

VOICE OF THE LEFT

Glenn Swift

May, 2006

The Truth about the Bush Economic Recovery

President Bush continues to extol the virtues of the “robust” U.S. economy. But is the economy really that healthy? A quick glance at reality reveals a very different story.

At the top of the President’s so-called economic achievements are the 2 millions jobs created during the nearly five and a half years of his Administration. While this number sounds somewhat impressive, this actually represents a gain of just 1.5%. In fact, this modest rate of job growth is less than half of our country’s historical job growth rate during periods of economic recovery. Even more disturbing, nearly half of the newly-created jobs have not come from the private sector. Yes, that’s right. From the crowd that loves to tell you about the evils of Big Government, 900,000 of the two million new jobs have come from our massively bloated government sector – now at its largest size since World War II.

Moreover, the jobs being created are not quality jobs. (Trust me, you can completely ignore the so-called “Unemployment Rate” that the Administration loves to tout, but I’ll save that for another column.) Thanks to outsourcing and millions of illegal immigrants continuing to pour across our borders, real wages are declining. Sadly, at a time when CEO pay continues to rise to ever-increasingly obscene levels, real weekly and hourly wages continue to decline in the United States. This decline began in 2001 and has continued throughout every year of the Bush Administration. Never before in American history have real wages fallen for five consecutive years. Now be honest...When was the last time you heard that on Fox News?

The decline in real wages has contributed to yet another first in American history – a negative savings rate. That’s right – Americans are no longer saving. If you don’t believe it, ask a stock broker next time you see one.

Then there’s the deficit.

Former Secretary of the Treasury, Paul O’Neil, is on the record as saying that shortly before being sacked that both President Bush and Vice President Cheney made it clear to him that “deficits don’t matter.” (As if we hadn’t noticed.) This bizarre form of economic logic is in stark contrast to what the Republicans said in 1994. Just in case you’ve forgotten, they threatened to shut down the government because spending was “out of control.” Well, take it from me...it’s out of control now.

The latest General Accounting Office (GAO) projection estimates that by the end of the Bush Administration’s eight years of fiscal recklessness that our federal debt will have increased by a staggering 1.9 trillion dollars! And just in case you’re on a game show and

asked how many spending bills the current President has vetoed, here's the answer – ZERO.

Even those completely unfamiliar with Keynesian economics should be able to see what the Bush Administration is really doing. To achieve a short-term bounce in the economy, the president has sacrificed the prosperity of future generations by burying our children and grandchildren under a mountain of debt.

Well, I've gotta go and gas up my car...