



# Obamanomics: Doing More With Less

*As Obama Prepares For Another Week Of Campaign-Style Events, He May Want To Examine The State Of The Middle Class Under His Watch*

## OBAMA'S ECONOMIC RECORD IS MARKED BY A PROLIFERATION OF PART-TIME WORK, DISCOURAGED WORKERS, AND LOW-WAGE JOBS

**The Civilian-Employment Population Ratio Is "Near The Lowest In 30 Years And Down From More Than 63 Percent Before The Recession."** "The civilian employment-population ratio, which measures how many working-age Americans actually have jobs, was flat at 58.7 percent, near the lowest in 30 years and down from more than 63 percent before the recession." (Mark Gongloff, "July Jobs Report Masks Real Problems In U.S. Labor Market," [The Huffington Post](#), 8/2/13)

- **While The July Unemployment Rate Dropped To 7.4 Percent, "Payroll Growth Was Anemic, Wages Dropped And More Discouraged Workers Headed For The Sidelines, Continuing The Slowest Job-Market Recovery Since World War II."** "The unemployment rate dipped to 7.4 percent in July, the lowest rate since December 2008, the Bureau of Labor Statistics reported on Friday, down from 7.6 percent in June. But payroll growth was anemic, wages dropped and more discouraged workers headed for the sidelines, continuing the slowest job-market recovery since World War II." (Mark Gongloff, "July Jobs Report Masks Real Problems In U.S. Labor Market," [The Huffington Post](#), 8/2/13)
- **Daniel Alpert, Managing Partner Of New York Investment Bank Westwood Capital, Says "We Have Become A Nation Of Hamburger Flippers, Wal-Mart Sales Associates, Barmaids, Checkout People And Other People Working At Very Low Wages."** "The majority of the jobs that have been created during the recovery have been low-paying jobs, worsening income inequality and keeping the economy sluggish. 'Really we have become a nation of hamburger flippers, Wal-Mart sales associates, barmaids, checkout people and other people working at very low wages,' Daniel Alpert, managing partner of New York investment bank Westwood Capital, told Yahoo Finance's Daily Ticker. That's why job growth is 'not increasing consumption or the ability to go out and buy stuff.'" (Mark Gongloff, "July Jobs Report Masks Real Problems In U.S. Labor Market," [The Huffington Post](#), 8/2/13)

**Low-Paying Sectors Have Accounted For 45 Percent Of The Nation's Payroll Additions So Far This Year.** "U.S. employers added a disappointing 162,000 jobs in July, but some economists are even more

concerned about the types of jobs the economy is generating. Job growth in recent months has skewed toward part-time work in low-wage industries, and that trend continued in July, Bureau of Labor Statistics figures show. Retailers led job gains with 47,000, and restaurants and bars added 38,000. All told, four low-paying sectors — retail, restaurants, temporary staffing firms and home health care — accounted for 60% of the jobs added in July, though they make up just 22% of total employment, according to an analysis by Wells Fargo. So far this year, the four sectors have accounted for 45% of the nation's 1.3 million payroll additions.” (Paul Davidson, “Many New Jobs Are Part Time And Low-Paying,” [USA Today](#), 8/4/13)

- **“One Possible Reason For The Recent Trend Is The New Health Care Law.”** “One possible reason for the recent trend is the new health care law. It requires businesses with at least 50 employees to provide health insurance to staffers who work at least 30 hours, prompting some employers to cut employees' hours or hire more part-timers instead of adding full-time positions.” (Paul Davidson, “Many New Jobs Are Part Time And Low-Paying,” [USA Today](#), 8/4/13)

**“The Number Of Americans Finding Part-Time Jobs Has Surged This Year, With More Than Three Times As Many Getting Only Part-Time Work As Opposed To Full-Time Jobs.”** “More people are landing jobs these days, but they are often part-time or temp work. The number of Americans finding part-time jobs has surged this year, with more than three times as many getting only part-time work as opposed to full-time jobs, according to Labor Department data. That's the opposite of what happened last year, when full-time hires far outstripped part-time ones.” (Tami Luhby, “Want A Job? Good Luck Finding Full-Time Work,” [CNN Money](#), 8/5/13)

