



Memo

To: Interested Parties

From: Simon Rosenberg and Chris Murphy

Date: Friday, October 23, 2015

Subject: On the economy, recent Democratic Presidents have outperformed Republican ones

Next Wednesday the Republicans will gather for their third debate. This one, hosted by CNBC, will focus on the economy.

To help prepare for this welcome event, NDN has updated our April [report](#) comparing the economic record of the last two Democratic and Republican Presidents. The report shows that the contrast between the performances of the two parties when occupying the White House is stark: Republican Presidencies have led to recessions and larger deficits; Democratic Presidencies have led to growth, job gains and lower annual deficits. In short, the Democratic approach to the economy over the past generation has worked. The Republican approach hasn't.

And this dramatic difference becomes even more pronounced when one considers the how shockingly wrong the GOP's bet the house predictions of the failure of both the 1993 Clinton budget and the "job-killing" ACA have been.

Some details:

Job Growth: Over the Clinton and Obama Presidencies, over 30m new net jobs were created. Over the two Bush Presidencies, 3.5m. On a yearly basis, perhaps a more fair comparison, the two Democrats have produced jobs at 7 times the rate of the two Bushes: 2.1m vs. 300,000 per year.

Unemployment Rate: Both Democratic Presidents saw more than a 3% point job in the unemployment rate during their terms. The Bushes saw *increases* in the unemployment rate by more than 2% and 3% points respectively.

Deficits: Both Democratic Presidents saw dramatic improvements in the annual deficit during their tenures, with Clinton during large structural deficits to annual surpluses and Obama cutting the annual deficit he inherited by two-thirds. Both Bushes saw *increases* in the annual deficit on their watches, with the second President Bush seeing a

more than ten-fold increase in the annual deficit during his Presidency, one of the greatest explosions of debt in US history.

Illustrative graphs follow.

In this update, we've added a new section on the health care and energy sectors vital to the well being of the American people and our economy. While not offering a direct comparison with recent Republicans, our analysis finds dramatic improvements in both these critical areas:

Healthcare: The uninsured rate has plummeted, while the growth of health care costs, a significant driver of the US budget deficit, has slowed. Slower cost growth and healthier Americans are good for the American economy, businesses and the nation as a whole.

Energy: The President's "all of the above" approach has a rousing success for the nation, increasing domestic production, lowering energy costs for American businesses, lessening our dependence on foreign sources of energy while giving the US a leg up on the new energy technologies of the future.

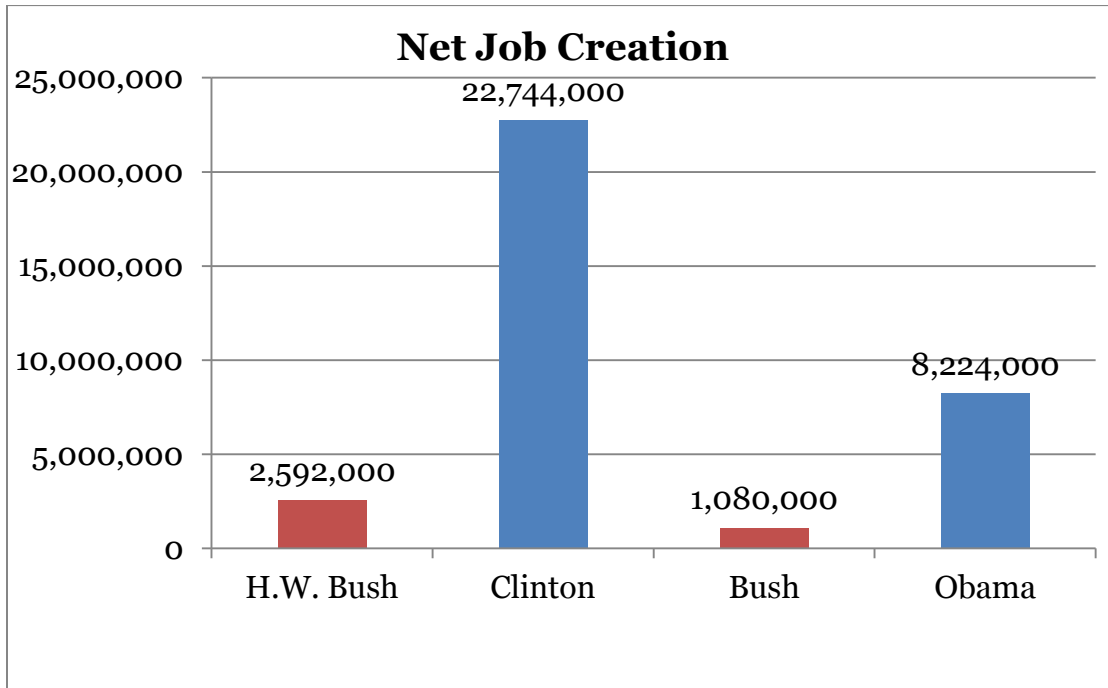
Taken together, what this data makes clear is that the last two Democratic Presidents have done a very good job as stewards of our economy in a more competitive, global era. The same cannot be said of the Republicans.

