



Endless “Recovery” Summer

Four Years Since Obama’s So-Called “Recovery Summer,” Slow Growth And High Unemployment Have Become The “New Normal”

This Week Marks The Fourth Anniversary Of Obama’s “Recovery Summer,” Which Was Intended To Highlight The Economic Growth Created By The Stimulus. “The Administration today kicks off ‘Recovery Summer,’ a six-week-long focus on the surge in Recovery Act infrastructure projects that will be underway across the country in the coming months – and the jobs they’ll create well into the fall and through the end of the year.” (Press Release, “Administration Kicks Off ‘Recovery Summer’ With Groundbreakings And Events Across The Country,” [The White House](#), 6/17/10)

- **“Recovery Summer” Was Kicked Off By Biden And Included Weeks Of Events By Obama, Biden And Other Administration Officials.** “Vice President Joe Biden today will kick off the Obama administration’s ‘Recovery Summer,’ a six-week-long push designed to highlight the jobs accompanying a surge in stimulus-funded projects to improve highways, parks, drinking water and other public works. ... Biden, President Barack Obama and other administration officials will travel to more than two dozen Recovery Act project sites in coming weeks. On Friday, the president will travel to Columbus, Ohio, to mark the groundbreaking of the 10,000th Recovery Act road project to get under way.” (Mike Allen, “Obama, Biden Declare ‘Recovery Summer’,” [Politico](#), 6/17/10)

Obama In July 2010: “Now, Make No Mistake: We Are Headed In The Right Direction.” (President Barack Obama, [Remarks On The National Economy](#), Andrews Air Force Base, Maryland, 7/2/10)

Treasury Secretary Tim Geithner’s Op-Ed From August 2010: “Welcome To The Recovery.” (Timothy F. Geithner, “Welcome To The Recovery,” [The New York Times](#) 8/2/10)

- **Geithner Claimed The Obama Administration Had “Put The American Economy On A Firmer Foundation For Future Growth.”** “By taking aggressive action to fix the financial system, reduce growth in health care costs and improve education, we have put the American economy on a firmer foundation for future growth.” (Timothy F. Geithner, “Welcome To The Recovery,” [The New York Times](#) 8/2/10)

It Didn’t Take Long For Obama To Realize His “Recovery Summer” And Massive Stimulus Weren’t Quite As Advertised

In 2010, Obama “Admitted That The Enormous Sums Of Money” In The Stimulus “Had Fallen Short.” “Yet he also admitted that the enormous sums of money had fallen short. ‘If we’re honest, part of the controversy also is that despite the extraordinary work that has been done through the Recovery Act, millions of Americans are still without jobs. Millions more are struggling to make ends meet. So it doesn’t

yet feel like much of a recovery. And I understand that. It's why we're going to continue to do everything in our power to turn this economy around.'" (Richard Wolffe, *Revival: The Struggle For Survival Inside The Obama White House*, 2010, p. 155)

Obama In 2011: "Shovel-Ready Was Not As Shovel-Ready As We Expected." (President Obama, [Remarks](#), Durham, N.C., 6/13/11)

FactCheck.org: "It's Accurate To Say The Stimulus Has Failed To Live Up To Initial Expectations." "CBO's high estimate is still short of the 3.5 million jobs that Obama had said would be created by the end of 2010, so it's accurate to say the stimulus has failed to live up to initial expectations." (Lori Robertson, "Dueling Economic Ads," [FactCheck.org](#), 6/30/11)

- **Former Obama Chief Of Staff Bill Daley: "You Could See The Investments, But You Couldn't See The Returns On Those Investments."** "'It was pretty obvious that people didn't see a difference in the economy yet,' Daley said. 'You could see the investments, but you couldn't see the returns on those investments.'" (Hans Nichols, "Stimulus Back In Obama's Vocabulary After Year On Don't-Say List," [Bloomberg](#), 10/26/12)

