



Written by [Ralph R. Reiland](#) on October 13, 2014

What Obama Didn't Say About the Economy

In his speech the day before the federal government reported U.S. job growth was 248,000 in September, President Obama painted a picture that made the current state of the American economy look like the grand fireworks finale on the 4th of July — everything simultaneously and beautifully exploding to more dazzling and far-reaching levels.

“Unemployment down, jobs up,” Mr. Obama asserted. “Manufacturing growing. Deficits cut by more than half. High School graduation up. College enrollment up. Energy production up.”

Obamanomics, allegedly batting a thousand — everything that should be up was up and everything that should be down was down.

“By every economic measure, we are better off now than we were when I took office,” declared Mr. Obama.

Well, not exactly “every economic measure.” Some things went up during President Obama’s White House years that weren’t included on his checklist of successes.

“A key indicator of economic hardship — enrollment in the Supplemental Nutritional Assistance Program (SNAP), commonly known as food stamps — is higher in every state than it was five years ago,” reported Tim Henderson in his column in August in *USA Today*, “Food stamp use shows continued ‘underemployment’ pain.”

Economists say “the official unemployment rate underestimates economic pain,” explained Henderson, “since it doesn’t include people who have stopped looking for work or who are barely getting by with part-time or low-paying jobs.”

More specifically, the official unemployment rate is currently 5.9 percent, but include as unemployed those are who are jobless but have stopped looking for employment and those who are working part-time but are seeking full-time work and the unemployment rate more than doubles to 12.6 percent.

The average number of food stamp beneficiaries per month increased from 33.5 million in 2009 to 46.5 million in 2014, reports the Department of Agriculture, a measure, as Henderson describes, of the expanding pain due to persistent and rising underemployment.

What was also missing from President Obama’s list of economic successes is the labor sector’s participation rate. In September, the number of people in the U.S. labor force dropped by 97,000, lowering the labor participation rate (the share of the non-institutionalized population 16 years and older working or seeking work) to 62.7 percent, the lowest level since 1978, a 36 year low.

When President Obama took office in January 2009, the labor participation rate was 65.7 percent.

Also missing, notably, from Mr. Obama’s list of economic advances was any mention of the level and





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direction of household incomes.

“The purchasing power of the typical American family is 3.1 percent lower now than it was five years ago,” reports Neil Irwin, a senior economics correspondent at the *New York Times*, in his recent “Why the Middle Class Isn’t Buying Talk About Economic Good Times” column.

“No wonder people are unhappy about the economy!,” states Irwin. “The benefits of rising levels of economic activity have simply not accrued to middle-income wage earners.”

Irwin reports that Sentier Research used census data to tabulate the median household income — how much is earned by families at the exact middle of the nation’s income distribution. In June 2014, Sentier found the median household income was \$53,891, down from \$55,589 in inflation-adjusted dollars when the economic expansion began in June 2009.

“The researchers broke down the shift in median income by type of family,” reports Irwin. “And the steepest declines, with median income off 10.4 percent in the last five years, is in families with three or more children.” Not exactly a great night at the fireworks.

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