

Macro Roundup Article

Headline: [Frying Pans and Fiscal Policy](#)

Article Link: <https://www.nytimes.com/2023/08/01/opinion/us-economy-covid-2008.html?searchResultPosition=1>

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Summary: You can draw comparable charts for many other economic variables, some of them just showing levels like the two figures above, others showing deviations from the pre-2008 trend. Their consistent shapes all tell the same story: The U.S. economy remained significantly depressed for many years — indeed, a decade or so, after the financial crisis — and this lost decade could have been avoided with the right policies. How do we know that it could have been avoided? Because of what happened the past few years, when the U.S. economy, boosted by major federal spending programs, came roaring back from the Covid slump, regaining all the lost ground in just over three years. If America had done as well after the financial crisis, we would have been back on trend by mid-2011. Related: [Unintended Consequences Accurately Predicted The Slow Recovery](#)

Primary Topic: Business Cycle

Topics: Business Cycle, Fiscal Policy, GDP, Government Spending, Op-Ed/Blog Post

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