



UNDERSTANDING FISCAL RESPONSIBILITY

Teachers College · Columbia University



RATIONALE

The issues surrounding the federal budget, national debt and budget deficit are complex, but not beyond the reach of young students. The Understanding Fiscal Responsibility (UFR) study of the treatment of the federal budget, national debt, and budget deficit finds scant treatment of these topics in schools today, either in the most widely used economic textbooks or in social studies and mathematics state curriculum standards. It is hardly surprising, therefore, that teachers spend so little time discussing these topics in their classrooms.

Perhaps most alarming, when the topics of budget, deficit and debt are addressed, they are presented as the consequence of immutable forces far beyond the reach of human intervention. Working with many social studies teachers who are underprepared in economics, students are expected to memorize vocabulary words and facts, but not to use the concepts of debt and deficit to analyze budget processes or evaluate their impact on the nation's fiscal health.

We believe that adolescents with a more informed perspective about debt will make more knowledgeable and responsible decisions about their own finances and demand better decisions from their elected leaders about the nation's finances. It is imperative that educators promote responsibility in matters of personal finance. Likewise, teachers need to stimulate a democratic dialogue among young people about these financial issues, enabling them to grapple with their complexity, as well as the competing agendas and conflicting values that shape public policy. With a deep understanding of these economic issues, students will be empowered to demand capable leadership and effective solutions to fiscal challenges from our public officials.

Marri, A., Ahn, M., Crocco, M., Grolnick, M., Gaudelli, W., & Walker, E. (2011). Teaching the federal budget, national debt, and budget deficit: Findings from high school teachers. *The Social Studies*, 102 (5), 204-210.

INTRODUCTION TO UNDERSTANDING FISCAL RESPONSIBILITY (UFR)

These research-based, inquiry-driven lessons connect students to the current public policy dilemmas about the federal budget, national debt, and budget deficit that confront the United States and its citizens. The lessons engage students in these critical dilemmas and include the resources students will need to deepen their understanding of the complex issues the dilemmas raise. The curriculum is nonpartisan and invites participants from all points of view to ask:

- What do the decisions we make about the federal budget, national debt, and budget deficit say about who we are as a people?
- How should we address our nation's fiscal challenges now and in the future to assure that our decisions are consistent with our values and traditions?

Students who have not yet been responsible for their own expenses find issues of the government's budget, debt, and deficit far removed. And yet it is their generation, the generation on the cusp of becoming new voters, that will be most affected by the budgetary decisions we make today.

Most social studies classrooms do not teach students about the federal budget and public policy through student-centered pedagogy aimed at higher order thinking skills. Further, these students are not provided with opportunities to interpret these topics as the result of choices made by those in policy. Today's classrooms offer very few chances to engage these students as citizens and future voters.

This is the reason the UFR curriculum focuses on **essential dilemmas** as the real basis of instruction and learning. It offers the ability to reach students at multiple levels and abilities, and supports learning in an authentic manner. In addition, the dilemmas can help students focus through more difficult concepts, and can be used as an assessment if desired.

The curriculum focuses on the federal budget, national debt, and budget deficit in the United States in a way that enables students to analyze their significance and judge their consequences. The stakes are high, and they will see that the challenges we face are complex. The solutions will require not only a rugged tolerance for the ambiguities embedded in those challenges, but also a willingness to do the hard work of analyzing the trade-offs in less-than-perfect resolutions. Long term, the quality of our electoral response will depend on our ability to get our students to dig into this complex material.

As a nonpartisan and inquiry-based curriculum, the lessons do not steer students toward any one conclusion about the federal budget, national debt, or budget deficit. Our goal is to have students understand the issues in all their complexities, be able to clarify their own thinking about these issues, and, ultimately, care enough to become involved in debating these and other public policy questions as citizens. The lessons are appropriate for students ranging from grades 9–12, and can be taught in three subject areas:

Civics/Government, Economics, and U.S. History/Geography.