YEARS LATER, OBAMA'S "RECOVERY" IS STILL MISSING IN ACTION FOR FAR TOO MANY AMERICANS

Democratic Polling Firm: "Democrats Should Bury Any Mention Of 'The Recovery.'" "'As a start, Democrats should bury any mention of 'the recovery,'" stated an April memo from [Democracy Corps], which includes Mr. Carville and Stanley B. Greenberg, who were two political strategists for Bill Clinton." (Jonathan Weisman, "Economic Recovery Yields Few Benefits For The Voters Democrats Rely On," [The New York Times](#), 5/19/14)

The Federal Reserve No Longer Expects Full Recovery In Foreseeable Future. "The Federal Reserve, persistently optimistic in its previous forecasts, said in March that it no longer expected a full recovery in the foreseeable future." (Binyamin Appelbaum, "U.S. Economic Recovery Looks Distant As Growth Stalls," [The New York Times](#), 6/11/14)

- **Federal Reserve Chair Janet Yellen: "Recovery Still Feels Like A Recession To Many Americans."** "The recovery still feels like a recession to many Americans, and it also looks that way in some economic statistics. At 6.7 percent, the national unemployment rate is still higher than it ever got during the 2001 recession. That is also the case in Chicago and in many other cities. It certainly feels like a recession to many younger workers, to older workers who lost long-term jobs, and to African Americans, who are facing a job market today that is nearly as tough as it was during the two downturns that preceded the Great Recession. In some ways, the job market is tougher now than in any recession." (Janet Yellen, "What The Federal Reserve Is Doing To Promote A Strong Job Market," [Federal Reserve](#), 3/31/14)

Labor Department: Slow Recovery "Left Lasting Scars On The Economy." "The most recent recession and the slow recovery have 'left lasting scars on the economy,' the Labor Department concluded late last year in a report that declared slower growth "the new normal" for the American economy." (Binyamin Appelbaum, "U.S. Economic Recovery Looks Distant As Growth Stalls," [The New York Times](#), 6/11/14)

Obama's Self-Proclaimed "Recovery" Is Becoming "One Of The Most Enduring" On Record. "The recovery from the recession has been nasty, brutish and long. It also is shaping up as one of the most enduring." (Josh Zumbrun, "Sluggish Economic Recovery Proves Resilient," [The Wall Street Journal](#), 4/20/14)

According To The Chief Economist At The Economic Policy Center, "It's Going To Be This Way For A While. We're In A Long Slog." "'It's going to be this way for a while. We're in a long slog,' Shierholz said, noting that the recession of 2007-2009 was the harshest downturn since the 1930s Great

Depression.” (Tom Raum, “Where Have All The Missing American Workers Gone?,” [The Associated Press](#), 6/9/14)

Sluggish Economic Growth Is The “New Normal”

Bureau Of Labor Statistics: Slower GDP Growth To Become “The New Normal.” “Looking forward to 2022, the U.S. Bureau of Labor Statistics (BLS, the Bureau) expects slower GDP growth to become the ‘new normal.’” (Maggie C. Woodward, “The U.S. Economy To 2022: Settling Into A New Normal,” [Bureau Of Labor Statistics](#), 12/13)

- **Economic Growth Has Averaged Only 2% A Year, “Well Below Its Historical Average.”** “The nation’s total annual output has moved substantially above the prerecession peak, but economic growth has averaged only about 2 percent a year, well below its historical average.” (Binyamin Appelbaum, “U.S. Economic Recovery Looks Distant As Growth Stalls,” [The New York Times](#), 6/11/14)

According To A Revised Estimate By The Bureau Of Economic Analysis, GDP Actually Contracted By 1 Percent In The First Quarter Of 2014. ([Bureau Of Economic Analysis](#), 5/29/14)

