Economics

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**Introduction**

When one talk about the way regulations are carried out in the economy, the most important factor is that how the government interventions and regulations are going to impact the marketplace. Despite the fact that the intention of the government might be good, the major issue is that how it is going to be made sure that these regulations are going to be good enough when it comes to tackling the major issues that are faced in the marketplace. One of the reasons that the government interventions tend to hamper the marketplace is due to the fact that at times, they get into the way how self-correcting mechanism is going to work at the marketplace and how it would consequently bring about the change in the marketplace. So, all these factors tend to play a role as far as the way market interventions are going to work at the particular point of time. In this paper, with the help of the different articles, it would be seen that how market intervention at any point of time has negative consequences for the way markets are going to work.

**Minimum Wage And Government Intervention**

There is lot of empirical evidence that tends to suggest the fact that how the minimum wage requirements are not doing any good at the marketplace. The first thing that is needed to be understood here is that how the minimum wage tends to bring about the disbalance in the market due to the way changes are going to be taking place at the particular point of time. The labour market specially in most of the places tend to work in the way how supply and demand of labour is going to be managed at the particular point of time. What happens is that the labour supply and demand is one of the things that brings about the determination of the wage rate. If there is going to be any gap in supply and demand for the labour, the market self-correcting mechanism is going to be making sure that at the appropriate wage rate. The market itself is going to bring itself into the correct place. Furthermore, the other major aspect of the determination of the wage rate is that how it manifests into the higher or labour level depending on the skill level and other determinant of the people at the given point of time. These things are going to play a role in the determination of the wage rate.

**How Government Disrupts The Wage Rae And Economy**

Unfortunately, what happens is that if there is intervention by the government, the entry level jobs are making sure that the there is enough incentive in terms of the businesses that they hire incremental labour at the greater pace. It is quite clear that the business is going to hire as per their needs and requirement and if there is a case that the labour that they are demanding are not asking for an appropriate rate, then there is going to be quite a way differential labour treatment is going to be carried out. The other aspect of the whole thing is that how it is going to be made sure that all the key determinants of the people in terms of the way labour requirement are going to be shaped up. If the demand for the labour is not there, they are not going to be hiring them. And if they see that they can do away with the low skilled jobs with automation and other mechanisms through which the reduction of the cost is going to be possible. So, all these aspects are going to be taking shape at the given point of time in terms of the way labour management is going to be done. The problem with the minimum wage rate is that they are providing businesses with the incentives that they should not be hiring the low skilled labour and instead they should be investing in the technology to ensure that they are able to mitigate the incremental cost that comes with the increased usage of the lower skilled level. What minimum wage is doing is that it is hampering the labour market instead of acting in the best level of the people. This is the classic example of why the government intervention tends to hamper the way things are supposed to be done.

**Usage Of The Fossil Fuels And Its Benefits**

It is a well-known fact that the usage of the fossil fuel is something that is quite disruptive for the environment. The major problem with the usage of the fossil fuel is that not only it is sustainable, the benefits that it is providing in term so the energy need of the people are much lower as compared to the social cost that people have to pay for it. It all started with the industrial revolution in the past. The fossil fuels provided an important backdrop to one of the most important social change and due to that social change, there has been an impending change that was witnessed in terms of how the society operated. We witnessed the massive industrialization, as well as the fact that how more and more people started to move towards the urban centres. There was a social drawback to the way these things took shape. Most of the people moved towards the city and as with the passage of time, people started to realize the social harms that the fossil fuels are supposed to be working at the given point of time. The need for improved fuel efficiency was obvious back in 1975. Memories of the energy crisis during the preceding two years were still vivid, and people were concerned that they might again have to wait in long lines to buy gasoline at inflated prices. That is when the federal program known as the Corporate Average Fuel Economy (CAFE) standards was established -- regulating the minimum gas mileage required for new cars and light-duty trucks sold in this country.

**Government Intervention In Terms Of The Usage Of The Fossil Fuels**

There are two lines that government is working on when one talks about how the social benefits are going to be seen. There are alternative energy programs as well as the effort to bring on board more environmental regulations. Both these programs have faced mixed results at the moment. The environmental programs are not working out due to the aid constraints while on the other hand, the alternative energy programs were far from ideal to operate the operation of such scale. Given this trend, it should come as no surprise that the nation's overall fuel economy has been slipping. And with this slippage, the worry over U.S. dependence on foreign oil, as well as concerns about the contribution of vehicle emissions to global warming, continues to mount.

**Conclusion**

In the hindsight, it can be said that the government intervention at any level is going to work out well. Due to that, there are problems and issues in terms of the way things are supposedly bringing about a positive change. There is a need to ensure that market forces that are at work must be allowed to drive the change so that the situation improves.

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