

Gravity Might Not Be Strong Enough to Pull the Economy Back Down To Earth

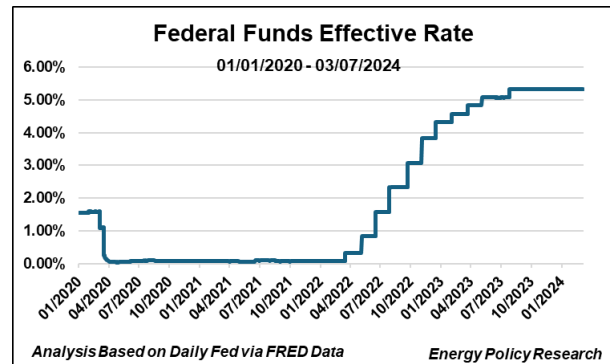
March 8, 2024

The U.S. economy could hover over earth for some time.

Increases in real wages, low unemployment, productivity gains, plus the stock market and its **income effect** could delay a landing, hard or soft for some time.

The Federal Reserve and Chairman Jerome Powell have time; they should not rush things (*Figure 1*). It's in their hands.

Figure 1



p.s. Since we are now in the gravitational pull of a U.S. presidential environment, we are likely to see more spending.

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He has testified numerous times before congressional committees and regulatory bodies and has been appointed to the National Petroleum Council (NPC) by every recent U.S. Secretary of Energy. He has briefed the Chairman of the Federal Reserve Board, senior officials at the Government Accountability Office, and a wide range of government agencies on developments in domestic and world petroleum markets. He has also served as consultant to the Iraq Coalition Provisional Authority. During the 1970s and 1980s he frequently appeared on the CBS Evening News anchored by Walter Cronkite.