

Study of the u.s.
economy:
past, present, and the
future



**ASSIGN
BUSTER**

vThe economic state of the united states has been everywhere. At some point we've been at the top and sometimes we've been at the bottom of other countries. But that's okay. Over the years the economy of the United States have risen and fallen, we've had some major disasters in our past but it is best that we learn and educate ourselves about them and prepare ourselves for the future in case we do have some more similar dilemmas like the Great depression or recession. We will also be able to use that education to flourish in this economy.

The united states have gone through many tough times. The most recent rough encounter was the Great Recession. The U. S. economy started to slowly decline during 2006. The US where importing more than they were exporting. Banks were selling too many mortgages through the secondary market to supply the demand of mortgage-backed securities, after a while home prices fell and banks were losing money. This led to the huge financial crisis in 2007. People who had a considerable chunk of their life savings invested in the stock market lost their money. The Federal home loan mortgage corporation stopped buying mortgage-backed securities because they wouldn't be making money, they would be losing it. Because everything was going downhill the U. S. Federal Reserve commenced to lower the target interest rate at the end of 2007. Starting 2008 president George W. Bush signed the Economic Stimulus Act, this act was intended to boost the economy by lowering taxes to encourage spending. This Act didn't help that much because in the end business investments dried up and massive job loss followed. Meaning unemployment rates rose quickly, just as fast as inflation rates elevated. Unemployment rates were 5. 0% and raised to 9. 5%

in from 2007 to 2009. Since the problems had worsen from before president Bush authorized the Troubled Asset Relief Program (TARP) in October of 2008. TARP was put in place to reinforce the market stability. The funds from this program were utilized to buy failing businesses, financial institutions, stock, and to make loans to businesses and organizations. My AP united states history teacher told my class about how TARP helped him. He told us that the program helped him and his wife keep their house. Unfortunately he said that he had many friends that were just in too much debt with their houses that didn't get to keep their place.

With the new year came a new president, now Barack Obama was the one who had to figure out some way to get the economy back up and to help the U. S . get out of this financial crisis. President Obama acceded to a second stimulus package. This money was used for healthcare, education, and green energy. This last stimuli Act passed was the one that finally helped the economy slowly get back up. The recession had officially ended in June 2009. After that the United States economy gradually increased over the years. During the presidency of Obama. Things started to get better, we have steadily added jobs, stock markets are booming, and home prices have reached high prices. With new job opportunities the unemployment rate has reached 4. 1 % as of October 2017, it went down by 5. 4 % since 2009. Also wages have been rising so that businesses and corporations can attract more people to go work. For this reason people are now making more money than before. House hold net worth and the U. S. wealth hasn't fully recovered but we will get there. Slowly but surely we will restore our economy to what

it was before. It is possible, we did it once after the great depression, and we can do it again because America is where success is at.

I find that learning about this in school is very inspiring and helpful for the future. Learning and understanding this gives you an advantage in this society because if it were to happen again you would recognize what is happening and do things that would help you battle through and succeed through the catastrophe. Also comprehending all these past economic crisis will help you in the future because you will be able to notice as to what worked and what didn't worked to help the people and the economy. You will know what you should be doing to exceed in this society. All the information is there, you just need to make sure you are educated. For example my APUSH teacher told us a story about how one of his students was very successful and rich in life, he told us that his secret was his knowledge of economics and history. This student got to be prosperous because he used his knowledge to his advantage. The student knew that there was a technological wave coming, meaning there were going to be lots of new technological advances for the world, well he used his knowledge of the past and started to work on a website. After a few years his website was one of the top website used. He knew technology was going to blow up in the future so he created a search website and now he's rich. If that doesn't express how education about U. S history and economics can help you out in your future, then I don't know what will.

In the end I think that education is the key to success. The United States have struggled a lot. But because of education we keep on moving forward.

We progress more and more as we learn. That's why it's important for us to go to school and get educated, this will help you in the this society.