

The economic crisis in america

[History](#)



We are going through a crisis that is sweeping the nation and affecting our people greatly. I will be discussing terrorist attacks; the war in Iraq, the falling housing market, government's bailing out program, unemployment and the natural disasters which have played a key role in the direction our country has taken in the twenty first century. I will provide in-depth examples on how each event has impacted our economy and social circumstances. Each piece fits together like a puzzle and creates what we now have " The State of Emergency".

Are entering into what could be known as next great depression? Hopefully our government will act fast and dig us out of this rut that we are headed toward, before it is too late! Over centuries people from all over the world have migrated to the United States for the hope of living " The American Dream". This country has stood for inalienable rights such as freedom of speech and religion. These specific rights have attracted millions to migrate into the United States. Immigrants have been driven here for the opportunity to prosper financially and spiritually.

It's for this reason; America has risen into one of the most powerful countries in the world. Other countries look up to us as an example of how to lead their own countries. Within the United States it's a different story. Since the industrial age started the people of America have become greedy. One of the most common phrases amongst Americans is " I want my children to have everything, I didn't have". This mentality has placed our country into a " State of Emergency'. This country has raised many generations to pose this belief and created a self-centered way of life.

Now we have the rich, who get richer and the poor ho continue to get poorer. Since the beginning of twenty first century we have faced one ordeal after another. How has this affected our economy and culture? Let's revisit what has happened in the last eight years. We elected a new President in 2000 (George W. Bush), September 11, 2001 (terrorist attack), war on terror, war in Iraq, foreclosures crushing the housing market, bank bail out program, unemployment on the rise, and the election of the first African-American President (Barrack Obama). This is not touching on the natural disasters that our country has faced.

Has America en her last days of glory or will she bounce back like she did during the Great Depression? Hopefully, our newly elected President has a plan that will bring us out of this depression that we have fallen into. What will happen next? Is America at the point of no return? If you analyze the past you will find that America was strong enough to overcome it. We had and have the power to bounce back. We need to come together as a country and work together to get through these tough times. Most of the issues we have faced today may not have affected us if America as a society actually believed in teamwork.

In public we are taught to be a team and in private taught to look out for ourselves. The failure starts with our children. Have we taught our children how to survive in a society like we have today? Actually, the question should be; has society taught the adults, to love your neighbor or the love for self-indulgence? This is a question that we all have to answer for ourselves.

Election; That November we elected George W. Bush to be our 43rd President. In 2001 less than a year from electing our new President on the <https://assignbuster.com/the-economic-crisis-in-america/>

day of September 11 a terrorist attack came upon the United States like a scene from a Hollywood movie.

Four planes had been overtaken by members of the terrorist group, AY-Qaeda. One hit the Pentagon, two targeted the Twin Towers in New York City, and the last plane was headed for the USA Capital, when passengers on the plane fought back and the plane crashed in Janesville, Pennsylvania. That day 2,974 people died, 19 more died that were terrorist. We still have not found 24 people and are presuming that they are dead. This is not counting the people that were killed in the line of duty, several weeks later they estimated the death toll to be over 6,000 in all.

Fear did not just trite Americans but people all around the world. One of the biggest shocks was, when we learned that these terrorist had been taught how to fly planes here in the USA. The first thing the Government enforced was changing the security coming into the country. Then we went on the offensive and went after Osama Bin Laden and his band of rebels. We sent our military to Afghanistan to find and stop AY-Qaeda (being harbored by the Taliban). First we had to remove the Taliban to get to AY-Qaeda but they are hard to find because they are hidden under cover in the Pakistan Mountains.

The economy was affected because New York came to a halt due to the destruction of the fall of the Twin Towers. Wall Street closed down for the rest of the week. Flights were stopped for several days leaving people stranded all over the country. After this, people were afraid to leave home much less get on an airplane. So many employees lost jobs because of this act of terrorism not just in the area hit but all around the country. It also

changed our society in so many ways. The trust was gone; everywhere you looked there was a possible terrorist.