- **30 Percent Of Part-Time Workers Would Rather Work A Full Schedule, In Comparison With The Two-Decade Average Of 21 Percent.** “The share of people employed part-time because they can't get full-time jobs surged during the Great Recession. After stabilizing in the past few years, it has started to rise again in recent months. Now, 30.1% of part-time workers would rather work a full schedule. That's less than the peak of 33.8% hit in April 2010, but still far more than the average rate of 21% for the two decades before the recession.” (Tami Luhby, “Want A Job? Good Luck Finding Full-Time Work,” [CNN Money](#), 8/5/13)

**“The Share Of The Population That Is Working Or Looking For Work Stands Near A Three-Decade Low.”** “Millions more have given up looking for work and no longer count as unemployed. The share of the population that is working or looking for work stands near a three-decade low.” (Ben Casselman, “Some Unemployed Keep Losing Ground,” [The Wall Street Journal](#), 6/24/13)

- **“Economic Growth Has Been Far Too Slow To Spur Much Job Growth.”** “But most economists say the main reason is simple: Economic growth has been far too slow to spur much job growth.” (Ben Casselman, “Some Unemployed Keep Losing Ground,” [The Wall Street Journal](#), 6/24/13)

## **OBAMA’S CONSISTENTLY UNDERPERFORMING ECONOMIC POLICIES THREATEN TO CREATE LASTING DAMAGE**

**The Epidemic Of Long-Term Unemployed Workers Threatens To “Create A Class Of Permanently Unemployed Workers And Leave Lasting Scars On The Economy.”** “But long-term job seekers are twice as likely to leave the labor market as to find jobs, and many experts worry that many of them will never return to work. That could create a class of permanently unemployed workers and leave lasting scars on the economy.” (Ben Casselman, “Some Unemployed Keep Losing Ground,” [The Wall Street Journal](#), 6/24/13)

**“Nearly Two-Thirds Of Jobs Lost During The Recession Paid Middle-Class Wages, According To The National Employment Law Project. Yet Only 22 Percent Of Jobs Created Under Obama Are**

**Mid-Wage Occupations.** “Nearly two-thirds of jobs lost during the recession paid middle-class wages, according to the National Employment Law Project. Yet only 22 percent of jobs created under Obama are mid-wage occupations. That disparity is what Obama had in mind when he declared in his Inaugural Address, ‘We know that America thrives when every person can find independence and pride in their work, when the wages of honest labor liberate families from the brink of hardship.’” (Ron Fournier, “Middle Class Falls, Wall Street Rises...And Washington Dithers,” [National Journal](#), 5/31/13)

**“When The Autopsy Is Written On The Death Of The Middle Class, The Current Lousy Economic Recovery Will Be A Major Contributing Factor.”** “When the autopsy is written on the death of the middle class, the current lousy economic recovery will be a major contributing factor, according to a new report. The job market's recovery from the Great Recession has been the slowest since World War II, and middle-income jobs lost during the recession are being replaced by low-wage McJobs.” (Mark Gongloff, “The Death Of The Middle Class Is Being Sped Up By The Anemic Recovery: Study,” [The Huffington Post](#), 6/5/13)

**“The Country's Tepid Growth In Its Gross Domestic Product Isn't Creating Enough Good Jobs To Build A Strong Middle Class.”** “The country's tepid growth in its gross domestic product isn't creating enough good jobs to build a strong middle class, according to a UCLA report released Wednesday. ‘Growth in GDP has been positive, but not exceptional,’ UCLA economists wrote in their quarterly Anderson Forecast. ‘Jobs are growing, but not rapidly enough to create good jobs for all.’ The report, which analyzed long-term trends of past recoveries, found that the long-anticipated ‘Great Recovery’ has not yet materialized.” (Ricardo Lopez, “UCLAS Anderson Forecast Paints Dismal Picture Of Economic Recovery,” [Los Angeles Times](#), 6/5/13)

