

The demanded government ownership of railroads, graduated

[Business](#)



The growing role of the federal government in modern United States history has expanded significantly over the last century. The growth of the federal government can be viewed as the power it possesses and the influence it has on society. This growing role can be related to the federal government's actions towards the demands of the people, in which was and still is represented by the initiatives of several social reform movements such as the Peoples Party or the Populists Movement and the Progressives.

Another great aid to the growing role of the federal government was the initiatives of the New Deal under the Presidency of Franklin D. Roosevelt.

Compared to roles of federal government's before the 20th century, it has taken on new and immense roles, which include health care, pensions and a wide range of other programs that are associated with a modern welfare state which came as a result of reform movements' demands and government reform programs initiatives. The Populists Movement came about as a result of the Grange and the Farmers Alliance. One of the greatest demands the Populist advocated for through the Omaha Platform was bimetallism which was currency backed by both gold and silver. Bimetallism would cause inflation which would make it easier for farmers to pay their mortgages. They also demanded government ownership of railroads, graduated income tax, reduction in tariff and measures such as the 8-hour work day and limits on immigration.

The Omaha Platform assisted the farmers significantly by its demands. As a result of the Omaha platform, a sub-treasury was implemented which acted as a provision of the department of treasury who would create warehouses where farmers could store their crops and be provided with cotton gins. The <https://assignbuster.com/the-demanded-government-ownership-of-railroads-graduated/>

government would also make loans to the farmers to help them with debt. The platform also demanded free silver which was a soft money policy and had a 1: 16 ratio on the gold standard. With free silver, the increase of money supply created more credit for farmers. Another important demand of the Omaha Platform which help farmers were the government ownership of railroads, this resulted in the lowering of prices which was charged by monopolies that weren't fair to the farmers. Another reform movement that influenced the increasing role of the federal government in the modern United States were the Progressives.

Progressivism is the term related to the different responses to the economic and social problems that were introduced in America as a result of industrialization. Initially, Progressivism was a social movement, however, it grew into a political movement. The first progressives did not accept Social Darwinism, they believed that the problems society faced such as poverty, racism, and violence could best be addressed by providing 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 of professions. Education was made compulsory and four new amendments were added to the constitution. One influential progressive was Theodore Roosevelt, who was an elite that wanted to be a cowboy. As a progressive, he was willing to use the power of his offices to regulate large businesses.

The Square Deal was Theodore Roosevelt's domestic plan in which he explained in the early 1900's. He stated that workers must make a good

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living but companies must make money. The New Deal was a series of programs and policies known as the 'Three R's'. It is viewed 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 by President Franklin D. Roosevelt during the Great Depression to address the problems of unemployment and the economic crisis. Roosevelt's Three R's being recovery, relief, and reform required either immediate, temporary or permanent action and reforms. The many recovery, relief and reform programs were initiated by a series of laws that were passed between 1933 and 1938 (www.

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

The Great Society which was an extension of the New Deal ideology and social progressivism was a set of domestic programs in the United States launched by President Lyndon B. Johnson. The main goal of this reform program was the elimination of poverty and racial injustice in society. Through Johnson's leadership, the new major government spending programs that addressed education, medical care, urban problems, rural poverty, and transportation were provided by The Office of Economic Opportunity.

Johnson started his reform program on the economic front in which he successfully pushed for a tax cut. He then pressed for a poverty program

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which was initiated by John F Kennedy. The program and its initiatives were subsequently promoted by him and fellow Democrats in Congress in the 1960s and years following. Following the poverty program, medical care came next. Two decades earlier, Harry Truman proposed a centralized scheme but failed to gain congressional passage. Under Johnson's Presidency, Congress enacted Medicare which is a health insurance program for the elderly and Medicaid, is a program providing health-care assistance for the poor (www.ourdocuments.gov).

Johnson also succeeded in his effort to provide aid for primary and secondary education where John F Kennedy failed. The Great Society achieved, even more, a new housing act provided rent supplements for the poor and established a Department of Housing and Urban Development.

Johnson administration also addressed transportation safety issues in which Johnson signed into law two transportation bills.

The first provided funds to state and local governments for developing safety programs, while the other set up federal safety standards for cars and tires (Lyndon Johnson and the Great Society). The Great Society resembled the New Deal domestic agenda of Franklin D. Roosevelt. However, unlike the old New Deal, which was a response to a severe financial and economic calamity, the Great Society initiatives came just as the postwar prosperity was starting to fade but before the coming decline was being felt by the middle and upper classes. Following the Great Depression of the 1930s, the American economy experienced strong growth, with periodic lesser recessions, for the rest of the 20th century. However, the great economic and financial crisis that began in

2007 known as the Great Recession occurred. The term Great Recession is often described as a play on the term Great Depression.

The Great Recession was caused by the making of 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 home prices, it began with the suppression of double-digit inflation in the early 1980s, an event that unleashed a quarter-century of what seemed to be steady and dependable prosperity. As inflation fell, interest rates followed. The stock market soared. From 1979 to 1999, stock values rose 14-fold. Housing prices climbed, though less spectacularly. Enriched, Americans borrowed and spent more. But what started as a justifiable response to the good economic news, lower inflation, slowly evolved into corrupting overconfidence, the driving force for the reckless borrowing, overspending, financial speculation, and regulatory lapses that caused the bust (Rethinking Great Recession).

The decisions and actions made in response to the demands of the populist movement are tied to the Great Recession. In which, the demand for free silver that caused inflation and the increased availability of credit. Although inflation helped the farmers during the populist era, it came with consequences later in which, the declining inflation also stoked stock market and housing booms. Throughout the last century, the role of the federal government has grown significantly. This growth was influenced by the reform movements and reform incentives highlighted in this essay.

It is evident that national defense, administration of justice, and public goods which includes transportation, infrastructure and basic and applied education

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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.