

# [The demanded government ownership of railroads, graduated](https://assignbuster.com/the-demanded-government-ownership-of-railroads-graduated/)

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Thegrowing role of the federal government in modern United States history hasexpanded significantly over the last century. The growth of the federalgovernment can be viewed as the power it possesses and the influence it has onsociety. This growing role can be related to the federal government’s actionstowards the demands of the people, in which was and still is represented by theinitiatives of several social reform movements such as the Peoples Party or thePopulists Movement and the Progressives. Another great aid to the growing roleof the federal government was the initiatives of the New Deal under the Presidencyof Franklin D. Roosevelt.

Compared to roles of federal government’s before the20th century, it has taken on new and immense roles, which includeshealth care, pensions and a wide range of other programs that are associatedwith a modern welfare state which came as a result of reform movements’ demandsand government reform programs initiatives. ThePopulists Movement came about as a result of the Grange and the FarmersAlliance. One of the greatest demand the Populist advocated for through theOmaha Platform was bimetallism which was currency backed by both gold andsilver. Bimetallism would cause inflation which would make it easier forfarmers to pay their mortgages. They also demanded government ownership ofrailroads, graduated income tax, reduction in tariff and measures such as the8-hour work day and limits on immigration.

The Omaha Platform assisted thefarmers significantly by its demands. As a result of the Omaha platform, asub-treasury was implemented which acted as a provision of the department oftreasury who would create warehouses where farmers could store their crops andbe provided with cotton gins. The government would also make loans to thefarmers to help them with debt. The platform also demanded free silver whichwas a soft money policy and had a 1: 16 ratio on the gold standard. With freesilver, the increase of money supply created more credit for farmers. Anotherimportant demand of the Omaha Platform which help farmers were the governmentownership of railroads, this resulted in the lowering of prices which wascharged by monopolies that weren’t fair to the farmers. Anotherreform movement that influenced the increasing role of the federal governmentin the modern United States were the Progressives.

Progressivism is the termrelated to the different responses to the economic and social problems thatwere introduced in America as a result of industrialization. Initially, Progressivismwas a social movement, however, it grew into a political movement. The firstprogressives did not accept Social Darwinism, they believed that the problemssociety faced such as poverty, racism, and violence could best be addressed byproviding good education, a safe environment, and an efficient workplace (www2. gwu.

edu). During the Progressive Era, there was a rise of the middle class and a rise ofprofessions. Education was made compulsory and four new amendments were addedto the constitution. One influential progressive was Theodore Roosevelt, whowas an elite that wanted to be a cowboy. As a progressive, he was willing touse the power of his offices to regulate large businesses.

The Square Deal wasTheodore Roosevelt domestic plan in which he explained in the early 1900’s. Hestated that workers must make a good living but companies must make money. TheNew Deal was a series of programs and policies known as the ‘ Three R’s’. It isviewed as an extension of the Progressive Era and known as the “ Second New Deal” relating to Theodore Roosevelt’s Square Deal. These programs were introduced byPresident Franklin D. Roosevelt during the Great Depression to address theproblems of unemployment and the economic crisis. Roosevelt Three R’s being recovery, relief, and reform required either immediate, temporary or permanent action andreforms. The many recovery, relief and reform programs were initiated by aseries of laws that were passed between 1933 and 1938 (www.

american-historama. org). Roosevelt programs focused on emergency relief programs, regulating the banksand the stock market, providing debt relief, managing farms, initiatingindustrial recovery and introducing public works construction projects. Rooseveltgoal was to restore confidence in the economy through the Three R’s.

TheGreat Society which was an extension of the New Deal ideology and socialprogressivism was a set of domestic programs in the United States launched byPresident Lyndon B. Johnson. The main goal of this reform program was theelimination of poverty and racial injustice in society. Through Johnson’sleadership, the new major government spending programs that addressededucation, medical care, urban problems, rural poverty, and transportation wereprovided by The Office of Economic Opportunity.

Johnson started his reformprogram on the economic front in which he successfully pushed for a tax cut. Hethen pressed for a poverty program which was initiated by John F Kennedy. Theprogram and its initiatives were subsequently promoted by him and fellowDemocrats in Congress in the 1960s and years following. Following the povertyprogram, medical care came next. Two decades earlier, Harry Truman proposed acentralized scheme but failed to gain congressional passage. Under Johnson’sPresidency, Congress enacted Medicare which is a health insurance program forthe elderly and Medicaid, is a program providing health-care assistance for thepoor (www. ourdocuments. gov).

Johnson also succeeded in his effort to provideaid for primary and secondary education where John F Kennedy failed. The GreatSociety achieved, even more, a new housing act provided rent supplements forthe poor and established a Department of Housing and Urban Development. Johnsonadministration also addressed transportation safety issues in which Johnsonsigned into law two transportation bills.

The first provided funds to state andlocal governments for developing safety programs, while the other set up federalsafety standards for cars and tires (Lyndon Johnson and the Great Society). TheGreat Society resembled the New Deal domestic agenda of Franklin D. Roosevelt. However, unlike the old New Deal, which was a response to a severe financialand economic calamity, the Great Society initiatives came just as the postwarprosperity was starting to fade but before the coming decline was being felt bythe middle and upper classes. Followingthe Great Depression of the 1930s, the American economy experienced stronggrowth, with periodic lesser recessions, for the rest of the 20th century. However, the great economic and financial crisis that began in 2007 known asthe Great Recession occurred. The term Great Recession is often described as aplay on the term Great Depression.

The Great Recession was caused by the makingof the housing bubble and the explosion of complex mortgage-backed security. Although many believe that the housing bubble or boom began with the rise in homeprices, it began with the suppression of double-digit inflation in the early1980s, an event that unleashed a quarter-century of what seemed to be steadyand dependable prosperity. As inflation fell, interest rates followed. Thestock market soared. From 1979 to 1999, stock values rose 14-fold. Housingprices climbed, though less spectacularly. Enriched, Americans borrowed andspent more. But what started as a justifiable response to the good economicnews, lower inflation, slowly evolved into corrupting overconfidence, thedriving force for the reckless borrowing, overspending, financial speculation, and regulatory lapses that caused the bust (Rethinking Great Recession).

Thedecisions and actions made in response to the demands of the populist movementare tied to the Great Recession. In which, the demand for free silver thatcaused inflation and the increased availability of credit. Although inflationhelped the farmers during the populist era, it came with consequences later inwhich, the declining inflation also stoked stock market and housing booms.  Throughoutthe last century, the role of the federal government has grown significantly. This growth was influenced by the reform movements and reform incentiveshighlighted in this essay.

It is evident that national defense, administrationof justice, and public goods which includes transportation, infrastructure andbasic and applied education are essential to a free and prosperous society, which have increased or more resources have been pumped into these threeimportant government functions over the last century.