

Aruba, February 24, 2012 - Employers are hiring, manufacturing is revving up and stocks are rallying. It looks like the recovery could finally be taking hold. Sound familiar?

The recent momentum of the American recovery feels a lot like early 2011, when many of the same green shoots were driving optimism. But things went awry last spring when oil prices starting rising and Japan's earthquake sent economic shockwaves rippling throughout the world. The European financial crisis escalated and the debt ceiling debate in the United States weighed on confidence.

By June, even Federal Reserve Chairman Ben Bernanke was admitting the economy was hitting a "soft patch." Are we finally on the path to a sustained recovery, or will it peter out all over again in 2012? The answer all depends on a few key challenges: Tension with Iran poses perhaps the greatest risk to not just the U.S. economy, but the world. About 20 percent of the world's oil passes through the Strait of Hormuz, and Iran's threat to close the critical shipping lane has recently driven a rise in oil prices.

Add recently improving economic data -- which often leads oil speculators to forecast greater demand for fuel -- and lower supply and higher demand are a recipe for a potential spike in gas prices this spring.

Gas prices are already at their highest levels ever for this time of year, and some analysts predict they'll hit a national average of \$4 a gallon in May. Some regions are even expected to see \$5 gas by Memorial Day.

Source/read more: <http://www.ktbs.com/money/30514041/detail.html>