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A word from the experts

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Vitner of Wachovia

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North Carolina shoppers will react strongly to the sharp spike in gas prices, but that response will likely be temporary, several economists who track the state said Wednesday.

They predict that many consumers will continue cost-savings efforts they started when gas prices started rising several weeks ago, such as carpooling to work or cutting back on driving. With prices exceeding $3 a gallon, people will probably focus more on only buying essential items.

Still, economists agreed that because prices for other goods such as TVs, computers and clothing have remained low or even decreased, the overall economy will continue to grow.

Here are what four economists said about rising gas prices:

"When it ran up to $2.50 per gallon, we saw many retailers report noticeably slower sales, now they will see it fall even more," said Mark Vitner, an economist with Wachovia in Charlotte. "I don't think this is going to dip into recession unless we have widespread shortage of gas for long period of time. And I don't think that's likely."

"People are pulling back from buying mid- and high-grade gas," said Mike Helmar, who tracks the state for Economy.com, an economic research firm in West Chester, Pa. "Also people who have two or more cars are starting to use the car that gets the best gas mileage."

"I don't think this is going to do permanent harm to the economy," said economist Michael L. Walden of N.C. State University. "People will always try to cut back on low-priority items. Even food. People will buy cheaper cuts of meat. They can substitute name-brand clothing for discount ones. People will think twice about buying large-ticket items like furniture."

"For the average person, this hike represents a big chuck of their discretionary spending," said Campbell Harvey, a Duke University economist. For example, he said, last year if a worker had $100 a week for discretionary spending, of which he spent $16 on gas, this year he is probably spending $32 a week on gas, leaving just $68 for other items.