

Professors discuss concerns about recession

Gia Witmer
Capital Times Staff

Two Penn State Harrisburg professors said last week that although there are a lot of problems in the economy, they see light at the end of the tunnel.

Vedula N. Murti, chairperson of the economics department, said the recession is not permanent. It is "a periodic fluctuation in business cycles, a period of

decline in economics which usually occurs for 18 months."

This is a "Yuppie Recession," said Murti, because it is the white-collar workers who are unemployed. He said that very few people who lose their jobs will be rehired.

"Savings and investment" is what we are lacking, Murti said, and that is what the Japanese are doing right.

"No one is saving money in order to make a good investment in technology and human capital," he said. "We also need a program to cut the deficit."

Taxes are another issue. Many people complain that taxes are too high, but that is not the case, said Murti, citing the higher tax rates in Western Europe.

Students are also feeling the impact of recession through an increase in tuition and supplies.

"Students are finding it difficult to borrow money and there are fewer scholarships available," Murti said. "So students are working part-time jobs which

delay graduation and some have to drop out of school completely.

"For the first time, there is doubt about this generation doing better than previous generations."

Many graduates have to pay back their school loans, and they may have trouble finding jobs. Jobless and in debt, they can't invest in stocks, bonds or consumer goods. But it is these factors that help the economy grow, Murti said.

Although the economy looks grim, there is hope, Murti said.

"By the third quarter in '92, we should be out of the recession," he said. "It's like when spring is on the way when we see signs--buds on trees and days getting longer. There are also signs of recovery."

Mukund Kulkarni, chairperson of the finance program, said that two signs of recovery are the single-digit unemployment level and the rising stock market. The stock market always anticipates the future, he said.

Kulkarni said he does not even call

current economic conditions a recession. He calls them a "regular downswing in the business cycle--more pronounced, but not a recession."

The economy will pick up in the spring, said Kulkarni. Lower interest rates are attracting new home buyers, which will stimulate demand for products and other jobs related to new housing.

"If the economy does not pick up in the spring and summer, then we are in trouble," Kulkarni said.

"In the future, we--business, government and society--need to sell more, be more competitive, less wasteful, pay more attention to schools, education and training, and take a long term view of the deficit," Kulkarni said. "We have gained a sense that we cannot continue to operate in the past, businesses will learn from their mistakes. The future looks brighter."

Due to error, part of this story was inadvertently deleted in the February issue. It is running again in its entirety.

CAPITAL TIMES STAFF MEETING

Attention all staff:
There will be a mandatory
staff meeting on

Tuesday, March 3
at 12:30 p.m.
in the Capital Times
Office
(room W-341)

If you cannot attend, PLEASE
contact Elin!

Anyone interested in joining the
staff should come to the meeting.

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Twin musicians delight crowd

Trinh Ngo
Capital Times Staff

Closing your eyes, you find yourself transported into a smoke-filled nightclub. Your body relaxes as the melodious notes of the jazz era hang in the air.

But, when you open your eyes, you find that you are not in a nightclub, but the Gallery Lounge.

As part of the activities of Black History month, Guy and Bernie Stevenson, identical twins, performed at Penn State Harrisburg on Feb. 19.

Guy and Bernie have been playing since they were teenagers, which explains their talents.

During the concert, Guy played the electric guitar, while Bernie tickled the ivories. A synthesizer provided the saxophone and bass.

Although most of the pieces were instrumental, Bernie vocalized on one piece. The song was "My Funny Valentine," an upbeat love song, performed as a tribute to Valentine's Day.

Hilary Zeiders, a junior communications major, said although jazz was not her favorite form of music, she found it interesting.

The concert began at 12:15 p.m. and lasted until after 1 p.m. After the concert, the brothers played an encore of two songs for their enjoyment, as well as that of the remaining spectators.

Approximately 30 people attended, and most commented that the twins sounded very professional and that it was worthwhile to sit in and hear the music.

John Bedoya, a public policy major, said the room was too hot, but the music was enjoyable.

Guy and Bernie played with their eyes closed, as if the music came from within them rather than from the instruments. The rhythm swayed their bodies, and if you watched closely, you could almost see the notes drifting in the air.

It was a lazy afternoon to relax, close your eyes, and be carried back into a part of American history and culture.



Identical twins, Guy (on guitar) and Bernie (on piano) Stevenson, performed jazz in the Gallery Lounge on Feb. 19. The show was part of Penn State Harrisburg's "Live in the Gallery Lounge" series.

Photo by Elin Marcel