# New American

Written by **<u>Ralph R. Reiland</u>** on July 30, 2014



### **Obama's Part-time Nation**

Vice President Joe Biden recently declared that America's jobs picture is outstanding historically exceptional, on the plus side.

"Businesses are hiring at historic rates," Biden stated, "with 52 consecutive months of net private sector job growth."

President Obama reiterated the same point in a recent speech in Delaware. "Our businesses have now added nearly 10 million new jobs over the past 52 months," he declared.



"By almost every economic measure," Obama continued, "we're doing a whole lot better now than we were when I came into office."

These upbeat assessments about jobs and the performance of the U.S. economy, regrettably, aren't backed up by the facts or shared by the American public.

A recent Gallup survey, for instance, shows 56 percent of Americans saying the economy is getting worse while 39 percent said the economy is improving.

In his July 13 article, "Full-Time Scandal of Part-Time America," *U.S. News & World Report* editor in chief Mortimer Zuckerman provided a more realistic portrayal than Biden and Obama of the actual state of the U.S. economy.

"There has been a distinctive odor of hype lately about the national jobs report for June," asserted Zuckerman, regarding the official economic reports for June 2014.

Here, for instance, was the optimistic reporting from the *Wall Street Journal*: "U.S. employers added jobs at a robust clip in June and the unemployment rate fell, signs of labor-market strength as the economic recovery heads into its sixth year. Nonfarm employment advanced at a seasonally adjusted 288,000 last month."

Zuckerman added a note of caution: "Most people will have the impression that the 288,000 jobs created last month were full-time" because much of the reporting "didn't distinguish between new part-time jobs and full-time jobs."

In fact, the number of full-time jobs in June dropped by 523,000, reported the Bureau of Labor Statistics, while part-time jobs increased by 799,000.

Placing the news about the 523,000 decline in full-time employment in June in a non-headline position, the "288,000 jobs created" headlines produced a false picture of a strong and continuing economic recovery.

In contrast, news reports headlining "523,000 full-time jobs lost in June" would have been more accurate and less rose-tinted.

"Only 47.7 percent of adults in the U.S. are working full time," explained Zuckerman. "Yes, the percentage of unemployed has fallen," but that "reflects the bleak fact that 2.4 million Americans have

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become discouraged and dropped out of the labor force. You might as well say that the unemployment rate would be zero if everyone quit looking for work."

Additionally, involuntary part-timers in June (those working part time but desiring full time employment), increased to 7.5 million, up from 4.4 million in 2007.

What directly produced this dismal performance in full-time employment on the macro level is the economy's overall slow growth. On the micro level, adding to the cause of the economy's poor performance are the clear disincentives for employers under the ObamaCare mandates to hire or keep full-time employees.

"Many employers cut workers' hours to avoid the Affordable Care Act's mandate to provide health insurance to anyone working 30 hours a week or more," explained Zuckerman. "In many cases, two people are working the same number of hours that one had previously worked."

Overall, the U.S. population has grown by 17.2 million since mid-2007 while the U.S. economy has 374,000 fewer jobs than in November 2007.

Additionally, "the number of long-term unemployed remains at historically high levels," reported Zuckerman, while "the proportion of Americans in the labor force, 62.8 percent, is at a 36-year low."

So Joe Biden was right, accidentally. With the lowest percentage of the U.S. population in the labor force in nearly four decades, with long-term unemployment at historically high levels and the number of full-time jobs dropping in the latest jobs report, and with the American economy currently in the weakest recovery from a recession since World War II, it is true, as Biden stated, that "businesses are hiring at historic rates" — historically low.

The bottom line is that the Obama administration's counterproductive policies of increased taxation and expanded mandates on businesses have deterred new investment, reduced economic growth, lowered job creation, and essentially put the American dream on hold for millions of Americans.

Unfortunately, for those out of work or otherwise sidelined, none of the aforementioned problems in the American economy will be lessened or fixed by President Obama's incessant fundraising and pep rallies or by Vice President Biden's duplicitous speechifying.

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