



Written by [Selwyn Duke](#) on December 30, 2014

“Everything is Awesome” in America? So Says Liberal Writer

“Everything Is Awesome!” is the title of a  recent Politico [piece](#) on the American economy by liberal Michael Grunwald. And although it’s not [followed by](#) LEGO song lyric “Everything is awesome when we’re living our dream,” some would say he certainly is dreaming.

Much like the children’s [movie](#) Grunwald seems to be quoting, the author opens his piece with what many would say is pure fiction, writing, “Good news! The U.S. economy grew at a rollicking 5 percent rate in the third quarter.” Yes, that’s what the Commerce Department’s Bureau of Economic Analysis now tells us; what it’s not telling us is that the rate is the result of creative accounting. In fact, it’s a cooked figure that was predicted by Zero Hedge’s Tyler Durden six months ago.

After writing an April [piece](#) titled “If It Wasn’t For Obamacare, Q1 GDP Would Be Negative,” Durden reported in June that after the final Q1 GDP revision, the GDP was negative. Why? Because instead of showing an ObamaCare contribution to the economy of more than \$40 billion — as the government figures initially had — it showed (poof!) an ObamaCare loss of \$6.4 billion. Durden [explained](#) the significance of this at the time:

[T]he brilliant propaganda minds at the Dept of Commerce figured out something banks also realized with the stub “kitchen sink” quarter in November 2008. Namely, since Q1 is a total loss in GDP terms, let’s just remove Obamacare spending as a contributor to Q1 GDP and just shove it in Q2.

Stated otherwise, some \$40 billion in PCE [Personal Consumption Expenditures] that was supposed to boost Q1 GDP will now be added to Q2-Q4.

And now, we all await as the US department of truth says, with a straight face, *that in Q2 the US GDP “grew” by over 5%* (no really: you’ll see).

Fast forward to today, and we have seen. As Durden [wrote](#) on the 23rd, “Well, we were wrong: it wasn’t Q2. *It was Q3, albeit precisely in the Q2-Q4 interval we expected.*” Just as the ObamaCare contributions magically disappeared during Q1’s final revision, they reappeared during Q3’s. Durden then provides a chart illustrating the point.



Durden then writes, “In short, two-thirds of the ‘boost’ to final Q3 personal consumption came from, drumroll, the same Obamacare which initially was supposed to boost Q1 GDP until the ‘polar vortex’ crashed the number so badly, the BEA decided to pull it completely and leave this ‘growth dry powder’ for another quarter. That quarter was Q3.”

So what was Q3’s actual growth rate? As *American Thinker* [reported](#):



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If the third quarter of 2014 is compared with the third quarter of 2013, the growth rate was 2.7%, not 5.0%, as shown in the graph below.



While using the language of bipartisanship in his piece but tacitly crediting Barack Obama's stewardship for our "awesomeness," Grunwald also writes, "Mitt Romney promised to bring unemployment down to 6 percent in his first term; it's already down to 5.8." What he doesn't point out is that more than 92 million Americans are [classified](#) as "no longer in the labor force — a record — and consequently are not factored into the unemployment figures. As the Heritage Foundation [wrote](#) in September:

The American economy is experiencing the slowest recovery in 70 years. In addition to persistently high unemployment, labor force participation has fallen sharply since the recession began in December 2007. Today, 6.9 million fewer Americans are working or looking for work. This drop accounts for virtually the entire reduction of the unemployment rate since 2009 because those not looking for work do not count as unemployed.

And while Grunwald touts the 320,000 jobs created in November, the Bureau of Labor Statistics [reports](#) that this had no effect on the (deceptive) unemployment rate of 5.8 or the (also deceptive) number of unemployed persons, 9.1 million.

Grunwald also notes, "Newt Gingrich promised \$2.50 gas; it's down to \$2.38." I most recently filled up for 2.18, but these lower prices have nothing to do with government policy. As Fox News [explains](#):

Oil prices are falling because of changes in world supply and world demand. Demand has slowed because Europe is an economic wreck. But since 2008 the U.S. has increased our domestic supply by a gigantic 50 percent. This is a result of the astounding shale oil and gas revolution made possible by made-in-America technologies like hydraulic fracturing and horizontal drilling. Already thanks to these inventions, the US has become the number one producer of natural gas. But oil production in states like Oklahoma, Texas and North Dakota has doubled in just six years.

In point of fact, this energy boom has occurred despite Obama administration policies, not because of them. The president has cut the number of new permits for offshore oil and gas drilling on federal land by more than half and has reduced the number of new onshore permits as well; this is why "96% of the increased production in oil over the last five years came from ... private and state lands," [wrote Forbes](#) last year. Also note that the man whom Obama would appoint energy secretary in 2009, physicist Steven Chu, had [said](#) in 2008, "Somehow we have to figure out how to boost the price of gasoline to the levels in Europe."

Something the Obama administration had successfully participated in boosting, at least temporarily, is the budget deficit, which Grunwald writes "has dwindled from about \$1.2 trillion in 2009 to less than \$500 billion in 2014." But to understand how awesome this really is, a bit of perspective is needed.

Our projected 2014 deficit, \$492 billion, still qualifies as the fifth largest in United States history. Moreover, there's something known as "deviation toward the mean": It's fairly easy reducing the deficit when your starting point is a record \$1.413 billion (2009's actual deficit). In addition, four of the five biggest deficits occurred under Obama's watch, with the national debt [increasing](#) from \$10.6 trillion in 2009 to a staggering \$18 trillion today — a 70 percent increase.

Yet even this is deceptive. It is Congress that controls the purse strings; the president cannot spend one



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dime without that body's approval. And as CNS News [tells us](#), "[N]o Congress in which the Democrats controlled both the House and Senate has balanced the federal budget since fiscal 1969 — more than 40 years ago." For example, when the federal budget was balanced during fiscal years 1998, 1999, 2000, and 2001, Republicans controlled Congress.

Some of the trends Grunwald mentions actually are moving in a positive direction, such as when he writes "Police are killing fewer civilians, and fewer police are getting killed." And he does admit in his third-to-last sentence, "There's still plenty to worry about." But we may have to look beyond his piece for relevant examples. So [here are a few](#), once again from Tyler Durden:

- The price of ground beef just hit a brand new record high of \$4.20 a pound.
- [N]early 20 percent of all American families are on food stamps.
- An astounding 31.1 percent of all U.S. young adults in the 18 to 34-year-old age bracket are currently living with their parents.
- The new EPA regulations issued while Barack Obama has been president are 43 times as long as the entire Bible.
- 52 percent of all Americans cannot even afford the house that they are currently living in right now.
- [A]bout 70 percent of all government spending goes toward dependence-creating programs.
- An astounding 49 million Americans are considered to be facing food insecurity at this point
- Student loan debt has hit a grand total of 1.2 trillion dollars [in the United States](#). That number has grown [by about 84 percent](#) just since 2008.

But, hey, "Everything Is Awesome!" — at least in the land of LEGOS and leftist literati.



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