Fiscal Ship Classroom Guidelines

Students aren't always as excited about the federal budget as we are here at the Hutchins Center on Fiscal and Monetary Policy—and that's part of the reason that we built The Fiscal Ship. The game can be a great way to engage students and teach them about fiscal sustainability and the inherent tradeoffs that policymakers face.

Based on advice from some who have used the game in the classroom, we've developed a set of general guidelines for using the game in a classroom setting. Before using it in class, we suggest first playing the game yourself to get a feel for the mechanics, and also suggest taking a look at our <u>frequently asked</u> <u>questions</u> page to get a better understanding of how our game works and to be able to field common questions from students. Here are some guidelines that have worked:

- Begin with a general overview of how the game works. This would include selecting governing goals, pointing out the debt target, explaining that some policies will work towards your goals and some will work against, point out the pro and con arguments, and do a quick run through of the game to demonstrate. Some have also found it useful to provide students with a printout (see next page) of all categories and policies in order to familiarize themselves with the options. There's also a short how-to video link <u>here</u>.
- 2. Divide students into teams and assign them a set of governing goals to pursue while also reaching the debt target. We suggest the following goal combinations for teams:
 - a. The "centrists"
 - i. Strengthen national defense
 - ii. Invest in the future
 - iii. Rein in entitlements
 - b. The "conservatives"
 - i. Rein in entitlements
 - ii. Shrink government
 - iii. Tax cutter
 - c. The "progressives"
 - i. Reduce inequality
 - ii. Invest in the future
 - iii. Strengthen the social safety net
- 3. After 15-20 minutes of gameplay (or longer, if time permits) follow up with a few questions to stimulate a classroom discussion. A few examples:
 - a. How did the policy choices different among the three teams?
 - b. How difficult was it to pursue your goals while also hitting the debt target?
 - c. Did the policy options have the impacts—either on your fiscal target or governing goals—that you expected? Did some choices have bigger or smaller impacts on the debt than you had anticipated?
 - d. What do you think the political obstacles would be to enacting your plan?
 - e. What do you think would be the impact on the American middle class of the choices you made?

POLICY OPTIONS ON THE FISCAL SHIP



ARTS & SCIENCES

Boost National Science Foundation funding Cut National Institutes of Health funding Cut National Science Foundation funding End human space exploration Increase fu nding for arts and humanities Increase NASA budget Increase NASA budget Increase National Institutes of Health budget Reduce funding for arts and humanities

CHILDREN & FAMILIES

Block grant and cut food stamps Expand Earned Income Tax Credit Expand housing aid for poor Expand the child tax credit Increase childcare subsidies Paid family leave Preschool for four-year-olds Tighten eligibility for food stamps

CORPORATE TAXES

Cut corporate tax rate, close some loopholes Increase corporate tax rate Reduce taxes on international profits Set minimum tax on foreign profits

FOOD & AGRICULTURE

Block grant and cut food stamps Double FDA funding Reduce farm subsidies Tax sugary drinks Tighten eligibility for food stamps

DEFENSE & FOREIGN AFFAIRS

Build fewer submarines Cancel new aircraft carrier construction Cut active duty Army by half Cut foreign aid Expand U.S. Navy fleet Increase active duty Army Increase defense R&D spending Increase foreign aid Kill F-35 Joint Strike Fighter

EDUCATION

Eliminate student loan subsidies Eliminate the Department of Education Free tuition at public colleges Limit Pell grants to neediest students Preschool for four-year-olds Slash interest rates on existing student debt Two years of community college tuition-free

ENERGY & ENVIRONMENT

Double the EPA's budget Eliminate renewable fuel subsidies Eliminate the EPA End tax breaks for fossil fuels Extend renewable energy tax credits Impose a carbon tax Increase the gas tax

TAXES ON INVESTMENTS

Cut taxes on investment income End tax on capital gains, interest, dividends Impose new tax on financial transactions Increase tax on capital gains and dividends Tax carried interest as ordinary income

SEE REVERSE FOR MORE POLICIES

POLICY OPTIONS ON THE FISCAL SHIP

HEALTH

Boost access to generic drugs **Boost Medicare Advantage** competition Bundle Medicare payments for post-acute care Cap Medicaid payments to states Cap Medicare spending Convert Medicare to "premium support" Cut National Institutes of Health funding Increase Medicare premiums Increase National Institutes of Health budget Increase taxes on cigarettes Means test Medicare Raise Medicare eligibility age Raise Medicare out-of-pocket costs Reduce what Medicare pays for drugs Reform malpractice laws Repeal Cadillac tax on costly health plans Repeal Obamacare's insurance expansions Use income taxes to fund Medicare

INCOME & PAYROLL TAXES

Reduce income tax rates, consolidate brackets Boost taxes on the super rich Eliminate cap on wages subject to payroll tax Implement a 15% flat income tax Increase all income tax rates Increase Medicare payroll tax Increase Social Security payroll tax Lower the inflation adjustment for taxes Raise taxes on \$150,000+ folks Raise taxes only on \$400,000+ folks Use income taxes to fund Medicare Use income taxes to fund Social Security

INFRASTRUCTURE & TRANSPORTATION

Cut infrastructure spending Double subsidies for Amtrak Eliminate funding for Amtrak Increase infrastructure spending

LABOR & EMPLOYMENT

Expand unemployment benefits Reduce federal employees' pensions Reduce federal employment through attrition Slow increases in government pay

LAW & ORDER

Cut spending on law enforcement Enact immigration reform Increase Homeland Security spending Reduce Homeland Security spending Spend more on law enforcement

OTHER TAXES

Eliminate the estate tax Extend renewable energy tax credits Impose a carbon tax Impose a value-added tax Increase taxes on cigarettes Increase the estate tax Increase the gas tax Repeal Cadillac tax on costly health plans Tax sugary drinks

SOCIAL SECURITY

Boost low-wage workers' Social Security Boost Social Security benefits for very old Cut Social Security COLA Increase Social Security eligibility age Lower the COLA for all spending programs Reduce Social Security benefits Use income taxes to fund Social Security

TAX CREDITS & DEDUCTIONS

End tax breaks for fossil fuels Convert mortgage interest deduction to credit Curtail charitable deduction Eliminate renewable fuel subsidies Eliminate state and local tax deductions Expand Earned Income Tax Credit Expand the child tax credit Raise the standard deduction