- **New York Times Headline: “U.S. Economic Recovery Looks Distant As Growth Stalls.”** (Binyamin Appelbaum, “U.S. Economic Recovery Looks Distant As Growth Stalls,” [The New York Times](#), 6/11/14)
- **“This Is Just The 10th Time Since World War II That GDP Growth Has Been Negative Outside Of A Recession. Three Of Those Negative Quarters Immediately Preceded Recessions.”** (Ben Casselman, “How Worried Should We Be About The Negative GDP Report?” [FiveThirtyEight](#), 5/29/14)

Treasury Secretary Jacob Lew: “There Are Questions About Whether America Can Maintain Strong Rates Of Growth And Doubts About Whether The Benefits Of Technology, Innovation And Prosperity Will Be Shared Broadly.” (Binyamin Appelbaum, “U.S. Economic Recovery Looks Distant As Growth Stalls,” [The New York Times](#), 6/11/14)

Contracting GDP “A Testament To Just How Weak The Economy Has Been The Past Few Years.” “Ordinarily, a growing economy is strong enough to offset weakness in one or two sectors. During this recovery, that hasn’t been true. Two of those 10 non-recessionary negative quarters have come since the recession ended five years ago, the first time there’s been two quarters of negative growth during an economic expansion since the 1950s. That’s a testament to just how weak the economy has been the past few years.” (Ben Casselman, “How Worried Should We Be About The Negative GDP Report?” [FiveThirtyEight](#), 5/29/14)

A Declining GDP In The First Quarter Of 2014 Is “The Latest Stumble For A Recovery That Has Struggled To Find Its Footing Since The Recession Ended Almost Five Years Ago.” “The U.S. economy contracted in the first quarter of 2014, the latest stumble for a recovery that has struggled to find its footing since the recession ended almost five years ago.” (Ben Leubsdorf and Sarah Portlock, “GDP Contracted At 1% Pace In First Quarter,” [The Wall Street Journal](#), 5/29/14)

The Federal Reserve Has Declared “A New Normal” Of Stubborn Unemployment

The Federal Reserve Bank In San Francisco Now Recommends That 6 Percent Unemployment Should Be Considered The New Normal, Not 5 Percent Like Before The Recession. “In February 2011, economists at the San Francisco Federal Reserve Bank suggested that around 6 percent might be a more appropriate unemployment rate as the ‘new normal.’ But some analysts suggested even that target may be unrealistically low.” (Tom Raum, “Where Have All The Missing American Workers Gone?,” [The Associated Press](#), 6/9/14)

At 62.8 Percent, The Labor Force Participation Rate Is At A Level Not Seen Since March 1978. ([Bureau Of Labor Statistics](#), Accessed 6/6/14)

Six Million People Could Be Working Or Looking For Work That Aren’t, Meaning “A Weaker

Economy, Lower Tax Revenue And Greater Government Expenses For Public Assistance. “Even after accounting for Baby Boomers retiring and more people going to college, this translates to 6 million people who could be working or looking for work. These millions mean a weaker economy, lower tax revenue and greater government expenses for public assistance, health care and retirement.” (The Editorial Board, “Shrinking Workforce Shadows Good Jobs News: Our View,” [USA Today](#), 6/8/14)

In The Obama Economy, Unemployment Has Remained Disproportionately High Among Younger Workers. “And while economists note high levels of unemployment among older working-age people, joblessness is disproportionately high among younger workers as well.” (Tom Raum, “Where Have All The Missing American Workers Gone?,” [The Associated Press](#), 6/9/14)

- **In May, The Unemployment Rate For Young Adults Actually Increase In May From 9 Percent To 9.2 Percent.** ([Bureau Of Labor Statistics](#), Accessed 6/6/14)
- **According To Generation Opportunity, A Youth Advocacy Organization, More Than Four Out Of Five Recent College Graduates Don't Have Jobs.** “Generation Opportunity, a U.S. nonpartisan youth advocacy organization which keeps close track of job levels for younger adults, reported even higher effective unemployment rates for those under 30. ‘School is out for summer, and more than four out of five recent grads don't have jobs. My generation deserves better than an economy in which a 15.4 percent effective unemployment rate for 18-29 year olds is considered a good month,’ said Patrice Lee, director of outreach for the organization.” (Tom Raum, “Where Have All The Missing American Workers Gone?,” [The Associated Press](#), 6/9/14)