Fear, anger and outrage took over, but for many sorrow and regret. Nevertheless the one good thing that came out of the attacks was that for one shining moment the American people became one. Now it is 2008 and we are still feeling the pain of that horrible day. The War in Iraq: Then in 2003 we invaded Iraq along with a coalition of other countries on the grounds that we thought they had nuclear weapons (weapons of mass destruction) that Sad Hussein would not disarm and because he was supporting terrorist groups such as the Taliban and Al-Qaeda along with the religious sect the Jihad.

The Arab nations looked to Sad as a hero for standing behind Palestine which had been at war with Israel since Biblical times. America kept a close eye on Iraq with apprehension since the early 1980s following the Persian Gulf War when the first president Bush was in office. Then on December 13, 2003 the news came in, Sad Hussein was captured. Three years later, on November 5, 2006 he was found guilty by a new Iraqi Government that the USA had helped them to establish. On December 30, 2006 he was executed by hanging.

The changing times brought on by September 11, brought the American people together and then the Iraqi War really tore the American people apart. Americans were seeing a trend happening and were afraid of other countries becoming involved or the start of World War III. This scared largest anti-war rally in history; where over 3 million people attended this rally. This

demonstration was held in Rome, Italy. American troops are still in Iraq today helping to keep the peace and they will be there for several more years.

Housing Market Falls: In the year 2006 we started to see the housing market shift into a downward spiral.

For several years before everywhere you looked you saw a new housing subdivision under development. Then all of a sudden we started to see the same housing sites sitting empty. In 2007 the foreclosures in the housing market started growing at a fast pace. It was amazing how fast so many Americans were losing it all. Everything they had worked so hard to provide for their families was just disappearing. Then in 2008 it was still moving in that downward motion. More and more families are losing everything. The housing market is still in a downward spiral with no relief in sight for the homeowners.

However, the banks that would not help the homeowners stay in the homes are getting help from the government. Many states, such as Florida, had help from the Florida Government to try to keep homeowners in their homes but, this only worked if the homeowner and bank were both in Florida. In 2008 the foreclosures were at record highs month after month. This has hurt our economy very badly. The society we live in has changed for this same reason. People have to learn how to adapt to a different way of life. In which, can be hard a thing to master. It is much easier to adapt to a moving up the food chain than down the food chain.

This has raised the homeless rate to new heights here in America. Many have had to depend on the welfare system to support them and now have to

seek refuge in shelters. Charlene S. Onto wrote in one article in May of 2008 that, " According to an April 2008 report by the National Coalition for the Homeless, the top 10 states with foreclosures attributed to 73% of the homeless". These are astounding figures and it shows us that we have a much larger problem than we think. Banks are Bailed Out: The next thing to happen is that the banks and financial intuitions of the United States are in financial trouble.

The foreclosures severely hurt the banks. In 2008 twenty-two banks have already collapsed. This is even with the bail out package of a \$700 Billion dollars. What's next? How is the United States going to heal from this massive loss of financial support? Of course the banks can no longer give out loans to the small business owners; this means many of the small businesses will be the next thing to fall by the way side. Other large corporations are Jumping in on the bail out band wagon like the American Auto Makers.

The Government denied the auto industry help, once the press unleashed the truth on how they first need to do their win cut backs. They actually had the nerve to fly into Washington DC in their private planes that cost the company's around \$28, 000 dollars to make this round trip, when they could have taken a coach flight for under \$600 dollars. They are asking for \$25 billion of the \$700 billion bail out package. What does our 44th President Elect think " Obama, said he believes aid is needed but that it should be provided as part of a long-term plan for a " sustainable U.

S. Auto industry" ? not simply as a blank check. " Now once Obama takes office as our 44th President of the United States and the Democrats take the

majority in congress, the Auto Industry might just get the money they need, to keep from going bankrupt. Yes, we know that if some help doesn't come, our way of life is going to come to a stop. If you are watching the stocks on Wall Americans are just hoping that soon it will at least stabilize, so that we can work at fixing the problem and to know we are on the right path.

