

Two summary for two article

Literature, Russian Literature



14 September First Article's Summary Nouriel Roubini expressed his pessimism to CNBCFriday regarding the US outlook as he expects another quantitative easing (QE) round from the Federal Reserve. He said that Fed might delay the QE3 if the present number of jobs suffices. However, the weak economy and low employment rate suggest otherwise. Accepting the nomination of the Democratic Party to seek presidency in the second term, Obama said that the economic problems of the US are solvable, though it might take some time to happen. Jobs report of Friday is amongst the prime economic indicators both for the Fed and the US voters that help them take decisions. Roubini warned that the expenditure of capital is slowing down and growth is expected to be negligible as the fiscal cliff is approaching and there is increased cautiousness among the firms by the fourth quarter. No significant reduction in the rate of unemployment is predictable despite the expected creation of about 100, 000 jobs in the next few months. Economy might be weighed down by the fiscal drag since the gross domestic product (GDP) is only about 1 to 2 per cent. Roubini expects a 2 per cent growth in the third quarter, only to slow down in the last quarter of 2012. He said that occurrence of fiscal drag with retarded growth indicates almost no growth in the next year, which provides Fed with justification to do QE3 by December, 2012. Roubini considers the bond-buying program of the European Central Bank a time-buyer which will not solve the anticipated problems.

Second Article's Summary

The nation's home builders who incurred great financial loss in the housing crash are encountering the challenge of shortage of workers despite the demand of reconstruction is high and new houses' construction has

displayed sustained growth in the last year. Workers have left the construction industry and have engaged in other works. Low support from labor and contractors is lowering the productivity of contractors and customers are taking advantage of the low prices and interest rates. Shortage of labor has maximized the cost of construction by delaying the construction as the contractors have to incur the overhead cost for a longer period of time, and increase in the labor cost. Construction companies and subcontractors have gone elsewhere in the last six years. Replacement of the gone workers is costly since one needs to train and educate the workers to make them skilled. Builders want already skilled workers, not the ones that they have to train first. Getting appraised values is difficult presently which makes it hard to maintain a balance between raising the prices and increasing the labor cost. As a result, charging higher prices is difficult. There is shortage of all types of construction workers in general and the construction tradesmen in particular. Shortage is surfacing in the Western areas and cities like Texas where permitting is the easiest thus facilitating the construction of houses whereas workers' shortage is not as big a problem in the Northeast where the volume of construction is smaller. There has been a sudden increase in demand of workers in construction after many years of downfall.