Name

Instructor Name

Subject

Date

Research Essay: Macroeconomics

**Introduction**

The economy of a country plays a pivotal role in the determination of the living standard of its citizens. This is one of the most important duties of the government to take care of the economic well-being of its population. Economic well-being can be defined as the financial security of people. The economic well-being of an individual is highly correlated with the economic development of its home country. There is a huge number of financial and social indicators that can show the economic performance of an economy. In financial indicators, we mostly focus on GDP, GDP per capita, GDP growth rate, savings rate, investment rate, inflation rate, unemployment rate, current account balance, fiscal balance, and data on many more indicators are measured regularly. The U.S. Bureau of Economic Analysis is responsible for the collection of data on macroeconomic indicators.

In this research paper, we will briefly discuss the current economic outlook of the American economy with the help of imperial data and economic theory. Furthermore, we will also try to forecast the economic performance of the U.S. in the context of economic theory and literature.

**Current Economic Outlook of U.S.**

The economy of the U.S. is a highly developed mixed economy and is ranked as the largest economy of the world by nominal GDP and the second-largest economy by real GDP with the amount of 21,525.8 billion USD. Its GDP is growing at an annual rate of 1.9% in the 3rd quarter of 2019 (*U.S. Economy at a Glance | U.S. Bureau of Economic Analysis (BEA)*). GDP growth rate in the 3rd quarter this year was less than the growth rate of GDP in the 1st and 2nd quarters. GDP growth rate is considered the most important indicator of the economic performance of a country, and it is going pretty well in the country. The annual growth rate of 2-3% is considered good for an advanced economy like the economy of the U.S. Personal disposable income is another important indicator of an economy. Personal income is another indicator of economic well-being, and it increased by 0.3% in September 2019. Total government receipts were 5764.5 Billion USD in the 2nd quarter of 2019, while expenditure was 7123.0 billion USD during the same time. The government of the U.S. had to face a budget deficit of 1502.9 Billion USD in the 2nd quarter of 2019, which was the highest budget deficit in the last seven years. After discussing the financial data of the domestic American economy, now we take a look at some indicators of internal data indicators. U.S. exported goods to other countries worth of 414.6 billion USD in the second quarter of 2019 and imported goods from other countries worth of 637.9 billion USD in the same quarter. While at the same time, the American exports of services were 207.8 billion USD, and imports of services were 147.8 billion USD. The current account balance of the U.S. was 128.2 billion USD in deficit. The current account measures the trade of goods and services of a specific country with other countries. It also includes transfer payments made by an economy. The average unemployment rate remained around 3.7% during the first three quarters of 2019, while the average inflation rate remained at 1.6% during the same time (*U.S. Economy at a Glance | U.S. Bureau of Economic Analysis (BEA)*). The overall economic look of the American economy looks pretty good, considering the above-stated indicators.

Besides these financial indicators of an economy, there are some socio-economic indicators that measure the overall well-being of the residents of a country. Among all of the socio-economic indicators of economic development, Human Development Index (HDI) is of most importance. This index is also used by the United Nations Development Programme (UNDP) to evaluate the real economic development of a country. HDI is a statistical way of measuring economic development, and it included three indicators of life expectancy at the time of birth, income per capita, and education (Anand and Sen). According to the reports of UNDP, America ranked at no. 13 in the HDI ranking of 2018.

**Me in My Professional life**

Choosing a profession is a very critical decision in one's life, and it should be done after considering many aspects. To choose any profession, first, we should find out our interest and aptitude. We should always choose a profession in which we can enjoy our work. Moreover, we should also observe the market and economic trends in the country while choosing a profession. We should try to choose a field where we can get financial security and many opportunities for a career.

Economics is a subject in which I have a profound interest, and I would like to grow my career in the field of economics. After completing my school, I will do graduation with a major in economics, and then I will do my masters in economics also. After completing my education after 7-8 years, there will be a huge no of options open for me to start my professional career. With a master's degree in economics, I will be able to join a financial institution as a market analyst or data analyst or pricing analyst. The key function behind this job will be to provide opinions and suggestions to customers after making research on data and trends in the market. An economic and financial analyst is a profession with a huge no of job opportunities. According to the recent data of the Bureau of Labour Statistics, the unemployment rate is very low in the professions related to financial services. In October 2019, the overall unemployment rate was at 3.3% in the country. But this unemployment rate decreased to 1.8% in the fields related to finance (*A-30. Unemployed Persons by Occupation and Sex*). On the bases of forecasts made by different international institutions like the International Monetary Fund (IMF) and the United Nations (U.N.), we can say that job opportunities will further increase in the field of finance.

**Economic Forecasts for the U.S. and My Financial Goals**

Economic forecasting is a wide subject, and there are many well-known and established organizations that made forecasts on different economic indicators of countries. The economic forecast is done by using past empirical data and economic theory and after considering many socio-economic and political indicators. The economic forecasts for the GDP growth rate of the U.S. are made many different organizations, and it ranges from 1.9-2.4% annual growth rate for the next decade. IMF projections show that the U.S. economy will grow with an average annual GDP growth rate of 1.6%. The forecasted growth rate of 1.6% is pretty low as compared to the past GDP growth rate of the economy. The GDP grew at an average growth rate of 3.2% between the periods of 1950-2018 (*How Fast Can America Grow? | Committee for a Responsible Federal Budget*). Economists claimed the population's demography of the U.S. as a source of the decline in the GDP growth rate of the country. The portion of aging people will increase in the next decade, and the labor force will decline.

My financial goal is to set up a financial advisory company within the next 10 years. First, I will do a job in some well-established financial firm to get practical exposure to the field. I will try to improve my financial and analytical skills during my job so that it can help me when I start my own company. My job in a financial company will increase my knowledge of the market and will help to make contacts that can be necessary for starting a company. My savings during my job will help me financially to start my own company. Commercial banks can also provide me with loans, although economic forecasts for the American economy show a consistent and relatively slow growth rate for the next decade. But I am hopeful that there will be no severe recession in the economy in the next ten years that can create hurdles in the establishment of my own financial consulting company.

**Works Cited**

*A-30. Unemployed Persons by Occupation and Sex*. https://www.bls.gov/web/empsit/cpseea30.htm. Accessed 20 Nov. 2019.

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*U.S. Economy at a Glance | U.S. Bureau of Economic Analysis (BEA)*. https://www.bea.gov/news/glance. Accessed 20 Nov. 2019.