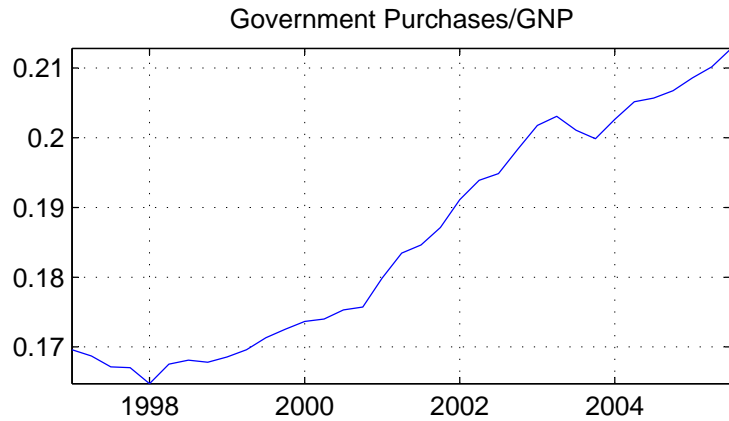
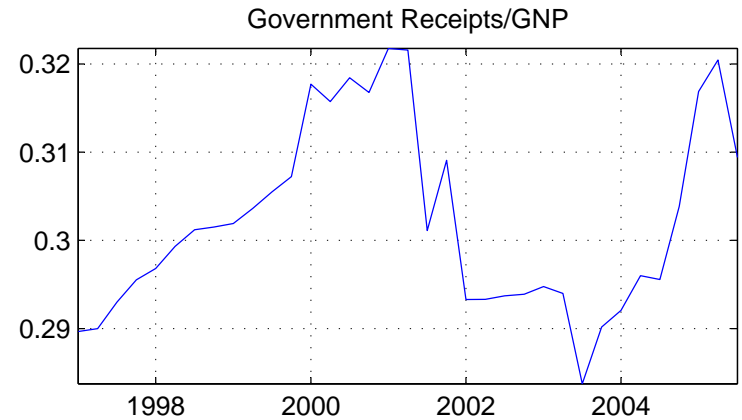
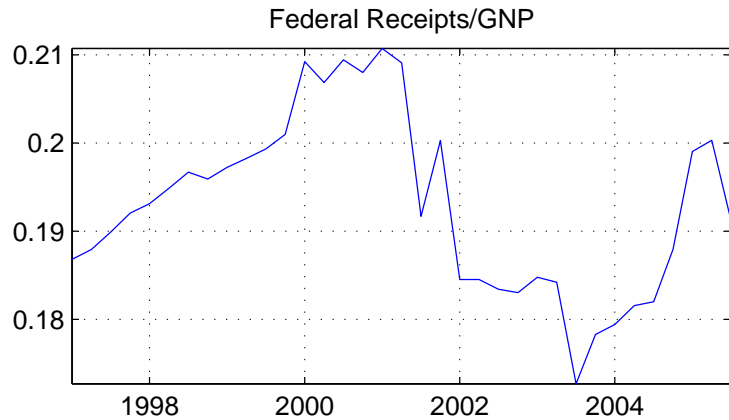
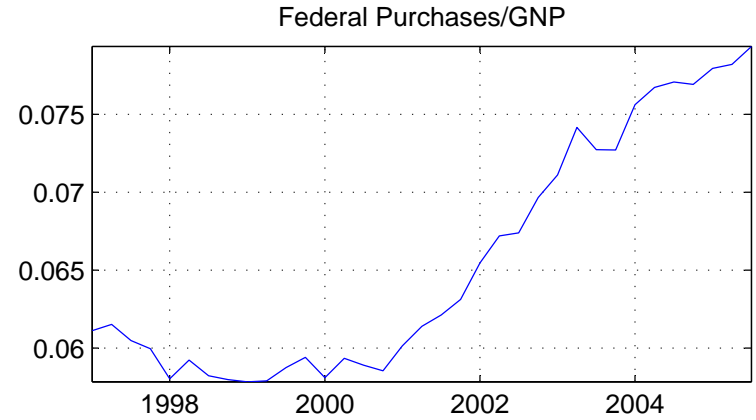
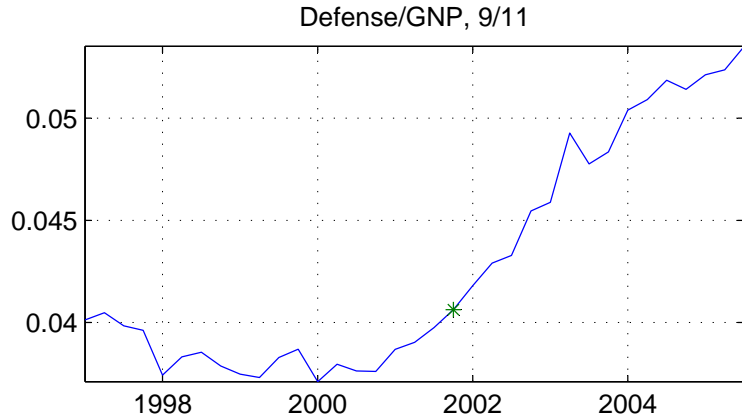


Federal Government and Government (Federal, and Federal/State/Local) Expenditures and Receipts



Notes:

Government Story of Past Decade: High G and Low T

- (1) Defense Spending Has Risen By 1.4 Percent of GNP. This Started Right After 9/11
- (2) Federal Purchases Rose by More (a 'Guns and Butter' Policy), about 2 Percent of GNP
- (3) Total Government Purchases Rose by About 4 Percent of GNP
- (4) Federal Receipts Dropped a lot More, by 4 Percent of GNP (Partly Tax Cuts and Partly Recession)
- (5) General Government Receipts Dropped by Amount of Federal