

To conclude, I think government spending is essential when the country is deep in recession. Firstly, the spending can be used to employ more people through investing in firms, higher employment rates will create growth within the economy as there is more spending through the economy. However, is a growing economy really growing if the government are worsening their borrowing figures? The costs of borrowing need to be worthwhile for the country to benefit from being in debt, which is reasonably easy to strategize where the money should be spent. Overall, the idea of a growing economy can reduce the impact of recession by raising consumer confidence, which increases growth within the economy. Therefore, government spending is key in a recession.

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