

“Cloudy with a Chance of Growth,” by Andrew Flowers, senior economic research analyst in the Atlanta Fed’s research department

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### **Discussion questions**

1. What is the Blue Chip Consensus Outlook, and what was their 2013 real GDP growth projection at the end of 2012?
2. According to the Congressional Budget Office (CBO), how has the estimated economic growth of the U.S. since the end of the most recent recession compared to the past post-World War II recoveries?
3. According to the author, Andrew Flowers, what economic indicator has remained “painfully high” during our slow recovery since the end of the recession in 2009?
4. Who reports the data in the Bureau of Labor Statistics payroll employment survey? What was the average monthly increase in payroll employment January – November 2012? Is this rate on target to keep pace with population growth and lower the unemployment rate? Explain and cite as support information from the Atlanta Fed’s Job Calculator to support your answer.
5. According to the Congressional Budget Office (CBO), what are the factors contributing to the recent slow growth potential in U.S. GDP?
6. Which type of unemployment, structural or cyclical, does the Congressional Budget Office (CBO) believe is having the most significant impact on potential GDP growth? Explain.
7. During this recovery, what two components of economic growth have been performing well? Use evidence from the text to support your answer.
8. What was the trend in the housing market in 2012? Cite specific examples from the text to support your answer.
9. Cite evidence from the text to define the term “deleveraging.” What is the significance of this phenomenon?
10. According to the author, what has been “the largest single cause of the weak recovery”? Why?
11. Cite examples from the text to define automatic stabilizers. What role did they play in the 2009 recovery?
12. According to the author, what is the inflation outlook? By the end of 2012, what did most analysts project as the trajectory for the U.S. economy in 2013?

### **Related links**

[Classroom Economist](#)

Use these videos, voice-over presentations, and interactive whiteboard lessons to teach about economic indicators and the role of the Fed.

[Congressional Budget Office](#)

Have your students check out resources on the Congressional Budget Office’s website.

[econlowdown](#)

Use these online courses and videos on the St. Louis Fed’s website to teach about economic indicators.

### [The Fed Explains Inflation](#)

Introduce students to the difference between a change in the cost-of-living and inflation with this animated video from the Atlanta Fed.

### [The Fed Explains Real Versus Potential GDP](#)

This animated video from the Atlanta Fed helps students to understand the difference between real and potential GDP.

### [The Fed Explains: The Ups and Downs of Unemployment](#)

This animated video from the Atlanta Fed helps students to understand the labor force and the unemployment rate.