“Almost Half Of Unemployed Men And Women Have Abandoned The Hunt For New Work...” “Almost half of unemployed men and women have abandoned the hunt for new work, according to a survey released Wednesday.” (Brenda Cronin, “For Those Out Of Work, Scant Optimism In Finding The Next Job, Poll Finds,” [The Wall Street Journal](#), 5/21/14)

Rutgers University's Carl Van Horn: “The Most Significant Factor” Behind The Labor Participation Rate Remaining Low Is Due To Unemployed Workers “Who Just Drop Out Of The Job Market” After A Few Years Of Looking. “But perhaps the most significant factor is unemployed workers ‘who just drop out of the job market after one, two or three years of looking for work and not being successful,’ said Carl Van Horn, a professor of public policy at Rutgers University who studies workplace dynamics and employment trends.” (Tom Raum, “Where Have All The Missing American Workers Gone?,” [The Associated Press](#), 6/9/14)

Incomes And Wages For Americans Fortunate Enough To Have A Job Remain Depressed

Median Household Income Has Actually Declined By 4.26 Percent Since Obama Became President. “But income growth has been very uneven, said Heather Boushey, an economist at the Center for American Progress, a research institution closely allied with the president. Income for households in the exact middle of the income distribution declined 4.26 percent from 2009 to 2012, the last year for which data is available. For white households, mean income declined by 2.2 percent. For black homes, the decline was 4.5 percent; for Hispanics, 4.2 percent.” (Jonathan Weisman, “Economic Recovery Yields Few Benefits For The Voters Democrats Rely On,” [The New York Times](#), 5/19/14)

Obama's Recovery Has Been Anemic In Everything From Employment To Wage Growth, Except For Those Who Are Already Affluent. “The politics of the economy mirror the economic statistics. In employment prospects, job security and wage growth for all but the most affluent, the recovery remains anemic at best, a difficult selling point for the party that has held both the White House and the Senate for more than five years.” (Jonathan Weisman, “Economic Recovery Yields Few Benefits For The Voters Democrats Rely On,” [The New York Times](#), 5/19/14)

- **In March, Federal Reserve Chairwoman Janet Yellen Said A Wage Inflation Of “3 And 4 Percent” Would Be “Normal.”** YELLEN: “In fact, with the productivity growth we have and 2 percent inflation, one would probably expect to see, on an ongoing basis, something between—perhaps 3 and 4 percent wage inflation would be normal. Wage inflation has been running at 2 percent.” (Federal Reserve Chairwomen Janet Yellen, [Press Conference](#), 3/19/14)

Obama’s Weak Economy Has Played “Big Role In This Shift Away From Work Income” As Wages Have Remained Flat. “But then, a weak economy has also played a big role in this shift away from work income. Unemployment is still elevated, and an oversupply of labor for the available jobs has helped wages remain flat. The downturn also increased people’s reliance on unemployment insurance (included in ‘supplements to wages and salaries’) and transfers like food stamps.” (Danielle Kurtzleben, “Income From Work Is Shrinking. Here’s Where Americans Are Getting More Of Their Income Now,” [Vox](#), 6/3/14)

In Obama’s Economy The Fastest Growing Jobs Are Also Among The Lowest Paying, Particularly Temp And Part-Time Jobs. “The fastest growing jobs, including a surge in temp and part-time jobs, are also among the lowest paying.” (Neil King Jr., “Amid Upbeat Economic News, Many Reasons For Pause,” [The Wall Street Journal’s Washington Wire Blog](#), 6/12/14)

