

# Case analysis: macroeconomic concepts

[Literature](#), [Russian Literature](#)



Case analysis: MACROECONOMICS This article describes how the US economy is fairing in the recent past. In this case, the economy is doing relatively well and hence consumers and the general public have increasingly gained confidence in the economy. Consumer's confidence is important in the economy as it is key in attracting investment and hence increases level of economic activities

The main macroeconomic concepts highlighted in the article include are aggregated demand, business environment and business cycle. Aggregated demand is applied with the reference to consumer confidence since the latter is determined by the total cost of services and goods demanded by the consumers. Business cycle concept describes both low and high levels of economic activities in a country. As such, low consumer confidence is characterized by an off-peak cycle while increased consumer confidence matches with peak cycle in the economy. Business environment incorporates political stability.

The author implied/explicit perspective of the consumer confidence issue is that the current state of affair in the economy is as a result of short term success of various factors of the economy. In this case, the consumer confidence would decline if the factors were reversed. The author identifies these contributory elements as political atmosphere, and government shutdown among others. In general, the author challenges all concerned parties to create an enabling environment for higher levels of consumer confidence.

This article is relevant in my macroeconomic theory as it revolved around major issues that determines the level of economic growth and development

in a country. In the article, I have learnt that the consumer confidence is determined by the level of political activities in the country. Further, the consumers confident are important as it leads to better income for household and creation of more jobs. The essay is important as it has given me a situational analysis of several concepts covered in the course.