

Using NewsHour Extra Feature Stories

STORY

U.S. Economy Officially in a Recession, 12/05/08

http://www.pbs.org/newshour/extra/features/us/july-dec08/recession_12-05.html

Estimated Time: One 45-minute class period with possible extension

[Student Worksheet](#) (reading comprehension and discussion questions without answers)

PROCEDURE

1. WARM UP

Use initiating questions to introduce the topic and find out how much your students know.

2. MAIN ACTIVITY

Have students read NewsHour Extra's feature story and answer the reading comprehension and discussion questions on the student handout.

3. DISCUSSION

Use discussion questions to encourage students to think about how the issues outlined in the story affect their lives and express and debate different opinions.

INITIATING QUESTIONS

- 1. What are some signs the economy is in a slump?**
- 2. What are some of the indicators we use to measure the economy's health?**
- 3. What is a recession?**

READING COMPREHENSION QUESTIONS – [Student Worksheet](#)

1. When did the recession begin?

ANSWER

The National Bureau of Economic Research (NBER), a group of top economists, said the recession itself began in December of 2007.

2. How did the National Bureau of Economic Research decide the economy is in a recession?

ANSWER

The research group evaluated a variety of economic conditions before agreeing to declare the recession.

The slide in the labor market throughout 2008 was one key reason the group decided on a start date of late 2007. About 1.2 million jobs were eliminated in the United States between January and October of 2008.

Other factors that were considered included falling salaries, store sales, as well as GDP, or gross domestic product.

3. How many recessions have there been since the Great Depression?

ANSWER

There have been 10 recessions since the end of the Great Depression.

4. What is the definition of a depression?

ANSWER

A depression is commonly thought of as a more severe version of a recession. It is also a more prolonged economic downturn during which the GDP declines more than 10 percentage points.

5. What percentage of the work force lost their jobs during the Great Depression?

ANSWER

During the Great Depression, more than 15 million Americans lost their jobs-- a quarter of the work force at the time.

6. Before Franklin Delano Roosevelt, what would happen to your money if your bank failed? What happens now?

ANSWER

Back then, if a bank failed, you lost your money. Now, the government guarantees up to \$250,000.

7. How did FDR create jobs?

ANSWER

Roosevelt created jobs through programs like the Works Progress Administration, which employed 8.5 million people to build infrastructure such as roads, bridges and airports.

He also created the Civil Conservation Corps, which sent men to work for a monthly stipend in the national forests.

8. What are economists saying is the main thing that has to change before the economy can begin to recover?

ANSWER

Since the current recession is rooted in the housing crisis, most economists agree that housing prices will have to stop dropping before the market and the economy can recover.

DISCUSSION QUESTIONS (more research might be needed)

1. What effect do you think this recession will have on your community? Are there ways you or your class can lessen the pain caused by the economic problems?

2. Already, many Americans have stopped using credit cards, and are trying to spend less money and save more. Have you changed your habits? How long do you think these changes will last?

3. What lessons do you think should be taken from the Great Depression and applied to this situation?

4. What advice do you have for President-elect Obama?

5. What good could come from this recession?

Extension Activity

Have students write a 300-500 word essay on this topic providing clear examples. Send your completed editorial to NewsHour Extra (extra@newshour.org). Exceptional essays might be published on our Web site.