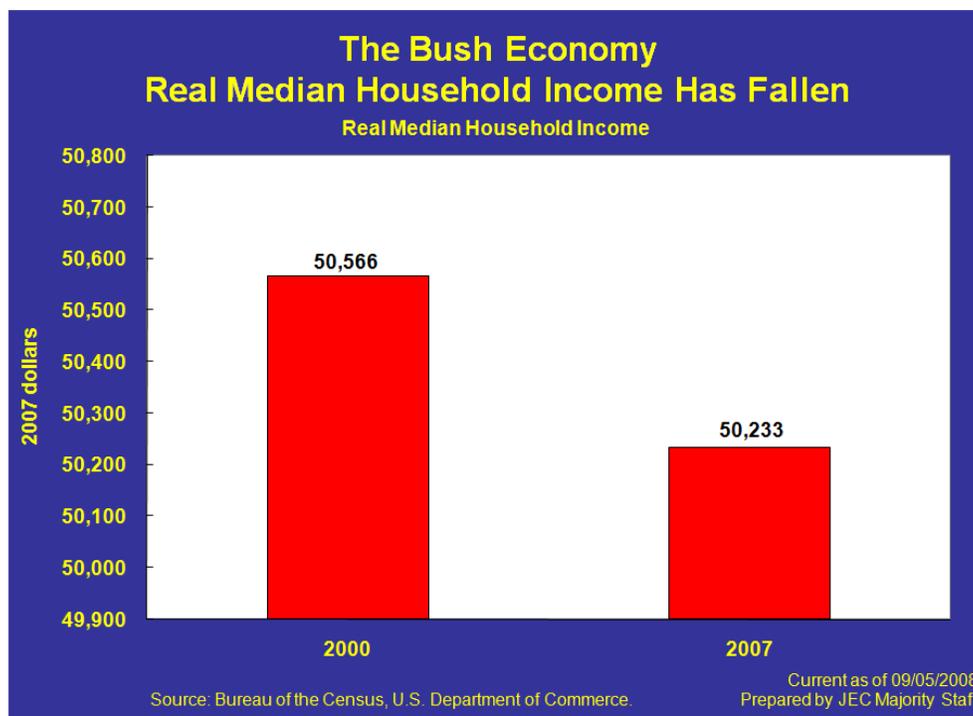


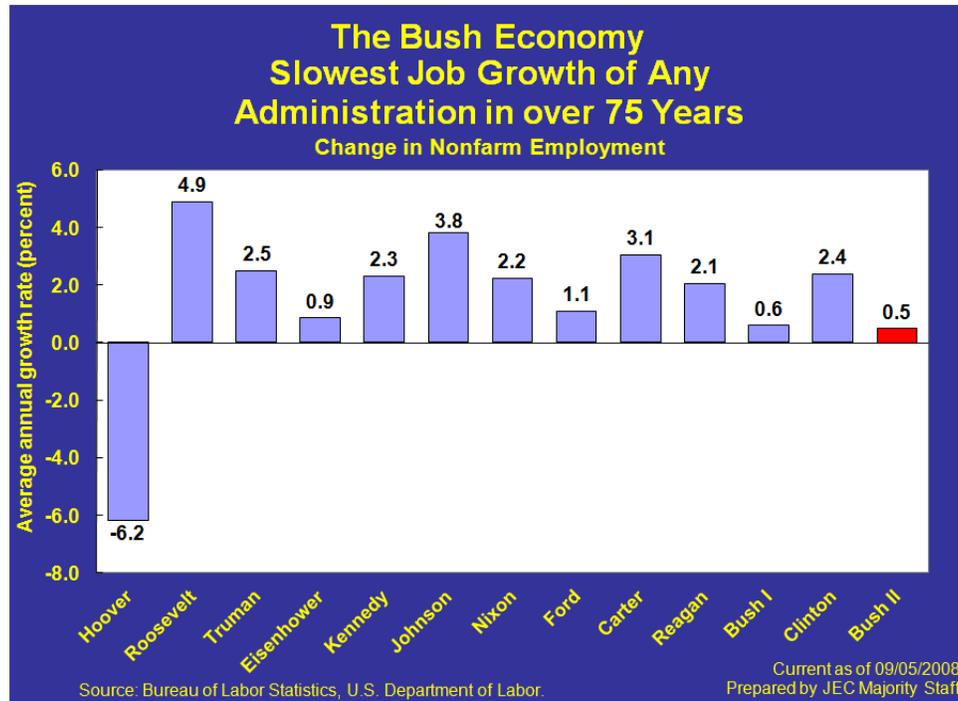
The Bush Economic Record: Failed Policies Leave Most Families Behind

Household Income Has Declined Under The Bush Administration. After adjusting for inflation, the income of a typical household was down by more than \$300 during President Bush's first term (2007 is the latest year for which we have data). Real (inflation-adjusted) median household income has fallen at an average annual rate of 0.1 percent since President Bush took office. Looking back as far as we have data, that is, back to Kennedy, real median household income has declined over only two other administrations.



