed powerful in certain respects, they cannot control global economic markets.”

“...the effects of leaders are very strong in autocratic settings, but much less so in the presence of democratic institutions.” Polman also states, “No president can cure the cyclical outbreaks of all- American greed [e.g. the subprime mortgage crisis] – or control the Federal Reserve, which helped make it all possible by relentlessly lowering interest rates.” Polman ends with a

compelling question: "If a president really did have control over the economy, then why would the economy ever be bad?"

Teaching/Learning Activities:

- Students review Article II, Section 2 of the U.S. Constitution, which outlines the powers given to the president. Do any presidential powers relate directly to the economy? Access the Interactive Constitution at <http://www.PearsonSchool.com/ElectionKit>.
- Students research the economic positions of Obama and McCain using their official statements on their campaign Web sites. Web addresses are given above. Are any of their proposals related to the powers given the president in the Constitution?
- Teach students that the U.S. Constitution is both an economic and political document. It ensures economic freedoms, rights and an economic system that includes: private property, free-enterprise system, freedom of choice, economic competition, free markets and a limited role of government.
- Explain and discuss: The 'pursuit of happiness' delineated in the Declaration of Independence as an inalienable right is the right to improve oneself economically, your standard of living. The U.S. Constitution affirmed this right in several ways. Students should find which of the first 10 Amendments, the Bill of Rights, and the Civil War Amendments have the right of due process (V and XiV). Discuss the meaning of due process.
- Recommend use of EcEdWeb Economics Lesson "How Has the Constitution Shaped the Economic System in the United States? at: <http://ecedweb.unomaha.edu/lessons/fecg1.htm>

Activity 1 - "Characteristics of a Market Economy,"

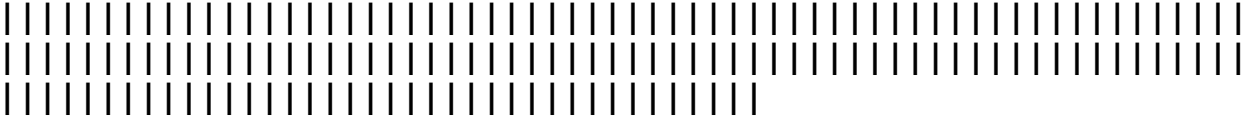
Activity 2- "Provisions in the U.S. Constitution"

Activity 3- "Matching Provisions of the U.S. Constitution with Basic Characteristics of a Market Economy."

Optional -- If you want to compare the economic powers of the autocratic government of China to our democratic government, use EcEdWeb Activity 4 -- "Economic Provisions in the Constitution of The People's Republic of China." Is Polman on target about autocratic governments' control of their economy compared to democratic governments?

- Using various sources, search for answers to the specific questions listed above.

- Class discussion or debate -- Respond to The Big Question and its specific components.



ACTIVITY: Role-Play as an Economist: Surprising Recommendations to the Future President

N. Gregory Mankiw, Harvard economics professor, wrote a July 13, 2008, New York Times column entitled “What if the Candidates Pandered to Economists?” Despite being the experts, they are usually ignored by politicians who are thinking more about being elected than proposing policies that most economists would support. Nevertheless, Mankiw imagined: “What would it take to put the nation’s economists solidly behind a candidate?” Based on interviews with fellow economists and the profession’s polls, an eight-plank platform is recommended to the presidential candidates:

- *Support free trade* – increased globalization and international trade lowers prices and raises living standards around the world.
- *Oppose farm subsidies* – they are contrary to free markets, bad for taxpayers and consumers.
- *Leave oil companies and speculators alone* – global supply and demand are the real causes of rapidly increasing fuel prices.
- *Tax the use of energy* – the quickest way to reduce oil consumption.
- *Raise the retirement age* – Americans are living longer, and increasing Social Security taxes will not be enough.
- *Invite more skilled immigrants to our country* – skilled immigrants promote economic growth, especially among poorer Americans, and pay more in taxes than they get in government benefits.
- *Liberalize drug policy* – most economists support personal freedom; legalize marijuana in order to focus on more important crimes.
- *Increase funding for economic research* – like farmers, economists are human. Plus, economic research receives little federal support despite dealing with daily life issues.

As you can imagine, these recommendations would not be popular with many American voters. You can read the entire article on www.nytimes.com with a search of: “N. Gregory Mankiw, pandered.” It gives the positions of McCain and Obama on the eight recommendations.

Directions:

1. Group students according to the candidate they wish to be their economist adviser. (Students with no preference can be used to balance the number of advisers for each candidate.) Students select one of the economists' recommendations listed above to research and present to their presidential candidate.
2. Students research their recommendation for: description of the recommendation's topic/problem; facts and opposing viewpoints about recommendation; reasons for recommendation with supporting information or evidence. See sources below.
3. Students write a three-paragraph "white paper" describing:
 - a) the topic/issue of their recommendation;
 - b) opposing viewpoints on the topic and giving information supporting their recommendation's viewpoint;
 - c) the reasons why their recommendation would be best for the country and its citizens in the long run, making it a viable campaign issue.

Alternative activity – Have students write a letter to the future president at: http://www.google.com/educators/elections_tools.html#letters.

Alternative activity – Have students write a persuasive essay using the Issue Writing project at <http://www.PearsonSchool.com/ElectionKit>.