This curriculum takes a cross-disciplinary approach to the topics of the federal budget, national debt, and budget deficit. We have chosen these subject areas and individual lesson topics because each offers an important way of understanding these issues and because they align with what teachers are already teaching. The cross-disciplinary collection of lessons addresses itself to such dilemmas as:

- **What costs and trade-offs are we willing to accept to ensure the benefits of income security to Social Security recipients?** (Economics: Social Security and the National Debt)
- **What level of medical care should the federal government provide for the elderly, and what trade-offs, including increasing the deficit and debt, are we willing to make to provide that care?** (Civics/Government: Medicare and the National Debt)
- **Social Security Act of 1935: Did the creation of a federally administered old-age pension program support or threaten American values and traditions?** (U.S. History: The History of Social Security)

We encourage teachers to supplement the materials in these lessons. The core issues presented in this curriculum are featured in one way or another in the news every day. The lessons are designed to readily incorporate the multiple forms these issues take as well as their most up-to-date developments.

*Selected pieces from "About" at <http://www.teachufr.org/about/>. Written by Anand R. Marri, PhD, Associate Professor of Social Studies and Education, Teachers College, Columbia University, Principal Investigator, Understanding Fiscal Responsibility.

CURRICULUM OVERVIEW

Subject Area	Lesson Title	Essential Dilemma	Resources
Economics	1.1 Social Security and the National Debt	<i>What costs and trade-offs are we willing to accept to ensure the benefits of income security to Social Security recipients?</i>	<ul style="list-style-type: none"> • Resource 1: Cartoon “Retire No More” • Resource 2: Two Political Cartoons • Resource 3: Costs and Benefits: Visualizations • Resource 4: Perspectives on the Value of Social Security • Resource 5: Predictions and Claims
	1.2 Medicare and the National Debt	<i>Can we guarantee quality health care to the elderly in a way that is both efficient and equitable?</i>	<ul style="list-style-type: none"> • Resource 1: Cartoon “Health Coverage” • Resource 2: Healthcare Insurance and the Uninsured • Resource 3: Costs and Benefits: Visualizations • Resource 4: Ranking U.S. Health Care Against Other Countries • Resource 5: Projecting Future Costs and Benefits of Medicare • Resource 6: Reform Graphic Organizer and Reform Criteria
	1.3 The Economics of National Security	<i>How do we know if we are getting good value out of the money we spend on defense?</i>	<ul style="list-style-type: none"> • Resource 1: Opening Scenario • Resource 2: Data Center Fact Sheets • Resource 3: Commentary on National Security Spending • Resource 4: Proposals for Altering National Security Spending • Resource 5: James Madison on War
	1.4 Taxation and the National Debt	<i>Is there a fair and efficient way to fund and maintain the public services we want?</i>	<ul style="list-style-type: none"> • Resource 1: Two Political Cartoons • Resource 2: Criteria for Evaluating Taxes • Resource 3: Perspectives and Evidence on the Gasoline Tax • Resource 4: Perspectives and Evidence on the Capital Gains Tax • Resource 5: Graphic Organizer: Criteria, Questions, and Evidence
	1.5 Balancing the Federal Budget	<i>When, if ever, should the nation prioritize balancing the federal budget?</i>	<ul style="list-style-type: none"> • Resource 1: Cartoon “Budget Crunch” • Resource 2: Background on the Debt • Resource 3: Balancing the Budget in the Short Term • Resource 4: Balancing the Budget in the Long Term • Resource 5: Criteria, Questions, and Evidence for Evaluating Budget Proposals
Civics	2.1 Social Security, Governance, and the National Debt	<i>What responsibility does the federal government have to ensure the elderly a secure and stable standard of living?</i>	<ul style="list-style-type: none"> • Resource 1: “Elderly Poverty and Social Security Expenditures over Time” • Resource 2: Cartoon “Social Security Benefits Increase”