This is the third in a series of updated in Presidential Comparisons on the economy. If you have additional feedback, please email cmurphy@ndn.org with the subject line: Presidential Comparisons.

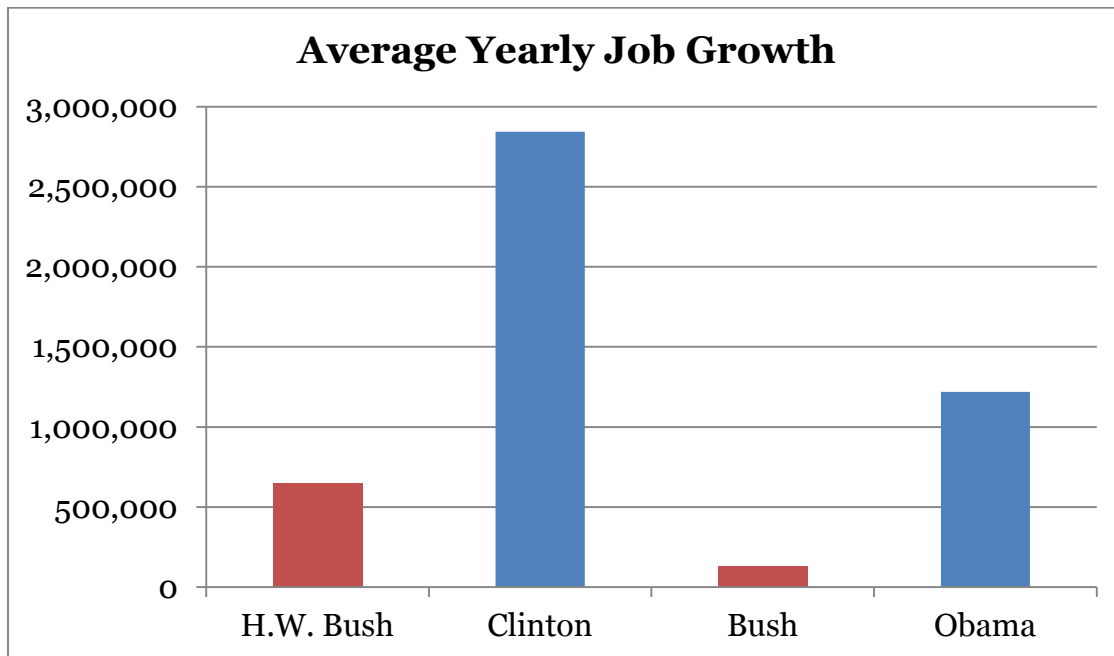
For charts & graphs below – (Blue = Democratic Presidency, Red = Republican Presidency)