4. Playing the role of an economist, the students present their recommendation to students role-playing as McCain and Obama, who can ask probing questions.
5. Class discusses and decides – *Which presidential candidate -- McCain, Obama, Nader, Barr, Baldwin, McKinney, etc. -- would most economists support for each recommendation?*

Internet Resources:

Obama - McCain Comparisons at:

<http://www.obama-mccain.info/compare-obama-mccain-economy.php>

McCain campaign at: www.johnmccain.com/Informing/issues

Obama campaign at: www.barackobama.com/issues

Google Election Tools for Teachers at:

www.google.com/educators/elections_tools.h

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Surveys from around the U.S.A. at: www.surveyusa.com/

Wall Street Journal at: www.wsj.com



ACTIVITIES: Finding Solutions for the Problems of the U.S. Economy

Americans expect their leaders to be good problem solvers and decision-makers. The next president will have to deal with serious economic problems. What are possible solutions to these problems our nation faces? Imagine yourself as one of the presidential candidates or their economic advisers. Your challenge is develop a solution to one of the following problems.

Economic problems facing our nation today (you can change the wording):

- a) Can the housing, mortgage, and credit crisis be resolved in order to prevent a serious recession? Does the federal government have an ethical duty to solve the housing crisis for millions of its citizens?
- b) What should be done about federal taxes in order to deal simultaneously with the national debt and established social welfare programs?
- c) What would be the best trade policy for our country in order to deal with globalization, to take advantage of its benefits and reduce the consequences of its challenges to the U.S. economy?
- d) Is it possible to prevent runaway inflation in the cost of living, especially fuel and food prices?
- e) Your own open-ended question(s) about the economy.

To have students gain a deeper understanding of the four economic issues facing the United States, students should be actively engaged in problem-solving, much like the presidential candidates and their advisers. Consider using two instructional strategies: **jigsaw research grouping** and **problem-based learning**.

The following is a brief overview of each strategy and its procedures. Both actively involve students in their own learning through higher-order thinking skills, collaborative group work, and problem-solving. The teacher's primary role is being a facilitator for learning, not a dispenser of knowledge. Students must take responsibility for their learning while they learn how to work with other students to determine possible solutions to a problem. There are many internet sites and books written about these effective teaching strategies; see the recommendations below.

Procedures:

Jigsaw Grouping- Students will research their issue problem independently, then share and discuss with students from other groups with the same problem. Last, they report back to their original group, called the reporting group, with their findings and recommended solution(s).

1. Reporting Groups of four -- Each group has a student responsible to research and report back on each of the economic problems listed above.

2. Research group -- Students with the same research topic (economic problem) help each other with the research and the meaning of the information. After the research is done students compare their information, then students prepare their report with recommended solution(s) to the economic problem, using the problem-based learning model. The report should be written for submission to the teacher. The oral report should be concise, perhaps 3-5 minutes long.

B. Problem-based Learning (PBL) -- This is strictly an overview. Use the recommended books and Web sites to learn more about PBL and how to implement it into your classroom. Also, you can find your own PBL resources.

Robin Fogarty describes PBL as “a curricular model that uses an authentic problem as the impetus for learning. It begins with an ill-structured, open-ended problem....” such as the current economy our nation is facing. This problem leads students to an investigation from which subject matter content and instruction springs. “...PBL provides a genuine context for relevant learning....” such as the 2008 presidential election and campaign. pp. xiv, 2

Basic steps of PBL: (can be modified to the age and needs of your students)

Meet the problem as an open-ended, real-life situation: news stories, personal experiences, role-playing, etc.

Define the problem – students define the problem as a research question -- what needs to be done to solve it.

Research – gathering information relevant to the problem and re-defining the question if needed. Brainstorming of possible solutions based on research and “hunches.”

More research – use all available sources to find information supporting or disputing the possible solutions.

Selection of best solution(s).

Communicate your problem and recommended solution(s) – class presentations; the best could be shared on student-appropriate election blogs, such as <http://googleblog.blogspot.com> on its Election Tools for Teachers site. Students could role-play as McCain or Obama giving a speech to Americans at their party’s convention, a political rally or a town meeting.

Reflect on your learning experience – What did I learn from doing the PBL activity? What did I do best? How could I improve my learning and work habits?

Could I use the PBL model to make decisions in the future?

For More Information:

Using PBL:

Delisle, Robert. How-to Use Problem-Based Learning in the Classroom, Association for Supervision and Curriculum Development, 1997. (Very teacher- friendly for implementing PBL in grades 2-12).

Fogarty, Robin. Problem- Based Learning & Other Curriculum Models for the Multiple Intelligences Classroom. Skylight Publishing, 1997. (One of the first and best books about using higher-order thinking and multiple intelligence theory in K-12 classrooms.)

Lambros, Ann. Problem- Based Learning in K-8 Classrooms: A Teacher's Guide to Implementation, Corwin Press, 2002. (Good introduction to PBL)

Schwartz, Peter. Problem Based-Learning: Case Studies, Experience and Practice, Routledge, 2001. (Good for high school through college)

Search “problem-based learning” on ASCD’s Web site at:

<http://www.ascd.org/portal/site/ascd/index.jsp/>

Penn State’s excellent PBL Web site at: <http://pbl.ist.psu.edu/pbl/>

Other sources of information:

Google Election Tools for Teachers at:

http://www.google.com/educators/elections_tools.html#target

Campaign Web sites for Obama and McCain

Bureau of Labor Statistics Web site at: www.bls.gov