

*Dignity, Sympathy
and Respect*

Our reputation is
based on competence
and caring. Every
detail is taken care of.



704-694-2524

Visit us online at
leavittfh.com

You Decide: Is it Code Red for the Economy?

Recently, the U.S. Bureau of Economic Analysis released its quarterly GDP report, the first of the year and the first during the new Trump administration. Normally, this report is a "yawner" for most people, and only gets the attention of economists and others who track the economy on a day-to-day basis. Yet this report was different. It motivated many to declare a "code red" condition for the economy.

What do I mean by code red? In everyday use, code red means a dangerous and dire situation. Applied to the medical field, it tells first-responders and medical professionals to be ready for an emergency. So, why did the GDP report prompt many to see a code red situation in the economy, and are they correct?

But before addressing these questions, what is the quarterly GDP report? GDP stands for gross domestic product. It is a measure of output - or production - of all businesses in the economy. All types of businesses, like farming, manufacturing, and services, and spanning all activities, from delivering products, medical operations, education and banking - to name a few - are part of GDP. The GDP numbers are adjusted for inflation, so they don't expand just because prices rose. Hence, the GDP numbers provide the broadest measure of collective activity in the economy.

The troubling result for the first quarter GDP report is that it showed GDP dropping. The reduction was modest, at negative 0.3%, but it was the first drop in three years. Immediately, concerns about a recession rose. This is because a rule of thumb for declaring a recession is two consecutive quarterly drops in GDP.

Many worry another drop in GDP in the spring quarter will mean the country has been in a recession.

Recognize, however, that two consecutive quarterly reductions in GDP are not the ultimate determinants of a recession. A group of economists working with a think-tank outside of the federal government ultimately make the decision of deciding if a recession has occurred. Indeed, four times since World War II an official recession was not called despite two quarterly reductions in GDP, with the most recent being in 2018. For a recession to be called, the economists consider the depth, duration and diffusion of the economic pullback. The last characteristic, diffusion, means the economists look for the economic decline to be spread to most sectors of the economy, rather than being concentrated in a few sectors.

There's another reason to not yet jump on the recession bandwagon. The details of the first quarter GDP report show the decline was due to one factor - a surge in imports. This was understandable as domestic businesses that import products from foreign countries wanted to stockpile those products before higher tariffs were imposed. It's domestic businesses that actually pay the tariffs. In the GDP calculation, imports are considered a negative as it is assumed imports take the place of domestic production. If the negative import effect is removed, GDP growth in the first quarter would have been positive. In fact, most of the other elements of the GDP report, such as consumer spending and business investment, were positive.

All eyes are now turned to the second quarter (April, May, June) when the economic impacts of continuing tariffs should be felt. Sometime during that quarter, businesses that rely on imports would be expected to face the higher costs of elevated tariffs. This would likely spark two reactions. With their costs higher, businesses will reduce production and likely reduce their workforce. Businesses will also try to pass some of their higher costs on to consumers by raising the prices of products sold to customers. These impacts could result in slower job growth, or perhaps even a reduction in jobs, and much slower consumer spending. The result could be the worst of all conditions in the economy - higher unemployment and higher prices.

Hence, the second quarter GDP report will be very important to watch. Forecasters are already placing their bets, with some predicting a slight negative result and others a slight positive result for GDP growth.

Clearly, the factor to watch in the upcoming months is the possibility of trade agreements between the U.S. and other countries. The Trump administration appears willing to reduce U.S. tariffs on imported products if foreign countries reduce their tariffs on U.S. exports. One sticking point is the administration's insistence that foreign countries also reduce "non-tariff" impediments to the purchase of U.S.-made products, such as certain kinds of taxes and regulations.

If trade agreements can be made with numerous countries that will result in reducing the U.S.-imposed tariffs, the chances of higher unemployment and higher prices in the U.S. will be reduced. The ultimate test will be whether a trade agreement can be reached with China.

Will North Carolina be impacted by the back-and-forth of trade relations? The answer is a strong "yes." International trading of exports and imports accounts for 20% of the state's economy, slightly less than the 27% for the nation, but still very significant. Over a million jobs in North Carolina are estimated to depend on international trade. So, like the nation, North Carolina's economy can sink or swim with international trade.

Hence, to know where the economy is headed, watch closely what is happening to the trade talks between the U.S. and foreign countries. While the negative GDP report for the first quarter is not a reason to signal a code red for the economy, many economists still think the importance of the ongoing trade negotiations warrants at least a cautionary code yellow.

So, if you're painting the economic outlook, you decide what color to use!
Mike Walden is a Reynolds Distinguished Professor Emeritus at NC State University.

Domestic Violence Coalition & Rape Crisis Center Info

Anson County Domestic Violence & Rape Crisis Center (ACDVC) is a nonprofit organization funded solely by grants and fundraisers. It was incorporated in March of 1998. Since then their overall mission is to provide a safe, compassionate, non-judgmental atmosphere for victims and survivors of domestic violence, family violence, and sexual assault where they can disclose and receive the services they so desperately need.

ACDVC's mission statement is: "To develop domestic violence awareness through community education and to promote empowerment for victims and families by developing a system for effective communication and facilitation of change."