**A Recent Study By The Boston Federal Reserve Concluded That The Decline In Labor Force Participation Is Mostly Due To Prime-Age Workers Dropping Out Of The Work Force, Rather Than Elderly Retirement.** “These regression results provide stark evidence that cyclical factors have been crucial in explaining the recent decline in prime-age LFPR. The coefficient on the lagged change in prime-age unemployment is highly significant (t-statistic of -3.9); that is, the state-level data exhibit a strong negative correlation between changes in LFPR and lagged changes in unemployment for prime-age adults. In contrast, the regression intercept is not statistically significant from zero (t-statistic of -0.97), indicating that the data provides no support whatsoever for structural interpretations of the drop in prime-age LFPR. In effect, the state-level data indicates that the aggregate decline in prime-age LFPR since 2007 can be fully explained by the persistent shortfall in labor demand...” (Christopher J. Erceg and Andrew T. Levin, “Labor Force Participation And Monetary Policy In The Wake Of The Great Recession,” [Boston Federal Reserve](#), 4/9/13)

**“What Is New, Surprising, Alarming And Often Overlooked In The Labor Force Today Is The Exodus Of Workers In Their Prime — And All The Growth Opportunities They’ve Taken With Them.”** “This is exactly why it was wrong in the first place to point to demographic change as the more important component of the decline in labor force participation today. It has never been a question that America’s demographics would shift as the baby boomers began to retire; we’ve seen it coming for decades. What is new, surprising, alarming and often overlooked in the labor force today is the exodus of workers in their prime — and all the growth opportunities they’ve taken with them.” (Jim Tankersley, “WonkFeud Part 2: The Labor Force Participation Debate Gets Real,” [The Washington Post's WonkBlog](#), 4/30/13)

## **WITH AN ECONOMIC STRATEGY BASED ON EMPTY RHETORIC, IT'S NO WONDER AMERICANS DISAPPROVE OF OBAMA'S HANDLING OF THE ECONOMY**

**Gallup Poll: Obama's Approval Rating On Economic Issues Has Dropped Seven Points To A Mere 35 Percent.** “Despite President Barack Obama's renewed focus on the nation's economy this summer, crisscrossing the country to talk about job creation, he scores worse with Americans on the economy

than he did in June. His approval rating on the issue, now 35%, is down seven percentage points, and his ratings on taxes and the federal budget deficit are each down five points. During the same period, his overall approval rating is down three points.” (Lydia Saad, “Obama’s Economic Approval Slips To 35%,” [Gallup](#), 8/15/13)

**Fox News Poll: 71 Percent Of Voters Think Obama’s Economic Pitch Is “Full Of The Same Things He’s Been Talking About For The Last Few Years.”** “The new poll finds 71 percent of voters say Obama’s recent economic speeches are full of the same things he’s been talking about for the last few years. That’s three and a half times the number who think he’s putting forward new ideas to boost the economy (20 percent).” (Dana Blanton, “Fox News Poll: 71 Percent Say Obama’s Offering Nothing New On Economy,” [Fox News](#), 8/7/13)

**Marist-McClatchy Poll: Just 37 Percent Of Americans Approve Of Obama’s Handling Of the Economy, While 56 Percent Disapprove.** “The disappointing results come as the White House this week looks to turn the national conversation back to the economy. Obama will deliver the first of a series of speeches Wednesday aimed at offering his vision for boosting economic growth, even as the new poll found that just 37 percent of the respondents approved of his handling of the economy, while 56 percent disapproved.” (David Lightman, “Poll: Obama’s Job Approval Plunges; Congress, Especially GOP, Still Unpopular,” [McClatchy](#), 7/22/13)

**54 Percent Of Americans Say The Country Is Still In A Recession And 60 Percent Say The Country Is Headed In The Wrong Direction.** “And though the nation has technically been in an economic recovery for four years, most Americans aren’t feeling it. Fifty-four percent said they thought the U.S. remains in a recession, and 60 percent saw the country going in the wrong direction.” (David Lightman, “Poll: Obama’s Job Approval Plunges; Congress, Especially GOP, Still Unpopular,” [McClatchy](#), 7/22/13)

- **69 Percent Of Americans Expect Their Finances To Either Stay The Same Or Get Worse Over The Next Year.** “Twenty-nine percent said they expected their personal family finances to get better in the coming year, while 19 percent thought they’d worsen. Just over half saw their fortunes staying about the same. While the numbers reflect some improvement, they continue to reflect uneasiness. ‘In their day-to-day lives, people are struggling to make ends meet,’ Miringoff said.” (David Lightman, “Poll: Obama’s Job Approval Plunges; Congress, Especially GOP, Still Unpopular,” [McClatchy](#), 7/22/13)