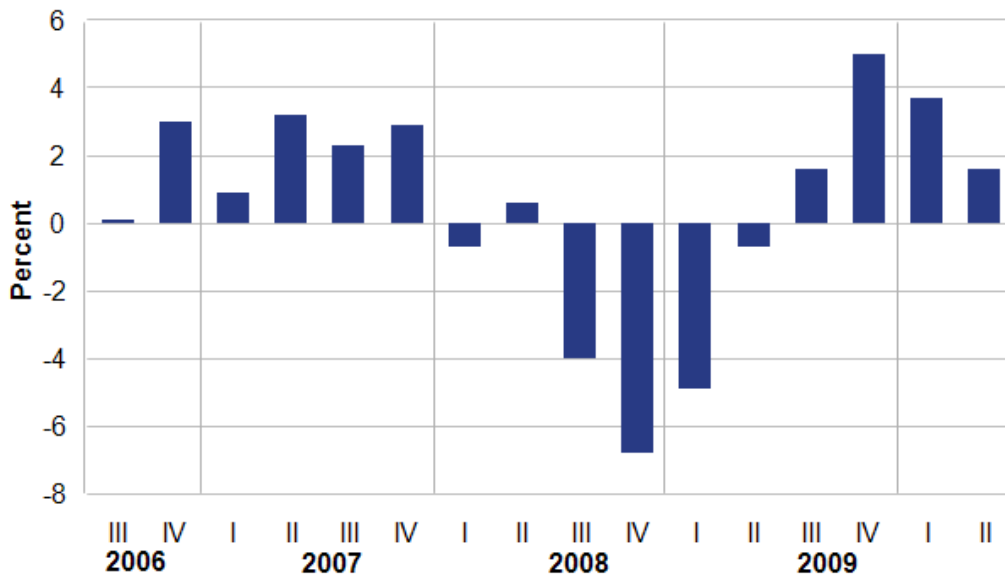


# Robeson County: Current Economic Picture

## The US Economy

The Bureau of Economic Analysis (BEA) released its second estimates of real gross domestic product (GDP), a measure of total output of the economy, on August 27, 2010. The BEA revises its estimates due to the lag with which some data are reported. According to the revised estimates the US economy grew at an annual rate of 1.6% during the second quarter of 2010. The US economy grew at an annual rate of 3.7% during the first quarter of 2010. See Figure 1.

**Figure 1: Quarter-to-Quarter Growth in Real GDP**



*Real GDP growth is measured at seasonally adjusted annual rates.*  
 Note. Real GDP growth is measured at seasonally adjusted annual rates.

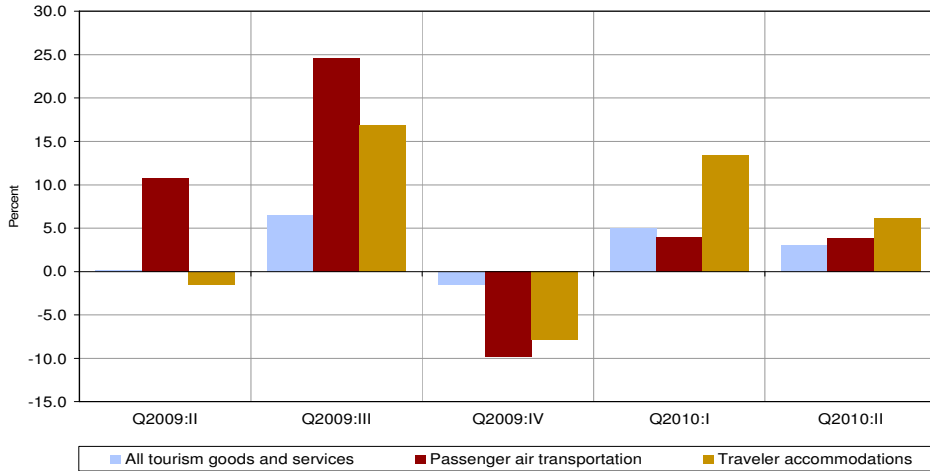
U.S. Bureau of Economic Analysis

According to the BEA report, “The increase in real GDP in the second quarter primarily reflected positive contributions from nonresidential fixed investment, personal consumption expenditures, exports, federal government spending, private inventory investment, and residential fixed investment. Imports, which are a subtraction in the calculation of GDP, increased.

