

Example of us economy research paper

[Business](#), [Marketing](#)



\n[[toc title="Table of Contents"](#)]\n

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1. [U. S Market Economy](#) \n \t
2. [U. S Government Policies and Regulations](#) \n \t
3. [Role of Government in the Economy](#) \n \t
4. [References](#) \n

\n[/toc]\n \n

U. S Market Economy

For centuries the United States of America has been recognized as the world superpower in relation of economic success and advancement in technology. The country accounts for only five percent of the population globally and it is said to produce a huge economic output of about one fourth worldwide. The country is motivated by free market ideas, free enterprise and the foundation of individual freedom. It is evident that the economy of United States is one of the major effective and efficient economies internationally and contains the lowest number of unemployed individuals and lowest number of inflation rates. However, the market economy's significant feature is the amount of freedom of people and the availability of various businesses to choose from ranging between selections of goods and services depending with their preferences and their tastes. The market forces are the ones which address the major decisions of whom the products and services should be produced for and what to produce at a particular time. These market forces are normally the demand and the supply of scrupulous commodity.

U. S Government Policies and Regulations

However, it is said that the business is not completely free in the America's free enterprise system. A lot of business operation aspects in the United States are shaped by the regulations of the government which are a complex web. The government of United States produces a high number of new regulation pages annually and these regulations spell out clearly what the business is allowed to do and what they cannot do. However, the approach of America towards government regulation is yet to be settled. In the past years, the regulations are seen to relax in some areas and grow tougher in other areas. One of the continuing debates that has been under discussion for a long time in United States is how deep should the government get involved or intervene in the affairs of the business. The regulations of the government in the private sector are normally divided into two types which include economic regulation and social regulation. The United States Government has various policies and regulations which are directed both to the private and public enterprises in plentiful ways. These economic regulations are created in order to control the prices of various products and service either directly or indirectly. According to the United States tradition, the government has always worked in preventing monopolies including those of electric utilities whereby the prices are raised higher than the level that would produce reasonable profits.

Role of Government in the Economy

The process of free enterprise according to America is an example to other countries. The process has clearly indicated that the operation of economy functions best when the United State government leaves the individuals and

their businesses to operate on their own and either succeed or fail in the open competitive market. During the period of great depression, the government of United States developed a composite system which helped to stabilize the prices on agricultural goods since they tend to fluctuate badly. Antitrust law is another type of economic regulation used in United States in order to strengthen the forces of the market in order to avoid unnecessary direct regulation. The antitrust law is also used by the private parties and the government as well to prevent mergers that limit the level of competition.

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