Household Income Fell More For Those at the Top than For Those at the Bottom 2000. Average income for 80 percent of American households has fallen since 2000 after adjusting for inflation. Changes in income over the past year have been regressive, with the average income of the bottom fifth declining two-and-a-half times more than the top fifth. As a result of this pattern of larger losses at the bottom than at the top, income inequality is now greater than it was before President Bush took office.

Job Growth Is Among the Slowest of Any Administration in over 75 Years. President Bush is in a statistical dead heat with his father for the worst job creation record of any President since Herbert Hoover. In August 2008 there were just 5.0 million more jobs on nonfarm payrolls than there were when President Bush took office in January 2001. That is a paltry pace of job creation of just 55,000 jobs per month on average (0.5 percent per year).

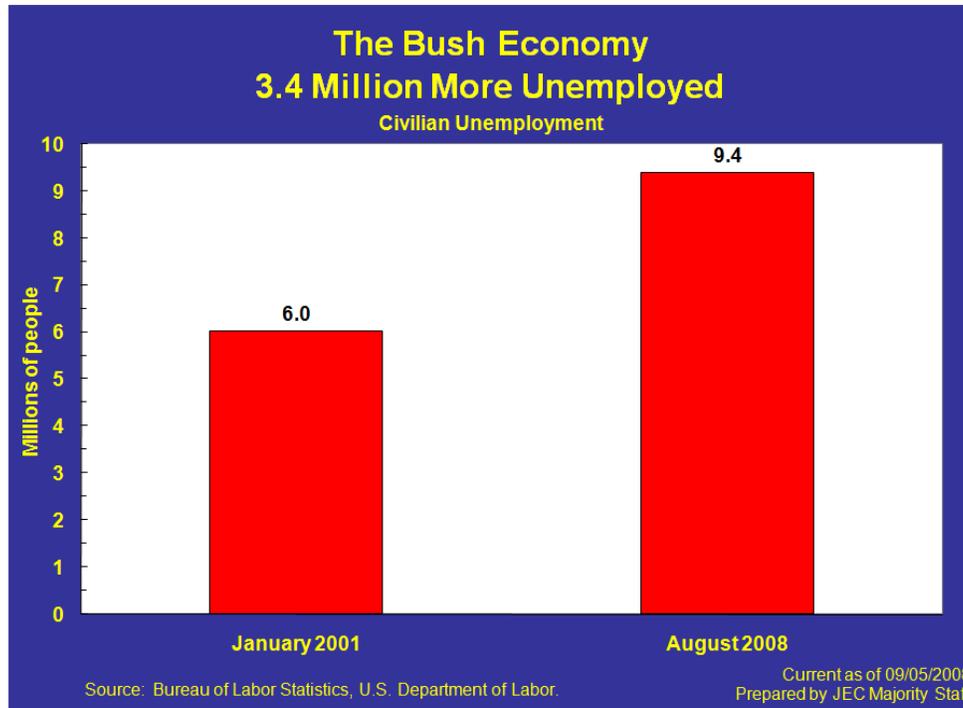


Private Sector Job Growth Is Among the Worst of Any Administration in over 75 Years.

Leaving aside job creation in the government sector, there were just 3.4 million more private sector jobs in August 2008 than there were when President Bush took office (a pace of 37,000 jobs per month, or 0.4 percent per year). Within the private sector, manufacturing was particularly hard hit, with payrolls declining by 3.7 million jobs between January 2001 and August 2008.

Real Earnings Growth Has Been Weak and Unequal Relative to the 1990s Expansion. The 1989-2000 pattern of earnings growth is markedly different from that during the current expansion, which has seen weaker earnings growth across the board, with virtually no growth for the middle-class, and falling earnings for those at the bottom. Data from the Bureau of Labor Statistics on the usual weekly earnings of full-time workers—a measure of take-home pay—illustrate the changes at different points on the wage ladder. After adjusting for inflation, the usual weekly earnings at the center of the distribution—real median usual weekly earnings—increased by a mere 0.3 percent between 2000 and 2007. That contrasts with growth of 7.7 percent between 1989 and 2000.