“The deceleration in real GDP in the second quarter primarily reflected a sharp acceleration in imports and a sharp deceleration in private inventory investment that were partly offset by an upturn in residential fixed investment, an acceleration in nonresidential fixed investment, an upturn in state and local government spending, and an acceleration in federal government spending.” (Source: <http://bea.gov/newsreleases/national/gdp/gdpnewsrelease.htm>)

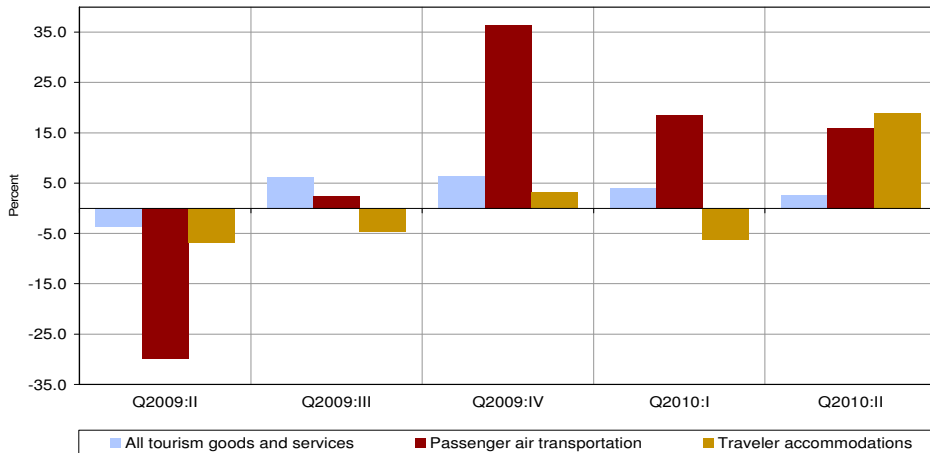
The recovery from the Great Recession has been slow and uneven. Some industries are having harder time to climb out of the recession than others. For instance, real spending on travel and tourism increased at an annual rate of 3% during the second quarter of 2010. This was following an increase of 5% in the first quarter of 2010. See Figure 2. Tourism prices and tourism employment also increased. See Figures 3, and 4 for details, respectively. (Source: <http://bea.gov/newsreleases/industry/tourism/2010/tour210.htm>)

