

## Freight and See

Today's economy moves in ways our ancestors could not have imagined. But one of the economy's linchpins has played a key role for centuries: the railroad. In this issue, staff writer Charles Davidson looked at the important economic function that railroads deliver and found an industry that has evolved to meet today's needs.

"The railroad business is fascinating on several levels," he said. "It's nearly 200 years old, and it's unusual in a lot of ways. For example, it's one of a few industries that still has a largely unionized workforce. And most railroad executives have been in the industry for decades. Yet it is embracing all sorts of new technologies and remains vital to the economy because it moves so many of the goods we use every day."

### Tiny bubbles, big business

The boom in craft beer is a national phenomenon, but staff writer Lela Somoza looked at the growth of craft breweries in the Southeast and found that the region's small breweries are getting warm receptions for their cold products.

"I was surprised to learn just how deep craft beer's roots are," she said. "The craft beer scene has exploded in the Southeast in just the past few years, but craft beer in its modern form got its start in the 1970s—the industry even went through a boom-and-bust cycle in the 1990s. The regional difference in craft breweries and production is also quite interesting, which I think really just underscores the role beer plays not only in the local economy but also as a part of the community's cultural fabric."

This issue hops (pun intended) from brewing to building as Jessica Dill, a senior economic research analyst in the Atlanta Fed's research department, examines the growth of multifamily housing in the Southeast. Although her

examination confirmed the impressive growth, she said looking over the horizon remains as challenging as ever.

"I'd hoped the data would offer straightforward insight that would indicate whether the ramp-up in apartment construction was sustainable," she said. "Unfortunately, the evidence was more suggestive than it was conclusive. There's still a big question mark around how this situation will play out."

### Keeping current with cryptocurrency

This issue also delves into bitcoin, a topic that seems to generate as much confusion as discussion. Associate editor Nancy Condon, the article's coauthor, set out with research analyst Sadat Karim to shed some light on the subject.

"One of the reasons I wanted to write this story is to understand the concept of cryptocurrencies better," Condon said. "I already knew that there is no shortage of information out there, but what I didn't know is just how small a player bitcoin really is. With all the media focus on bitcoin, I'd assumed it was playing a larger role. I also learned that the technology behind bitcoin could some day streamline the payments system, especially cross-border transfers."

The next issue of *EconSouth* will be our annual outlook issue. We'll take a closer look at the economic trends of the past year and suggest the outlook for 2015. We appreciate your continued readership. ■

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Editor's note: Throughout this issue, Southeast refers to the six states that, in whole or in part, make up the Sixth Federal Reserve District: Alabama, Florida, Georgia, Louisiana, Mississippi, and Tennessee.

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