

H. The Mixed Economy, Part 1: The New Deal

1. In the 1932 presidential election, Americans were faced with a clear choice. Incumbent Herbert Hoover's message was that Americans needed to help themselves. Democratic challenger Franklin Delano Roosevelt's competing message was that government was going to help people get back on their feet. This was known as the "New Deal." Roosevelt was elected.
2. Whatever people couldn't do for themselves, Roosevelt said, the government would do. Multiple "alphabet agencies" were created, including the Civilian Conservation Corps (CCC), which gave people jobs to plant trees and build bridges and other infrastructure for national parks.
3. If people couldn't save enough money to retire when they were older, the government would do it. The Social Security Administration was created in 1935 to force employers to contribute to the retirement savings of Americans.
4. If people didn't have enough money to buy food, the government would give out "food stamps" to the poor, so that they could purchase groceries.

I. The Mixed Economy, Part 2: The Great Society

1. After World War II, as America accepted the responsibility of policing world to stop the spread of communism, but they were bothered by the idea that Russia claimed to provide for all the needs of its citizens equally. Americans wanted freedom, but they also wanted their government to fix problems for them.
2. Americans decided they wanted more of a mixed economy. President Lyndon Johnson called this even more *mixed* economy with more government controls the "great society."
3. A "war on poverty" was declared with the creation of the Economic Opportunity Act of 1964. Jobs programs, food stamps, education and health care would be provided to the poorest communities to lift them out of poverty.
4. The Social Security Act of 1965 created government programs called "Medicare" and "Medicaid." While in other countries like Canada, the government completely took over health care, in the United States, private health care was still seen as the best basic system, but one which needed to be boosted by help for the needy by government.

J. The End of the Mixed Economy

1. When Communist Russia / the "Soviet Union" collapsed in 1991, the mixed economy was declared the winner in the Cold War. That was thirty years ago. Since then, it is clear that Americans are no longer satisfied with such a system.
2. During the presidency of George W. Bush, there was almost another Great Depression. This time, the government "rescued" most of the banks and businesses that were in trouble by giving them huge amounts of money.
3. The next president, Barack Obama, championed the idea of the "right to health care." While he was president, the Affordable Care Act was created to give government more

control of the medical insurance, raising the price for many, and giving the benefits of lower costs to others.

4. Starting in late 2019, the Covid-19 pandemic struck the world. Presidents Trump and Biden have responded the same way. They have ordered people to stay home, close their businesses, wear masks, avoid socializing, etc., and because these orders have been so hurtful to the economy, they sent out, and continue to send out, checks to the citizens to cushion the blow. Americans generally have accepted this idea of the government telling them what to do and giving them money.
5. Because of these changes, America is now a *mostly-controlled economy*, which is also called socialism.