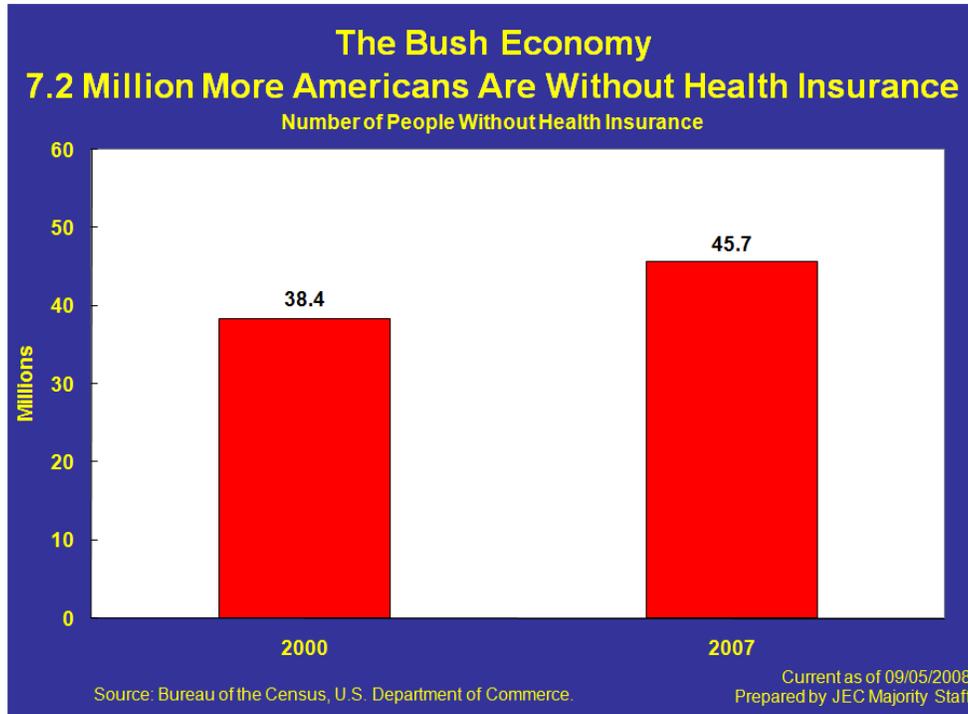
Employee Compensation Has Lagged Far Behind Productivity. Historically, economy-wide increases in workers’ pay have tended to track economy-wide increases in productivity (output per hour). Since early 2001, however, continued strong growth in productivity has not translated into commensurate increases in real (inflation-adjusted) average hourly compensation (wages plus benefits). While productivity in the nonfarm business sector rose by 20.7 percent between the fourth quarter of 2000 and the second quarter of 2008, real compensation per hour increased by only 7.7 percent over the same period. The cost of employee benefits has grown much faster than wages and salaries, squeezing take-home pay. Key costs include rising health insurance premiums and increased contributions to bolster the solvency of employee pension plans.



There are 3.4 Million More Unemployed Americans Than At the Start of the Bush Presidency. In August 2008, 9.4 million people were officially counted as unemployed—3.4 million more people than were unemployed when President Bush took office in January 2001. Although the unemployment rate has come down from its peak of 6.3 percent (reached in June 2003), the rate of 6.1 percent in August 2008 is still 1.9 percentage points higher than it was in January 2001 when President Bush took office.

There Are Two and a Half Times As Many Long-Term Unemployed Than When President Bush Took Office. The President’s employment record shows that more people are unemployed, and that the jobless are staying unemployed longer. The number of people unemployed for more than 26 weeks is two and a half times its level from when President Bush took office. In August 2008, almost one in five of the unemployed (19.5 percent) had been unemployed for more than 26 weeks, an increase of 8.2 percentage points since January 2001.

There Are 5.7 Million More Americans Living in Poverty Under The Bush Administration. The official poverty rate in 2007 was 12.5 percent, which translates into 37.3 million Americans living in poverty in 2007—5.7 million more than were living in poverty in 2000, the year before President Bush took office. With less than four months remaining in his second term, President Bush’s Administration is one of only four to preside over an average annual rise in the poverty rate.



7.2 Million More Americans Are Without Health Insurance Than At the Start of the Bush Presidency. Nearly 46 million Americans were without health insurance in 2007 (the latest year for which we have data). That represents an increase of 7.2 million over the number of people without health insurance in 2000, the last year before President Bush took office.

Large Projected Surpluses Have Turned into Large Deficits. When President Bush took office in January 2001, the Congressional Budget Office (CBO) projected that over the 10 years from 2002 to 2011, budget surpluses would accumulate to \$5.6 trillion. In fact, of course, the surplus was smaller than projected in 2001 and by 2004 a projected \$400 billion surplus had turned into a deficit of over \$400 billion. The 2007 budget deficit was \$162 billion. In 2001, CBO's projection was for a surplus of \$573 billion.

A Growing Federal Debt Due to Flawed Bush Policies. The public debt is federal debt held outside government and does not include debt held in the Social Security Trust fund and elsewhere within the government. The gross federal debt, which includes debt held by government agencies, was \$5.8 trillion in 2001 and is projected to be \$9.6 trillion at the end of 2008.

Bush Tax Cuts for Millionaires Dwarf Tax Cuts for the Rest of America. The average amount of 2001-2006 tax cuts for households with more than \$1 million of income will be \$130,423 in 2008, compared to \$1,203 for households with incomes of \$50,000 to \$75,000. That means that millionaires can expect an average tax cut 108 times larger than that of households with incomes \$50,000 and \$75,000, 186 times greater than the average tax cut for households with \$20,000 to \$50,000 of income and 77 times larger than that of households with \$75,000 to \$100,000 of income.