

# Cover Story

## Recession, Depression — Reality Speaks For Itself

According to *Webster's New World Thesaurus*, the word **recession** is a noun referring to unemployment, inflation, and decline. The thesaurus also makes a note to cross reference to the word **depression**. Once again, economists have sugar coated their vocabulary in order to escape the negative connotations of the word **depression**. The United States has gone through many periods of prosperity and depression. This is a trend that started around 1790 and continues today. It was not until the late 1970's that economists began to use the word recession to describe the most serious problem facing our free enterprise economic system.

For many people, recession connotes anything but vagueness. "It means that more people are out of work and banks are not lending as in the past," said Gladys Hill of the FSU English Department. "People are unable to pay their bills, and items cost more, yet we do not make more."

There seems to be little consensus among economists as to whether or not the economy is in a recessionary period or a recovery period, in lieu of the fact that the majority of the economic news is bad.

Yet, when facing the masses, many economists claim America is in a period of recovery. "They are wrong!" claims Kevin Muhamed, a sociology major. "The government and cities are all in a bind, they are all in a struggle."

Historically, the economy has prospered during a war or immediately after a war. With the United States still shaking off the sand from the war in the Persian Gulf, where is the prosperity?

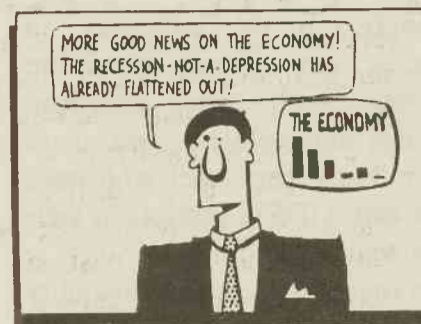
Unemployment has steadily risen in the past 12 months. In July, over 300,000 people picked up their last

unemployment benefits check. At least they had some kind of check to pick up! How many students at Fayetteville State University are trying to find jobs to make ends meet? The majority of American families are two income families still trying to figure out where the other end is located.

Maybe the economy is in a recovery period and somebody just forgot to tell the majority of Americans. Or, better yet, maybe the majority needs to get together and tell the economists that the recession is alive and well. The economists come up with statistics, numbers, and indexes, but when was the last time they priced a pair of tennis shoes, felt like screaming while writing a check at the grocery store or paid college tuition?

As of September 6, 1991, the following figures were reported in the "Business and Economic News" portion of *CNN News*: The unemployment rate was at 6.8 percent and 1 million people reported that they had given up searching for employment, while another 6 million people reported they have been forced to work half-time. The interest rate for most of the consumer credit market was at 18.9 percent. This was an increase of 0.4 percent.

It is interesting to note that each year as colleges across the nation resume, somewhere on each campus there will be a desk with some representative of a major credit card company asking students to apply for their very own line of credit. In return, students receive a token gift, and for those approved, a card soon arrives in the mail. It is baffling that students have not grown leery of this credit trap. Credit has become the major factor in the economic woes facing the United States. By using credit, a consumer is purchasing something now, and paying for it



©1991 Tribune Media Services, Inc.  
All Rights Reserved

later, and paying, and paying, and paying.

The United States, which used to be one of the strongest nations in the international economic market faces a deficit that is staggering. Most Americans have no concept of owing billions or trillions of dollars. For the majority of Americans, those figures sound like science fiction.

How can the average citizen relate to what United States internal policy has done to this nation? The typical American can no longer hold a work check for a day or two; many must cash their check immediately. Jane and John Doe find themselves waiting in line at the bank to cash 2 weeks worth of wages, while going over in their mind which bills to pay this time, how much they can spend on groceries, and where the money is going to come from to meet all their expenses.

Clearly, whether our economy is in a recovery period or in a recession and the impact each would have is open to liberal interpretation. To one person, a recession may mean standing in a line to receive public assistance, while to another it may mean a failed

business and starting over. Yet, with so many Americans *economically unhappy*, it may be time to find out what a recession really means to you.

- Kimberly Smith



U.S. Department of State  
U.S. Information Agency  
U.S. Department of Commerce

### Career Opportunity

THE FOREIGN SERVICE  
WRITTEN EXAMINATION

Mark Your Calendar For

**SATURDAY, NOVEMBER 9, 1991**

Registration Deadlines:

- October 4 for test centers in the United States
- September 13 for test centers overseas

The Written Examination is the initial step in competing for a career as a Foreign Service Officer.

Applicants for the examination must be:

- At least 20 years old on the examination date
- United States citizens
- Available for worldwide assignment

To obtain further information and an application, contact your Campus Placement Office or write:

The Recruitment Division—FSWE  
Department of State  
P.O. Box 12226  
Arlington, VA 22209

.. An Equal Opportunity Employer ..