

The current state of the economy by claomiris

[Literature](#), [Russian Literature](#)



In the Claomiris article, the issue is the current state of the economy.

Discussing what role, if any, deregulation would have played in the downturn that the economy has seen. The level at which government spending would have had anything to do with sliding the economy in a downward state.

Describing the history of financial deregulation over the past 30 years. The chance for banks, both commercial and investment, to come together through merging. This being possible as a result of the Glass-Steagall Act of 1933. Allowing such banks as J. P. Morgan Chase and Bank of America to acquire other financial institutions. Mention also of subprime lending as a possible instigator. Outlining further the history of economic crisis and how such circumstances play into a crisis like these. How these crises can have multiple causes and many intricacies. In the process of moving forward to find a solution to this financial crisis, many different options are available for consideration. The need to look at a situation like an economic crisis with logic and rational thinking, rather than emotions. Social Psychologist suggestion that when in doubt, people look to believe whatever they can to get them through.

Relevance to MKT 351

The article makes reference to the issue of regulatory practices which goes with the discussion in Chapter 12 having to do with regulation and its impact. Detailed in the section "Effect of Regulation on the Actions of Employers" Pages 573-575.

Reactions:

The discussion which Claomiris sets forth to have is quite relevant for the

times. The issue of how the many different circumstances that can occur could lead to such an economic downturn for many people.