

*Yes, Minister... "The Compassionate Society"*

You should now know enough Economics to make sense out of what's going on here, economically.

1. Why does Hacker want to put 300 people out of work?
2. Does government spending on nothing at all still benefit the economy overall?
3. Construct a circular-flow chart showing the flow of the money from the taxpayers (households) to the hospital (government) and the goods and services from the hospital to the taxpayers.
4. Is the hospital more efficient when it is used for Hacker's final suggestion on what to do with it? Explain.
5. What is the cost of "the compassionate society"?
6. Do unions protect workers, or do they protect workers' privileges? Explain.

Webb's favorite quote:

Jim Hacker: "Fortunately Bernard, most of our journalists are so incompetent that they have the gravest difficulty in finding out that today is Wednesday."

Bernard Woolley: "It's actually Thursday, Minister."

What's your favorite quote?