While Low-Wage Jobs Are Growing, High Wage Jobs In Manufacturing And Construction Are Below Where They Were When Obama Became President. “At the same time, jobs in manufacturing, construction and government—all among the better paying of sectors—are off by 3.6 million from their levels at the start of 2009.” (Neil King Jr., “Amid Upbeat Economic News, Many Reasons For Pause,” [The Wall Street Journal’s Washington Wire Blog](#), 6/12/14)

- **Since Obama Took Office, The Nation Has Lost 563,000 Construction Jobs.** ([Bureau Of Labor Statistics](#), Accessed 6/6/14)
- **Since Obama Took Office, The Nation Has Lost 461,000 Manufacturing Jobs.** ([Bureau Of Labor Statistics](#), Accessed 6/6/14)

“Fast Growth Of Low-Wage Jobs May Not Exactly Be Luring People Back Onto Payrolls.” “This really points to one troubling dilemma at the heart of the labor market’s recovery: payouts do to some degree disincentivize work, which is one common argument against expanding policies like unemployment insurance. But if that’s true, the fast growth of low-wage jobs may not exactly be luring people back onto payrolls.” (Danielle Kurtzleben, “Income From Work Is Shrinking. Here’s Where Americans Are Getting More Of Their Income Now,” [Vox](#), 6/3/14)

The Housing Market Remains Weak Years After The “Recovery Summer” Was Supposed To Jump Start The Economy

The Washington Post’s Wonkblog Headline: “Freddie Mac: Many Of The Nation’s Housing Markets Are Stalling.” (Dina Elboghday, “Freddie Mac: Many Of The nation’s Housing Markets Are Stalling,” [The Washington Post’s Wonkblog Blog](#), 5/28/14)

Weak And Sporadic Job Growth Has Prevented The Housing Market From Shifting “Into A Higher Gear,” According To Freddie Mac’s Chief Economist. NOTHAFT: “The housing recovery is struggling to shift into a higher gear, and obviously there are various imbalances holding this back from happening, but at the heart of the matter it comes down to jobs. Housing needs stronger, and just as important, sustained levels of job creation to get the housing engine firing on all cylinders.” (May 2014 U.S. Economic And Housing Market Outlook, [Freddie Mac](#), 5/19/14)

According To Freddie Mac, The Housing Market Is Only Stable In Ten States And Four Of The Fifty Metro Areas Considered. “Ten of the 50 states plus the District of Columbia are in their stable range with North Dakota, Wyoming, the District of Columbia, Alaska, and Louisiana ranking in the top five and

unchanged from last month. Four of the 50 metro areas are in their stable range, San Antonio, New Orleans, Austin and Houston.” (Multi-Indicator Market Index, [Freddie Mac](#), 5/28/14)

Young Adults May Be “Finding Their Way To Small Rental Apartments” Due To Weak Job Prospects, High Student Loan Debt, And Minimal Wage Gains. “If young adults are facing challenges saving up to buy a home because of weak job prospects, high student loan debt and minimal wage gains, they may be finding their way to smaller rental apartments and townhouses rather than bigger single-family homes.” (Neil Irwin, “Housing Is Recovering. Single-Family Homes Aren’t,” [The New York Times’ The Upshot Blog](#), 5/16/14)

AFTER YEARS OF WAITING FOR “RECOVERY SUMMER,” AMERICANS HAVE LOST FAST IN OBAMA’S ECONOMIC LEADERSHIP

57 Percent Of Americans Disapprove Of Obama’s Handling Of The Economy, With Only 38 Percent Approving. ([Bloomberg News National Poll](#), 1005 A, MoE 3.1%, 6/6-9/14)

Confidence In The U.S. Economy Is At -14 With A Majority Of Americans, 54 Percent, Believing The Economy Is Getting Worse. ([Gallup Poll](#), 3,046 A, MoE 3%, 6/2-8/14)