

Federal Budget Simulation: Balancing National Priorities

Grades 10–12 | Civics, AP Government, Economics

Teacher Instructions

In this simulation, students act as members of the President's Panel of Economic Advisors. Working in groups of 3–4, students must construct a balanced federal budget by fully funding exactly five of ten national programs. No partial funding is allowed. The goal is not to find a correct answer, but to experience the real-world difficulty of prioritizing limited resources.

Teachers should divide students into groups, assign optional roles (facilitator, recorder, policy advocate, skeptic), and allow time for debate, consensus-building, and completion of the group report. Failure to reach agreement is a valid outcome and should be used to discuss political gridlock and compromise.

Student Instructions

You are members of the President's Panel of Economic Advisors. The federal budget is nearly complete, but ten major programs remain. Due to budget limits, only five programs may be fully funded. Your group must choose which programs to fund and which to reject. Your recommendation is final.

Program Descriptions

Base Repair – Department of Defense

Critical repairs to aging military bases are essential for national security. Delayed maintenance threatens readiness, safety, and the ability of U.S. forces to respond to global threats.

Children’s Health Initiative – HHS

Early medical care for low-income children improves long-term health, educational success, and reduces future healthcare costs.

Infrastructure Investment – Transportation

Repairing roads and bridges strengthens the economy, improves safety, creates jobs, and supports long-term national growth.

Mass Transit – Federal Transit Administration

Modern transit systems reduce congestion, pollution, and economic inequality while supporting urban growth.

Environmental Clean-Ups – EPA

Cleaning polluted industrial sites protects public health, restores land, and prevents future environmental damage.

Operation Teach-A – Education

Addressing teacher shortages in disadvantaged schools improves student outcomes and reduces educational inequality.

College Grants – Education

Providing access to college for capable low-income students strengthens the workforce and ensures opportunity is based on merit, not income.

Drug Policy Initiative – HHS

Expanded rehabilitation saves lives, restores families, and is more cost-effective than incarceration or emergency care.

Gun Violence Initiative – Justice

Prevention-focused programs reduce community violence and improve school safety and public confidence.

Operation Poverty – Labor

Job training empowers individuals to become self-sufficient, reducing welfare dependence and strengthening the economy.

Student Group Budget Report

Group Members: _____

Program Funded	Justification

Final Statement: Explain why your budget best serves the nation overall.

Optional Individual Reflection

What did this simulation teach you about the difficulty of creating a balanced federal budget? Should the federal government always attempt to balance the budget? Use examples from the activity to support your answer.