**Important Terms (Chapters 13-15)**

|  |  |
| --- | --- |
| **deficit** | money the government spends each year beyond what it receives in revenue. |
| **national debt** | The total of all deficits that the government has acquired. |
| **gross domestic product**  | the total value of all goods and services the nation produces. |
| **fiscal policy**  | The taxing and spending decisions of the government. |
| benefit | Any satisfaction, monetary or nonmonetary, that people believe they will enjoy if a policy is adopted. |
| cost | Any burden, monetary or nonmonetary, that some people must bear, or think they must bear, if a policy is adopted. |
| legitimacy | Political authority conferred by law or public opinion. |
| majoritarian politics | A policy in which almost everybody benefits (or thinks they benefit) from it and almost everybody pays for it. |
| client politics | The policy under which some small group receives the benefits and the public at large endures the costs. |
| interest-group politics  | A policy under which one small group bears the costs and another small group receives the benefits. |
| entrepreneurial politics  | A policy under which society as a whole benefits while some small group pays the costs. |
| policy entrepreneur | A political leader who has the ability to mobilize an otherwise uninterested majority into supporting a policy opposed by a well-organized group. |

|  |  |
| --- | --- |
| bipolar world  | A world that is militarily dominated by two superpowers, as was the case when the United States and the Soviet Union confronted each other.  |
| unipolar world  | A world that is militarily dominated by one superpower, as is the case with the United States today. |
| majoritarian politics | A policy in which almost everybody benefits (or thinks they benefit) from it and almost everybody pays for it. |
| interest-group politics  | A policy under which one small group bears the costs and another small group receives the benefits. |
| client politics  | A policy under which some small group receives the benefits and the public at large endures the costs. |
| entrepreneurial politics  | A policy under which society as a whole benefits while some small group pays the costs. |

|  |  |
| --- | --- |
| **new system**  | The policy-making system that took form during the 1930s in the United States and has lasted to the current time. It is characterized by a large agenda, the end of debate over the legitimacy of government action, the diffusion of power in Congress, and the multiplication of interest groups. |
| **old system**  | The policy-making system that existed in the United States from the founding of the nation to the 1930s. It had a small agenda, was directed by a centralized leadership, debated the legitimacy of the federal government to take action on new issues, and focused on domestic affairs. |