Today everyone is playing the blame game and we all need to realize that in some ways we have all contributed to the crisis that we are now going through in our society. Unemployment Rises: Now we know all of the things going on with the economy, but how has it affected the unemployment rate. It definitely has restructured this area. If the banks have no money for loans because the banks are going under, because of the housing market foreclosures that has brought them down. Now we have another problem. Companies are forced to lay off employees in order to keep their businesses going.

This becomes the next crisis. Unemployment is rising fast according to the Agency for Workforce Innovation. In Florida the unemployment rate has hit the highest it has in fifteen years. It is now at an average of seven percent, but in some counties like Flagler, it is above ten percent. Just about everywhere you go you meet someone else with a story of their company releasing them. Will this affect the housing crisis even more? Of course it will. How is our government along with the people of America going to fix our problems?

The main thing we can do is no matter what social class or race we might be is look at the problems and try to do our part to fix it. American people need

to stop looking to the government to fix everything we all have a voice and need to learn to use it. Natural Disasters: Over the past few years the economy has suffered because of the natural disasters from hurricanes, flooding, tornadoes and wild fires. The cost to rebuild after a natural disaster can be so high into billions of dollars. Just look at the devastation this tornado in Oklahoma caused on Mother's Day 2008.

Look at just how big an out of control this fire in California became and how it eats everything in its path. Natural disasters are likely to hurt us in more ways than we think because it can take over your life so fast and most working people don't have the funds to just start over. It is devastating to lose everything you have and even some family members. It is amazing to me how our country will come together in these times to help but, in others like the economy everyone just points the finger. Satellite view Satan 2005 \$81.2 Billion Quickie \$27 Billion Wilma 2005 \$22.6 Billion Charlie 2004 \$18.6 Billion Hurricane Strain These are some examples of the cost associated with a hurricane. Alabama Florida 14 Georgia 22 AltaVista 1,577 Mississippi 238 Total 1836 The death tolls are also astounding after one of these storms. You can see in this chart based on Hurricane Strain in 2005 This is not mentioning the 705 people missing. Personal Reflection Unfortunately, I was one of the many who lost their home. It was foreclosed on in September 2007. I lost my job because my company made a decision to outsource position.

I had a very hard time trying to find a job and when I finally did the income wasn't nearly the same. First, I tried to keep my house and my car was repossessed, then because I was already so far behind I lost my house. Things started getting better for my family in early 2008. I found a good
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paying Job and so did my husband. That summer my husband, who is a heavy equipment operator, lost his Job once the project was finished. Within two months another car was repossessed. Thank God, my Job was walking distance. What I didn't know was the next day I was going to be laid off.

So here I am no car, no Job, no bus route close, and no phone. What was I going to do? I made a leap of faith and I am going back to school. I finally received my income tax and bought a cheap car and just keep looking for a Job. Hopefully, one will come soon since I am about out of money and will be out on the street and raising the homeless rate by four. I view our country as a great one full of opportunities, but it is in trouble. Everything comes and goes, we just have to remember that we are strong and life will get better.

My hope for this country is that our newest President will have the strength to fight the wrongs that hurt our country and the compassion for the people that really need him. To help those of us that have fallen with the economy. I hope to one day see an America where we are all, actually equal, that social statuses are erased and that economic status shows us how we help one another when we are in need. Personally, I feel that the government needs to be eloping out the families in America more than the banks and auto companies. For example and they could buy a home and cars that would rebuild the economy.

Not to mention the taxes on the money, homes, and cars that would be paid back to the government. People would be off the street and banks would have gotten rid of all the foreclosed houses. It would raise the housing market if people were competing for them. In my opinion, I see a fix that

could be better than giving aid to the banks because, they still are having problems after the bailout. Self-indulgence or greed has ruled this country for long enough. I wanted to have it all and once I had it still wasn't enough I wanted more.