

The economic dominance of the united states

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The United States was the dominant economic power starting from the end of the Second World War up to the 1970s and this was proven when the Soviet Union had to work far harder than the United States in order to be able to compete with the latter. It is a fact that the United States had hegemony over the world economy and during the years that it had dominance, its influence spread all over the world. According to Rostow, when compared to its main rival, the Soviet Union, the people who worked within the United States' economy were often given the incentive to remain productive and innovative and this ensured that it remained dominant in all the sectors of the economy (12). On the other hand, however, people who worked in the Soviet economy were given very little incentive to be more productive. Everybody was given a quota to meet and once that was done, then no more was required of them.

The economic dominance of the United States was because its economy was basically in private hands with very little interference from the government. The encouragement of private enterprise in the United States is the reason why its economy prospered and why the most dominant multinationals in the world at that time came from this country. When compared with other economic powers such as that of the Soviet Union, the latter's did not have enough opportunity to ensure that it was diversified enough to stay competitive on the global scene. While the United States economy remained dominant for a period of some thirty years, and benefitted many of its citizens, it was also detrimental to many people, not only in the United States itself, but also in the developing countries where its companies conducted their activities.

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The capitalist economic system of the United States created a situation where there developed an unprecedented level of unemployment not only within the country, but also in developing countries (Keohane 5). Because of the vicious and predatory nature of the capitalist system, one of the main causes of unemployment was when companies went out of business. In many instances, this came as a surprise and people were hardly ever prepared in case they were suddenly unemployed. Gerschenkron is of the opinion that the United States' economy was maintained through its exploitation of the developing countries, the latter being the source of cheap raw materials for the American industries (102). Because of the power exercised by this country, many developed countries ended up losing their economic independence, ensuring that they failed to support their own people. The people within these states ended up living in poverty while the wealth of their nations was transferred to the United States. In many developing countries, the economic dominance of the United States has left its mark, and this mark has often been in a negative way. This has ensured that many developing countries have remained in the same stagnant state as they were in the 1970s. Therefore, it can be said that while the United States was dominant economically, it realized this dominance at the expense of poorer countries.

Works Cited

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