- Services they provide The target populations for ACDVC are victims and survivors of domestic violence, family violence, and sexual assault. ACDVC plans to provide support services to non-offending family members and to the community at large. ACDVC provides the following services:

- 24-hour safe, non-judgmental and confidential crisis line & counseling
- Hospital accompaniment-health advocacy • Court accompaniment-legal advocacy
- Liaison with victims and all systems in our community;
- Emergency transportation • Help with appropriate emergency shelter
- Sexual assault advocacy • Child advocacy • 1-1 sessions with clients • Support group

Their advocates are here to help. You will talk to a compassionate, non-judgmental and caring person, all information is confidential.

ACDVC is located at 204 East Wade Street in uptown Wadesboro. They are open Monday-Friday, 8:00 a.m. to 4:00 p.m. The mailing address is: PO Box 694, Wadesboro NC 28170. Office 704-694-4499; 24 Hour Crisis Line 704-690-0362; Fax 704-694-4515. The website is: acdvrcc.org and you can find them on Facebook.

TOWN OF MORVEN

BUDGET PUBLIC HEARING

The proposed 2025-2026 Budget for the Town of Morven will be presented to the Board for discussion on Monday, June 2, 2025, and will then be available for public inspection for 7 to 14 days in the Town Hall, from 9 a.m. to 4 p.m. weekdays.

There will be a public hearing later in June for the purpose of voting on the proposed budget. The date and time for that meeting will be publicized soon.

Citizens are invited to make written or oral comments.



HONOR YOUR GRAD

WITH A RECOGNITION MESSAGE
IN THE EXPRESS NEWSPAPER'S
GRADUATION SPECIAL EDITION

The Grad Special Edition Will Be Published after Graduation

Call or email for more information

704-694-2480 TheExpressNews@gmail.com



ANSON COUNTY DOMESTIC VIOLENCE COALITION, INC.

CRISIS INTERVENTION ADVOCATE

PART-TIME: AFTER HOURS MONDAY THROUGH

THROUGH FRIDAY & WEEKENDS ON CALL POSITION

Position requires you to stay in Anson County while on call.

Requirements: Must be at least 18 years old; High school diploma and N.C. driver's license; Be able to pass drug test; Pass criminal background check. Would need own transportation. Need to live in Anson County, be available after hours and weekends. We are seeking an applicant who is compassionate and non-judgmental.

If interested you may bring your resume to the office:

Anson County Domestic Violence Coalition

204 East Wade Street in Wadesboro

Office hours are Monday through Friday 8:00 a.m. until 4:00 p.m.

Or you can mail your resume:

P.O. Box 694

Wadesboro, NC 28170

Please do not submit resume by social media. It will not be accepted.

For any questions please call 704-694-4499 and ask for Karen. EOE



**COME SEE US AT OUR NEW LOCATION...
7260 EAST MARSHVILLE BLVD.**

Coming from Anson County, we are on the left before you get to Food Lion



**MARSHVILLE
Family Dentistry
704-624-6300**

**FAMILY FRIENDLY
FULL-SERVICE PRACTICE
SPECIALIZING IN COSMETIC DENTISTRY**

Accepting New Patients Now

INVISALIGN!

*A More
Comfortable
and Convenient
Way to Straighten
Your Teeth*



The Clear Alternative to Braces

We work with various dental insurance companies such as: Metlife Dental, UnitedHealthCare Dental, Delta Dental, and Blue Cross Blue Shield of North Carolina Dental Plan, to make your dental care more affordable.

**Ask about our affordable
in-house insurance plan.**

**MARSHVILLE SPA
IS NOW OPEN!**

In Marshville Family Dentistry

**BOTOX • FILLERS
ESTHETIC PROCEDURES**

MARSHVILLE FAMILY DENTISTRY • 7260 EAST MARSHVILLE BLVD. (HWY 74)

CLASSIFIEDS

**CRIDER &
CRIDER
PROPERTIES**

704-694-8080

WE SELL APPLIANCE PARTS

**MARTIN FURNITURE
FACTORY OUTLET**

High Quality - Low Prices

1367 Highway 74 West
Wadesboro • 704-694-3185



**CLEAN CUT
LAWN CARE**

704-465-0544

CROSS COUNTRY Located in Wadesboro

HOME IMPROVEMENT

FENCING Privacy, Chain Link, Farm, Aluminum

PAINTING Home & Business • **STAINING**

PRESSURE WASHING

Licensed & Insured Free Estimates

Jimmy Chapman 704-589-8610

Steve A. Northcutt's

SHINE'S SHEDS & SHELTERS

**SELLER OF PINE VIEW BUILDINGS
PORTABLE STORAGE BUILDINGS**

RENT TO OWN

**NO CREDIT
CHECK**

**NO SECURITY
DEPOSIT**

8613 Highway 74 East in Marshville
704-624-0395 www.shinessheds.biz

MARSHVILLE FAMILY DENTISTRY

General, Cosmetic & Implant Dentistry

7260 E. Marshville Blvd. (Hwy. 74)

Marshville, NC 28103

704-624-6300

www.marshvilledentist.com