

dddd

by Nn Nn

Submission date: 11-Apr-2020 11:40AM (UTC-0400)

Submission ID: 1295148833

File name: The_United_State_History.docx (20.6K)

Word count: 1103

Character count: 6296

The United State History

Student Name

Institution

Date

New Deal

In my opinion, I do agree the intervention of new deal program ⁴was meant to continuously oppress the poor while the rich became more prosperous. Despite the program having a significant purpose of bringing economic relief and reform of the finance, agriculture, industries, labour, and housing among other sectors, I believe it protected the rich people more than American people. The poor remain poor, and the trusts become richer as they run most of the projects.

The program was a short term solution to the poorer that made them poorer in the long run. The country was controlled by trusts who run all large farms and industries. Implementation of the new deal policies benefited the rich as it was meant to curb hunger and unemployment hence making the conditions of poor worse (Hopkins, 2011). Also, President Roosevelt did little to support black American farmer in the South as he did not want to distress southern businessmen and politician

The economic recovery after the enactment of the polices declined after three years of implementation. The recession started, and unemployment rose again. The unemployment rate in 1933 was nineteen per cent and still remains the same after the new deal initiative (Fishback, 2016). The poor remain poorer as unemployment rose due to increased demand for the ununionized laborer. It led to trusts continues oppressing the poor as the government anti-competitive policies were linked with collusive practices and higher wage payment.

³Causes of the Great Depression

First, the United States stock market crashed in 1929. The shares lost values, and prices rose to unpredicted level. It led to massive stock sell-off, people withdrawing all their money, and banks called in loans. Secondly, financial institution panic and extreme monetary contraction

(Postel-Vinay, 2016). It was as a result of all customer withdrawing all their saving in banks at the same time leading to banks solvency. The widespread bank failures lead to declined consumer spending and industries investment as there was no financial institution offering credits services.

Thirdly, the United States economy dependence on export business. American citizen invested in commodities and the stock market. Other countries started producing their stable product leading to overproduction in the market (Postel-Vinay, 2016). American citizen invested in the industries lost their money and employment due to the decline of the export business. Fourth, overproduction of home industries. Industrial expansion leads to the high availability of cheap products reducing profitability and markets for products.

Lastly, is the international lending and tariffs. After World War I, the United States lends money to other countries to rebuild its economy. Leading to other foreign countries decline due to the relatively high-interest rate (Woloch, 2017). At the same time, the United States wanted to protect its industries hence introducing tariffs to curb import business. Industries that depend on the imported raw material lost their business and employee.

Roosevelt and the New Deal

After President Roosevelt took office in 1932, he introduces the 3Rs of the new deal program. The program contains the pillar of relief, recovery, and reform to the American people. Roosevelt aimed to ensure American citizen recover from the great depression. The pillar of relief was to solve the unemployment challenges to millions of American citizens. The program was termed successful for enabling most of the people to get employment in new agencies such as work program administration (Fishback, 2016). The intervention of government helps many people who could have died of hunger.

The reform pillar created an activist state committed to providing the citizens with a controlled market against unpredictable turns. It changed the capitalist market that existed, allowing individuals to determine supply and demand of item (Hopkins, 2011). It remains a political controversy due to denial of the free market by the government. Lastly, recovery came in the third term of President Roosevelt due to massive demand for World War II. It results in almost full employment in the attempt to fill government-created jobs.

Government Role in Regulating Business and Economy

From history, the governments have attempted to fully control and manage economic affairs in the interest of accomplishing political, social, and other business activities. Some government official's belief that economic relations do best when they are unregulated (Fraiberger & Sundararajan, 2015). The United States belief that economy should be controlled by the competing interest of individual business and consumer rather than the government.

However, the government plays a crucial role in regulating economic and business affairs. It ranges from enforcing private property rights to laws enhancing free competition among business. Regulation protects the right of consumers, business, civil society, and ensure the delivery of public good and services. The government role should only rest on providing policies to regulate the economy and promote economic growth and stability.

Government Assistance

It is the role of government to protect its citizen against poverty and hunger-related deaths. Government accomplishes this role by providing economic aid to the poor in various ways. They include enacting law and policies to reduce poverty such as minimum wages, tax exemptions for low-income group, and creating employment opportunities (Zeder, 2020). It also provides in-kind benefits such as food, shelter, and other basic needs.

The high political decision and dedication of the government in the battle against poverty and hunger play a vital part. In these two last decades, numerous policies have been promulgated with significant political funds. Poverty is the issue ¹ everywhere in the world and governments play an important part in this struggle against it. They will use at least four other terms to decrease poverty: Minimum wage laws, social protection, bad income taxes, and in-kind benefits. Minimum wage laws require all employers to give their employees a minimal amount of salary that is decided by the administration. Social security relates to a number of other government benefits, e.g., income assistance, tax payments, social benefit or unemployment benefits. Bad income taxes are basically a subsidy for people with a reduced income.

References

- Fishback, P. (2016). How successful was the New Deal? The microeconomic impact of new deal spending and lending policies in the 1930s. doi:10.3386/w21925
- Freiberger, S. P., & Sundararajan, A. (2015). Peer-to-peer rental markets in the sharing economy. *SSRN Electronic Journal*. doi:10.2139/ssrn.2574337
- Hopkins, J. (2011). The New Deal. *A Companion to Franklin D. Roosevelt*, 238-258. doi:10.1002/9781444395181.ch13
- Postel-Vinay, N. (2016). What caused Chicago bank failures in the Great Depression? A look at the 1920s. *The Journal of Economic History*, 76(2), 478-519. doi:10.1017/s002205071600053x
- Woloch, N. (2017). Transformations: The New Deal through the 1950s. *Princeton University Press*. doi:10.23943/princeton/9780691002590.003.0007
- Zeder, R. (2020, February 7). Government policies to reduce poverty. Retrieved from <https://quickeconomics.com/government-policies-to-reduce-poverty/>

ORIGINALITY REPORT

10%	1%	0%	10%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	Submitted to Villanova College Student Paper	6%
2	Submitted to Grand Canyon University Student Paper	2%
3	www.timelinetheatre.com Internet Source	1%
4	Submitted to Coastline Community College Student Paper	1%

Exclude quotes	Off	Exclude matches	Off
Exclude bibliography	On		