Topic 4) Fiscal and Supply-side Policies

Do I know my stuff?

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| Explain the workings of fiscal policy |
| Discuss the issues of the budget balance and evaluate the consequences of budget deficits and budget surpluses |
| Explain how budget deficits and surpluses can be corrected |
| Assess the economic significance of changes in the level and distribution of public expenditure |
| Analyse and evaluate the microeconomic significance of taxation and the various roles and merits of the different UK taxes |
| Outline the principles of a tax system |
| Be aware of fiscal rules such as the Stability and Growth Pact (SGP) |
| Assess the significance of changes in the level of national debt |
| Outline a range of supply-side policies using concepts such as the natural rate of unemployment and progressive taxes |
| Appreciate that supply-side policies such as tax changes, privatisation and labour market reforms can have both micro and macro effects on the economy |