

Federal regulation of private businesses essay examples

[Business](#), [Company](#)



**ASSIGN
BUSTER**

During the 19th century, United States went through a period of unprecedented economic growth. Business was booming and some organizations grew into big businesses with the capacity to produce goods for use in other areas of the world. However, this was also the period when some companies existed as monopolies, and their business activities went on unchecked by the government. As a result, companies could engage in unfair business practices and go unpunished. This led to the perception that the private industry was controlling the government.

For example, some companies exercised great control on their prices and did not bother to improve the conditions of their workers. Moreover, some companies could reduce the salaries and wages of their workers at will. With the expose done by Upton Sinclair on the meatpacking industry coupled with pressure from the progressives, the government enacted a number of legislations meant to gain control over private entities. For example, The Clayton Antitrust Act of 1914 made it illegal for companies to have different prices for the same product. Other legislations were also enacted to improve the living conditions of the workers. However, entrepreneurs took some pieces of legislation with a pinch of salt. For example, entrepreneurs resisted attempts to unionize workers.

Business owners felt that unions would lead to unaffordable wage demands thus making production expensive. Again, the entrepreneurs reasoned that unions encourage workers to sabotage their operations after failing to meet their wage demands. However, progressives stood their ground and insisted that some reforms were necessary and workers should be allowed to form unions. Courts also played their part in shaping the discussion about the

legality of unions. In the Pullman Strike case, for example, the court found the leader of the strike (Eugene Debs) guilty of disobeying a court injunction. According to the court, although Debs had a right to lead the strike, he was not justified in disobeying an order issued by the court. Therefore, this was an admission that unions were necessary to facilitate collective bargaining.

References

Bernstein, D. E. (2001). *Only One Place of Redress* . Durham, NC: Duke University Press. P.

54

Braithwaite, J., & Drahos, P. (2000). *Global Business Regulation*. New York, NY :

Cambridge University Press. P. 34.

Schultz, K. M. (2012). *HIST* . Stamford, CT: Cengage Learning . P. 367.