

Do not put your name anywhere on the assignment. Other than on the back of this sheet of paper. Staple your answers on the front of this sheet of paper. Failure to follow these directions will cost you 1 point. Your assignment will be typed, except graphs can be drawn by hand and mathematical equations can be done by hand. Failure to type it will cost you 10 points.

- 1) (15 points) Why is the government's deficit harmful to the economy?
- 2) (30 points) What is the FDIC? Why do we have it? What is the downside of it?
- 3) (15 points) Is the trade deficit good or bad? Explain your logic.
- 4) (20 points) What is the greatest strength of the USA which was not mentioned in a question above? Explain your logic.
- 5) (20 points) What is the greatest weakness of the USA which was not mentioned in a question above? Explain your logic.