**1.  What are the three major categories of revenues for the federal government?  Please comment on each and indicate their relative importance to each other.  Relative importance can be indicated by dollar amounts, percent of total revenue or expenditure or, though less informative, by ranking.**

**2.  What are the three major categories of expenditures for the federal government?  Please comment on each and indicate their relative importance to each other.  Relative importance can be indicated by dollar amounts, percent of total revenue or expenditure or, though less informative, by ranking.**

**3.  Discuss the current level of the Federal debt, and the past trend of the debt level.  Discuss whether or not you are  concerned about the current and future projected debt and level of associated interest expense.**

**4.  Assume you are the Chief Economic Advisor to the President of the United States and the President has asked you to review the deficit reduction proposals that were submitted by his commission (see link above).  Choose the two commission recommendations you agree with the most and write an explanation to the President as to why those two should be enacted into law.  Please be detailed rather than general in your recommendation.**

**5.  Economists classify macro-economic indicators as leading, lagging, or coincident.  Define each classification and give two examples of each, relating them to the recession that began in 2007 and the recovery that is now under way.**

**6.  All major economic indicators show the United States is recovering from the recession but that the process is not as strong as previous recoveries have been.  If you were the President what would you do right now to help the economy recover so that the unemployment rate decreases faster than it has over the past two years?  I would like specific suggestions or at least fairly defined generalities.**