Washington's Economic Reach

Compare competing views of federal economic action and the social safety net.

11.10c "Varying political philosophies prompted debates over the role of the federal government in regulating the economy and providing a social safety net."

NAME ______________________ DATE ____________

1 READ AND MARK

Read it twice

YOUR JOB Mark Johnson, Reagan, and 2008 examples. Underline arguments for intervention and circle arguments for limiting it.

Competing Views of Federal Action

1 President Johnson's Great Society expanded federal efforts to reduce poverty and widen opportunity. Medicare provided health insurance mainly for older Americans; Medicaid combined federal and state support for eligible low-income people. Education aid and antipoverty programs also expanded. Supporters argued that national resources could meet needs that states and charities met unevenly. Critics raised concerns about costs, bureaucracy, and local control.

2 President Reagan emphasized lower income-tax rates, deregulation, and restraint in some domestic programs. Supporters argued that markets and private investment could promote growth more effectively than federal agencies. Critics warned of unequal benefits and weaker support for people facing hardship. Reagan did not eliminate the safety net or reduce every kind of spending: defense spending rose. The contrast with Johnson concerned priorities and methods, not the presence or absence of government.

3 In 2008, mortgage defaults and falling housing prices damaged financial firms holding risky mortgage assets. Heavy borrowing and interconnected institutions spread losses; credit tightened and jobs disappeared. Federal responses included emergency lending, the Troubled Asset Relief Program to stabilize finance, and the 2009 stimulus with tax relief, state aid, and spending. Supporters argued intervention could prevent deeper collapse; critics challenged bailouts and debt. Debates over government's role also involve Social Security and Medicare funding and health coverage under the Affordable Care Act. Different programs raise different questions about access, responsibility, and costs.

2 ANSWER WITH EVIDENCE

Use the passage

1. How did Johnson's Great Society and Reagan's economic approach differ in their views of the federal government's role?

2. What was one argument for Johnson's programs, and what was one criticism of larger federal programs?

3. How did the federal response to the 2008 panic show a belief in a larger federal economic role? Name two actions from the passage.

4. Name two social safety net issues that the passage says remain under debate.

3 YOUR TURN

Your own words

Imagine that Congress faces another severe recession. Write exactly four sentences explaining whether the federal government should take a larger or smaller role, using one idea connected to Johnson or Reagan and addressing one likely objection.

ANSWER KEY **Washington's Economic Reach** GRADE 11 · 11.10c

PART 1 · READ AND MARK

Mark Johnson, Reagan, and 2008 examples. Underline arguments for intervention and circle arguments for limiting it. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How did Johnson's Great Society and Reagan's economic approach differ in their views of the federal government's role?	**Johnson expanded programs to address poverty and opportunity. Reagan emphasized lower tax rates, deregulation and restraint in some domestic programs, while retaining a federal role.**
2	What was one argument for Johnson's programs, and what was one criticism of larger federal programs?	**Supporters argued national resources could meet needs unevenly met by states and charities. Critics worried about costs, bureaucracy or local control.**
3	How did the federal response to the 2008 panic show a belief in a larger federal economic role? Name two actions from the passage.	**The government intervened to stabilize the economy through emergency loans and the Troubled Asset Relief Program. It also passed the 2009 stimulus law, which provided tax relief, aid to states, and spending projects.**
4	Name two social safety net issues that the passage says remain under debate.	**Funding for Social Security and Medicare, and health coverage changes under the Affordable Care Act.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

During a severe recession, the federal government should take a larger temporary role by aiding states and funding job projects. This approach follows Johnson's belief that national resources can address needs that states may not meet equally. It could prevent layoffs and help families keep health coverage. Critics may worry about debt, so Congress should set an end date and report how the money is used.

Accept equivalent contrasts between federal intervention and market-based, limited-government approaches. For Part 3, accept either position if the response has exactly four sentences, uses a relevant Johnson or Reagan idea, and addresses a plausible objection.