			<ul style="list-style-type: none"> • Resource 3: Presidential Viewpoints on Social Security • Resource 4: Individual Responsibility, Social Responsibility, and Social Security
	2.2 Medicare, Governance, and the National Debt	<i>What level of medical care should the federal government provide for the elderly, and what trade-offs are we willing to make to provide that care?</i>	<ul style="list-style-type: none"> • Resource 1: "Poverty Rates by Age" • Resource 2: Cartoon "Threats" • Resource 3: Presidential Viewpoints on Medicare • Resource 4: Individual Responsibility, Social Responsibility, and Medicare
	2.3 National Security Goals, the Federal Budget, and the National Debt	<i>Can the United States make a decision to reduce or modify spending on defense without jeopardizing the country's security goals?</i>	<ul style="list-style-type: none"> • Resource 1: Cartoon "Pentagon Cuts" • Resource 2: "National Debt Poses Security Threat, Mullen Says" • Resource 3: Group Activity: Four Excerpted Articles
	2.4 Political Beliefs and the Federal Budget	<i>Should political philosophy influence how we view the federal budget?</i>	<ul style="list-style-type: none"> • Resource 1: Cartoon "Dance of Democracy" • Resource 2: Philosophically Driven Organizations • Resource 3: Graphic Organizer
	2.5 Rhetoric	<i>Is it convincing facts or effective rhetoric that determines what the public thinks about the debt and the deficit?</i>	<ul style="list-style-type: none"> • Resource 1: Cartoon "Green Hot Air" • Resource 2: Excerpt from the State of the Union Address, 2016 • Resource 3: Excerpt from the Republican Address to the Nation, 2016
U.S. History	3.1 The History of Social Security	<i>Social Security Act of 1935: Did the creation of a federally administered old-age pension program support or threaten American values and traditions?</i>	<ul style="list-style-type: none"> • Resource 1: Letter to Franklin D. Roosevelt • Resource 2: Excerpt from "The 1936 Government Pamphlet on Social Security" • Resource 3: Excerpts from "Why Social Security?" • Resource 4: Opponents of Social Security • Resource 5: Excerpt from Franklin D. Roosevelt's Speech on August 14, 1935 • Resource 6: Opponents of Social Security
	3.2 The History of Medicare	<i>Medicare 1966: President Lyndon Johnson's "American Way" or Ronald Reagan's "advance wave of socialism"?</i>	<ul style="list-style-type: none"> • Resource 1: Poverty Rates by Age" • Resource 2: "Your Social Security" Advertisement • Resource 3: President Lyndon B. Johnson's Remarks on the Medicare Bill • Resource 4: Excerpts For and Against Medicare • Resource 5: The American Way: Two Lists • Resource 6: Medicare Today: Visualizations

	<p>3.3 The Federal Reserve System: Overview Lesson</p>	<p><i>Because of its thematic importance, this lesson is not framed as an inquiry-driven dilemma, but instead, as a collection of resources that can be used as part of an informational lesson directed by the teacher or made available to students for independent study.</i></p>	<ul style="list-style-type: none"> • Resource 1: A Story of the Federal Reserve, 2006 • Resource 2: The Federal Reserve at Its Founding • Resource 3: The Federal reserve and the Great Depression • Resource 4: The Federal Reserve Today
	<p>3.4 The Panic of 1893 and the Election of 1896</p>	<p><i>Were the contradictory responses political leaders had to the panic of 1893 driven more by economic/political self-interest or by differing visions of what kind of country they wanted the United States to be?</i></p>	<ul style="list-style-type: none"> • Resource 1: 1896 Election Cartoons • Resource 2: Philosophy or Self-Interest: Which is it? • Resource 3: 1896 Presidential Candidates' Speeches • Resource 4: 1896 Campaign Posters
	<p>3.5 President Jackson and the Veto of the Second National Bank</p>	<p><i>Could the conflict over the Second National Bank have been resolved in a way that supported the values advocated by both President Jackson and Congress?</i></p>	<ul style="list-style-type: none"> • Resource 1: Cartoon "King Andrew the First" • Resource 2: Creating a Timeline • Resource 3: Arguments For and Against Rechartering the Second Bank