

## Beginning

Once upon a time, in the Land Faraway, King Big Debt was spending big bucks on a new castle and moat. He needed more money fast. So he hot-footed it down to the town square, stood on his favorite soapbox, and announced he was selling Government Bonds, or G-Bills.

"Why should we buy the bonds from you?" the crowd yelled. King Big Debt pledged, "I'll pay good interest! 8%, 9% . . . okay I'll pay you 10% and the bonds are as secure as your currency."

People lined up to buy G-Bills. They were a better deal than the Faraway Bank or the Up and Down Stockmarket. King Big Debt continued to borrow & borrow until . . .

## Endings

After reading the four possible endings on the following page, place the proper number in the corresponding box:

Keynesian

Crowding out

External debt

Monetizing the debt

