

## Leaders

Jul 24th 2021 edition &gt;

Delta's beta

## Does America face a slowdown in economic growth?

Jul 24th 2021



Give this article

IT WAS INEVITABLE that global economic growth would slow from the breakneck pace set as economies recovered from the pandemic. Lately, investors have begun to worry about something worse: that America's economy, which has led the rich-world rebound, could decelerate sharply. As well as supply bottlenecks and the withdrawal of economic stimulus, the country, like many others, now faces the ultra-infectious Delta variant. A painful slowdown remains unlikely. But the renewed spread of the virus is the biggest of those three dangers.

The withdrawal of some forms of stimulus may even help. Service industries are short of workers. The end of enhanced unemployment benefits, which will become universal at the end of September, might bring some of them back into the job market. Other policy cliff-edges, such as the [cancellation of moratoriums on evictions](#) at the end of July, are a source of uncertainty. But any pain there is more likely to be concentrated than widespread, because the housing market is booming and job vacancies are plentiful.