

# UNIT 5 Study Guide

## Chapter 17: Economic Policymaking

### *Questions you should be able to answer:*

1. How are politics and economics related?
2. What are the principle instruments available to policymakers for controlling the economy? Compare monetarism, Keynesian economic theory, and supply-side economics.
3. What policies has government used to try to control American business? Has the government been successful?
4. How has government policy toward labor changed in the last century? What public policies have emerged to protect workers?

### *Terms you should be able to identify & describe:*

Capitalism	mixed economy
inflation	laissez-faire
monetary policy	monetarism
Federal Reserve System	fiscal policy
Keynesian economics	supply-side economics
antitrust policy	collective bargaining
Taft-Hartley Act	right-to-work laws
National Labor Relations Act	Securities and Exchange Commission

## Chapter 18: Social Welfare Policymaking

### *Questions you should be able to answer:*

1. Explain the nature of the distribution of income and wealth in the United States.
2. How does public policy affect the distribution of income in the U.S.?
3. What are the different types of social welfare programs in the U.S. and how do they compare to social welfare programs in other countries?
4. How have social welfare programs evolved in the U.S.? In particular, compare the New Deal legislation and Great Society legislation with President Reagan's policies.
5. What are the major problems facing social welfare programs today?
6. Describe the debate concerning the causes of poverty and whether social welfare policies really work.

***Terms you should be able to identify & describe:***

social welfare policies	entitlement programs
means-tested programs	poverty line
feminization of poverty	progressive tax
proportional tax	regressive tax
Earned Income Tax Credit	transfer payments
Social Security Act of 1935	Social Security Trust Fund
Temporary Assistance to Needy Families (TANF)	
Personal Responsibility and Work Opportunity Reconciliation Act	

**Chapter 19: Health Care & Environmental Policymaking**

***Questions you should be able to answer:***

1. How has the American government been involved in the public's health? What factors tend to influence policymaking for health care?
2. Describe and evaluate American environmental policy. What are the biggest obstacles to a clean environment?
3. Describe the American energy profile. What resources do we have? What resources do we use? What political and policy issues are involved with each energy resource?

***Terms you should be able to identify & describe:***

Health maintenance organizations (HMOs)	
Patients' bill of rights	national health insurance
Medicare	Medicaid
National Environmental Policy	Superfund
environmental impact statement	Clean Air Act of 1970
Water Pollution Control Act of 1972	Endangered Species Act of 1973
Environmental Protection Agency (EPA)	

**Chapter 20: National Security Policymaking**

***Questions you should be able to answer:***

1. Who are the actors on the world's foreign policy stage? Who makes foreign policy in the United States?
2. What was the Cold War, and why did it emerge from isolationism? What were its consequences at home and abroad?
3. Compare the politics and policy of the Cold War to the politics and policy of detente. Be sure to include a discussion of the containment doctrine and the arms talks in your answer.
4. How did the Cold War end? What consequences does the end of the cold war have on American foreign and defense policymaking?

5. What are the politics of military spending? How do liberals and conservatives differ in regard to their view of defense spending?
6. Describe the changing policy arenas of the new global agenda.
7. In what ways is American foreign and defense policymaking a democratic process and in what ways is it not?

***Terms you should be able to identify & describe:***

foreign policy	United Nations
European Union (EU)	Secretary of State
secretary of defense	Joint Chiefs of Staff
Central Intelligence Agency (CIA)	isolationism
containment doctrine	Cold War
McCarthyism	arms race
detente	Strategic Defense Initiative (SDI)
interdependency	tariff
balance of trade	
North Atlantic Treaty Organization (NATO)	
Organization of Petroleum Exporting Countries (OPEC)	