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| An Economic Analysis of My Life |
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I was born in Detroit in October of 1989, amidst an economy undergoing fairly rapid expansion. Real GDP growth at the time was 3.6% and unemployment was at 5%, but inflation was also fairly high a 4.49%. Around the time I was born, my father was the primary source of income for my family. Prior to my birth, he had been working at the family business in Dearborn, making fishing lures. Shortly after my birth, my father left the family business to work with his friend at his friend’s family cement business, so that he could better support my mother and me.

In March of 1991, when I was roughly a year and a half old, my parents decided to buy a house of their own. They had seen housing prices rising and felt that it was a good time to make that investment themselves. Previously, we had been living in a flat above my great-grandmother’s house. My parents began their search for a house in Dearborn, but soon realized that they could not get the combination of house and property that they wanted in Dearborn, given their price range. Due to economic conditions in the rural areas around the city of Owosso, my parents decided to buy there instead. They ended up buying a farmhouse with barns and outbuildings situated on nearly 3 acres of land, for approximately 35% less than they would have paid for a corner house in Dearborn. At the time the price index was still low, at 135. Therefore, it was more affordable to live in the country and commute to Dearborn than it was to live in Dearborn.

In 2003 my father was offered the position of production manager at the family business in Dearborn. This position was contingent upon my family moving to the Dearborn area, rather than my father driving 200mi a day from Owosso to Dearborn and back, due to concerns over the rising cost of gasoline and other petroleum products at the time. The price index, which had been a mere 124 when I was born in 1989, had risen to 184 by this time and unemployment had risen to 6%, though inflation had fallen to 2.27%. Due to the higher unemployment rate and higher prices, my family had little choice but to take the offer and move, so my father could continue to be the primary provider for the family.

In January of 2008, I left my job at the family fishing lure business and got a job at a small computer service firm called Web and Network Solutions (W.A.N.), which was located in Redford. When I was hired, the economy had fallen into recession, unemployment had risen to 5.4% and rGDP growth was a dismal -0.3%. Due to the contracting economy, caused by the collapse of the housing bubble, my term of employment at W.A.N. was short lived, though by that point most people had yet to realize that there was a recession. Within a month of being hired however, business at W.A.N. had slowed down so much that they had to lay me off so that they could continue to operate profitably. My short lived employment at W.A.N. demonstrated how economic conditions can affect the opportunities available to a person, especially in the context of a recession.

Towards the end of 2011, in the face of continued unemployment, I decided it was time to go back to school. Being unemployed, there was no way I could afford to pay for college myself, and finding a job would be difficult in an economy undergoing a fragile recovery with 8.8% unemployment and a mere 1.7% rGDP growth rate. Therefore, I applied for federal financial aid. The amount of financial aid I was awarded was sufficient to fully cover my tuition and books, an example of how government policy can affect the opportunities available to a person. Without the government’s financial aid programs I would not be able to attend school.

To many people economics seems like an abstract concept, something that doesn’t directly affect their lives. However, economics does, in fact, touch every aspect of our lives in a real and meaningful way. We use economics when we decide whether to get a minimum wage job out of high school or go to college instead. We use it to help us decide whether we should buy this house or that house, whether we get this degree or that degree. Economics is all around us, surrounds nearly every decision we make and every interaction we have with the world.

10/1989: Born | 3/1991: Move to Owosso | 6/2003: Move to Dearborn | 1/2008: Job at W.A.N. | 1/2012: Enroll at HFCC

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