GDP Research Paper

From the BEA release highlights, we can see that the GDP trend has been shown to be trending upward. In recent quarters, there has been several fluctuations in the GDP increase of the United States.

Before looking at trends in GDP, it is important to be able to understand exactly what GDP is. As defined by the McGraw-Hill Macroeconomics book, gross domestic product, or GDP, “defines aggregate output as the dollar value of all final goods and services produced within the borders of a country during a specific period of time, typically a year” (McConnell, Brue, Flynn). After looking at the general trends of the real GDP change per year, it is clear that there has been an upward trend in the amount of increase over the different quarters. Most quarters boasting an increase in the range of 1-4 percent real GDP gain (“Gross Domestic Product, 1st Quarter 2019”). Although most quarters fall in that range, that does not mean that there are not outliers. For example, the time period that has experienced the greatest increase is that of the second quarter during the 2018 calendar year. This quarter shows gains of over four percent (“Gross Domestic Product, 1st Quarter 2019”). On the contrary, the time period that has experienced the least amount of growth is the fourth quarter of the 2015 calendar year, which had around a 0.5 percent GDP increase (“Gross Domestic Product, 1st Quarter 2019). As for this year, I predict that the real GDP will see similar growth of the first quarter for the remainder of
the year. This is due to the fact that the first quarter saw growth of approximately 3.1 percent ("Gross Domestic Product, 1st Quarter"). This growth at 3.1 percent is a strong first quarter increase and due to this strong first quarter, we can infer that the remainder of the year is going to produce similar results. This is based upon the fact that in both 2017 and 2018 there was a strong quarter that was followed by near the same strength quarters there afterward. This is thanks to an increase in state and local government spending, increase in private inventory investment and in exports, and a decrease in residential investment ("Gross Domestic Product, 1st Quarter 2019"). Also, since 1947 the United States has averaged 3.22 percent change ("United States GDP Growth Rate"). With this being said, it is predicted that the next quarter will see around a 2.2 percent growth rate, then subsequently level off afterwards ("United States GDP Growth Rate"). This is due to the fact that during the first quarter, the United States saw a large increase in the amount of exports. Numbers showed an increase to 4.8 percent compared to the predicted 3.7 percent, causing the GDP increase to make up for the downfalls that were had during the first quarter, the main downfall being an increase in spending of durable goods which was nearly 0.7 percent off the estimate ("United States GDP Growth Rate").

In retrospect, the first quarter of the 2019 saw an average increase in GDP. Although this may not seem very exciting, it displays a positive upward trend compared to recent years on the graph.
Works Cited


“United States GDP Growth Rate.” *United States GDP Growth Rate | 2019 | Data | Chart | Calendar | Forecast*, tradingeconomics.com/united-states/gdp-growth.