

University of Dayton eCommons

News Releases

Marketing and Communications

1-26-2001

U.S. Company Layoffs -- Getting Ready for Economic Slowdown? UD Professors Comment on Effects, Possible Recession

University of Dayton

Follow this and additional works at: https://ecommons.udayton.edu/news_rls

Recommended Citation

University of Dayton, "U.S. Company Layoffs -- Getting Ready for Economic Slowdown? UD Professors Comment on Effects, Possible Recession" (2001). *News Releases*. 10461.
https://ecommons.udayton.edu/news_rls/10461

This News Article is brought to you for free and open access by the Marketing and Communications at eCommons. It has been accepted for inclusion in News Releases by an authorized administrator of eCommons. For more information, please contact frice1@udayton.edu, mschlangen1@udayton.edu.



Jan. 26, 2001
 Contact: Jim Pickering
 pickering@udayton.edu

NEWS TIPS

U.S. COMPANY LAYOFFS — GETTING READY FOR ECONOMIC SLOWDOWN? UD PROFESSORS COMMENT ON EFFECTS, POSSIBLE RECESSION

THE SKY ISN'T FALLING — Recent job layoffs in the technology, retail and manufacturing sectors — including those at Lucent Technologies (16,000), J.C. Penney (5,550), AOL (2,000) and Standard Register (2,400) — “don’t mean that the sky is falling,” says John Weiler, director for the Center for Business and Economic Research at the University of Dayton.

“We’re not in a recession,” he says. “Economists, locally and nationally, are forecasting a no-growth period but not a downturn in the economy. It depends on consumer spending and consumer expectation: If they stop spending, then we could be headed for a downward trend.”

There are different reasons for the recent job cuts, he says. “Standard, for example, is laying off employees because it’s in a heavily declining business as it moves from paper business forms to electronic products. In some cases, manufacturers are laying off employees because they’ve built a large inventory of goods.”

Weiler says that Alan Greenspan’s announcement yesterday that he endorses Bush’s tax cut should allay fears that a downturn is looming. “It’s true that he said our economy’s growth rate is nearing zero, but he also believes, as do I, that the tax cut could prevent a slide.”

For media interviews, contact **John Weiler** at UD (937) 229-2453, at home (513) 748-9958 or via e-mail at John.Weiler@notes.udayton.edu.

U.S. MINI-RECESSION COULD WORSEN — “We’re in a mini-recession right now,” says Larry Schweikart, associate professor of history at UD and author of the textbook *Entrepreneurial Adventure: The History of Business in the United States* (Harcourt College Publishers, 2000). “And the economy is going to get a whole lot worse if a couple of things don’t happen.”

Bush’s \$1.6 trillion tax cut must be passed and the monopoly ruling against Microsoft reversed, Schweikart says. “We need a substantial tax cut soon, no tinkering or paring of Bush’s plan or it won’t move people to invest and spend again. And the Microsoft ruling has hurt the entire technology industry. It’s inexorably linked to Microsoft. Stock fluctuations have shown that.

“I think the Clinton administration’s obsession with inflation rates, instead of focusing on lowering interest rates, is also a culprit of the no-growth period we’re experiencing today.”

For media interviews, contact **Larry Schweikart**, at home at (513) 748-4257 or via e-mail at schweikart@erinet.com.