**Figure 2: Quarterly Growth in Real Tourism Spending**



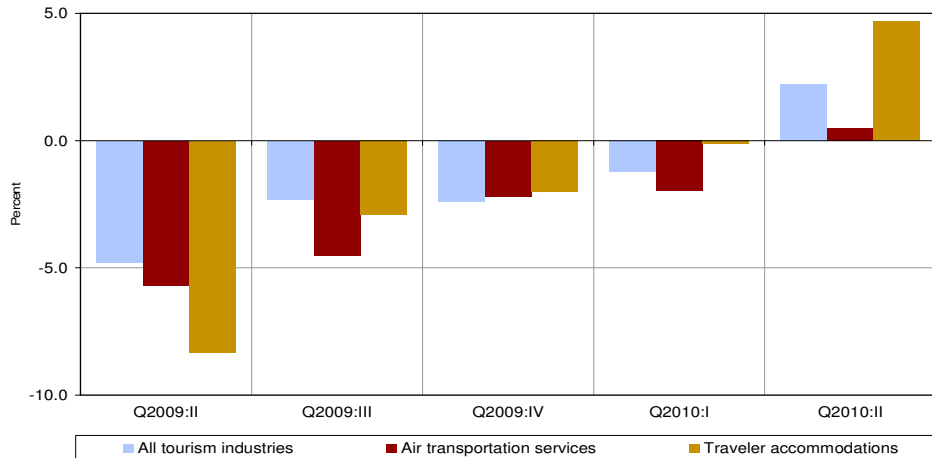
U.S. Bureau of Economic Analysis

**Figure 3: Quarterly Growth in Tourism Prices**



U.S. Bureau of Economic Analysis

**Figure 4: Quarterly Growth in Tourism Employment**



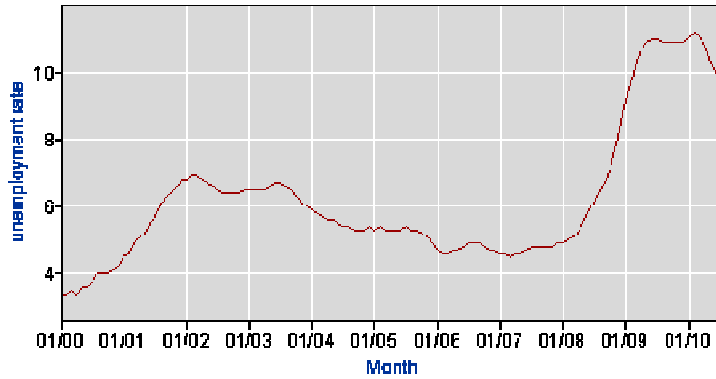
U.S. Bureau of Economic Analysis

Although we find some “bright spots” in the economy, the overall unemployment rate remained high at 9.6% during August 2010. (Source: [www.bls.gov](http://www.bls.gov)). A statement issued on 09-21-2010 by the Board of Governors of the Federal Reserve System, the central bank of the US, pointed out that “...the pace of recovery in output and employment has slowed in recent months. Household spending is increasing gradually, but remains constrained by high unemployment, modest income growth, lower housing wealth, and tight credit. Business spending on equipment and software is rising, though less rapidly than earlier in the year, while investment in nonresidential structures continues to be weak. Employers remain reluctant to add to payrolls.” (Source: <http://www.federalreserve.gov/newsevents/press/monetary/20100921a.htm>).

## North Carolina

The preliminary estimate of unemployment rate for North Carolina during the month of August was 9.7%. There has been a steady decline in unemployment rate since February 2010 when it peaked at 11.2%. (Source: [www.bls.gov](http://www.bls.gov)). Figure 5 plots unemployment rates data since January 2000. Note that unemployment rate in North Carolina is still higher than the national average of 9.6% for the same month.

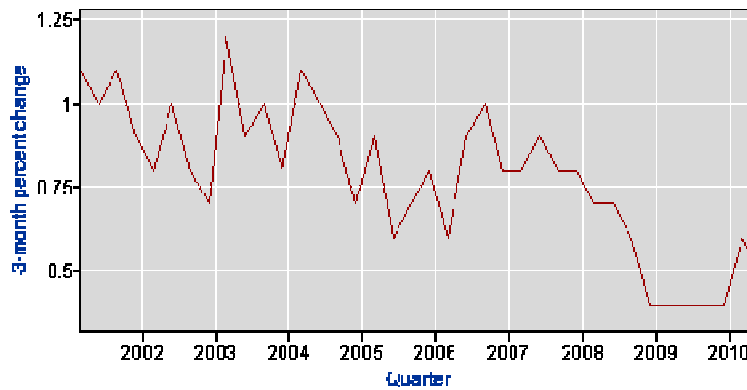
**Figure 5: North Carolina Unemployment Rate**



Source: www.bls.gov

Quarterly percentage change in total compensation of all civilian employees in North Carolina remains low. (Source: www.bls.gov). Figure 6 plots these data since the first quarter of 2001.

**Figure 6: Quarterly Percentage Change in Total Compensation (All Civilian Employees)**

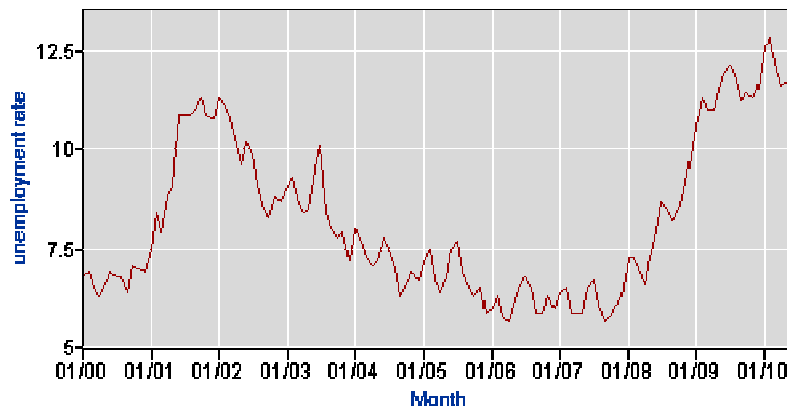


Source: www.bls.gov

## Robeson County

At the time of writing this document (end of September, 2010) the latest unemployment rate data available for Robeson County were for July 2010. The preliminary estimates indicated that the unemployment rate during July 2010 was 12.2%. Figure 7 plots unemployment rates data since January 2000. Note that unemployment rate has been moving up for the past two months. This picture seems consistent with the rest of the economy.

**Figure 7: Robeson County Unemployment Rate**



Source: [www.bls.gov](http://www.bls.gov)

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**A Publication of the Office of Economic and Business Research  
School of Business  
The University of North Carolina at Pembroke**