

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. 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.
3. 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.
4. Because of these changes, America is now a *mostly-controlled economy*, which is also called socialism.