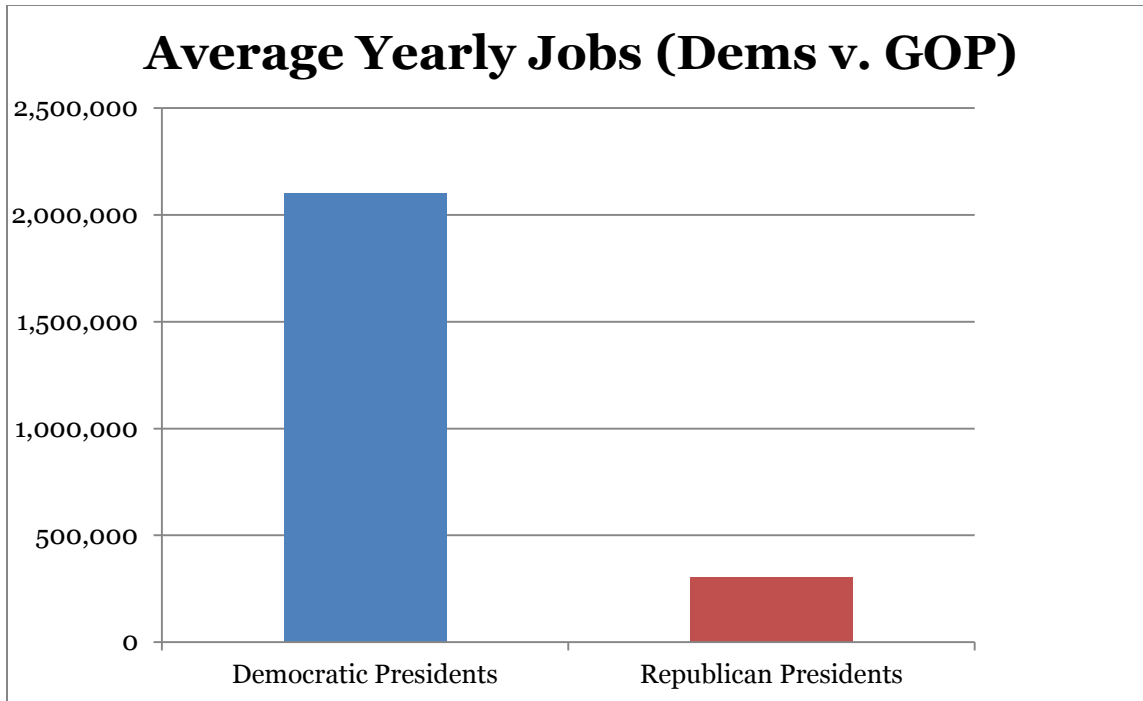
Presidential Comparisons on Job Growth and the Economy

Job Growth



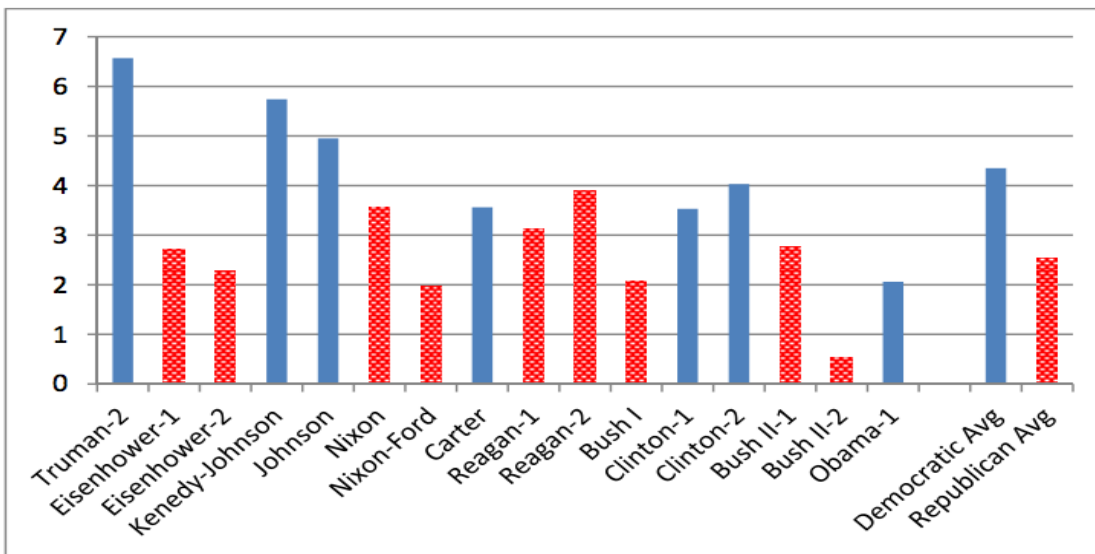
Note: H.W. Bush did not serve than one full-term.





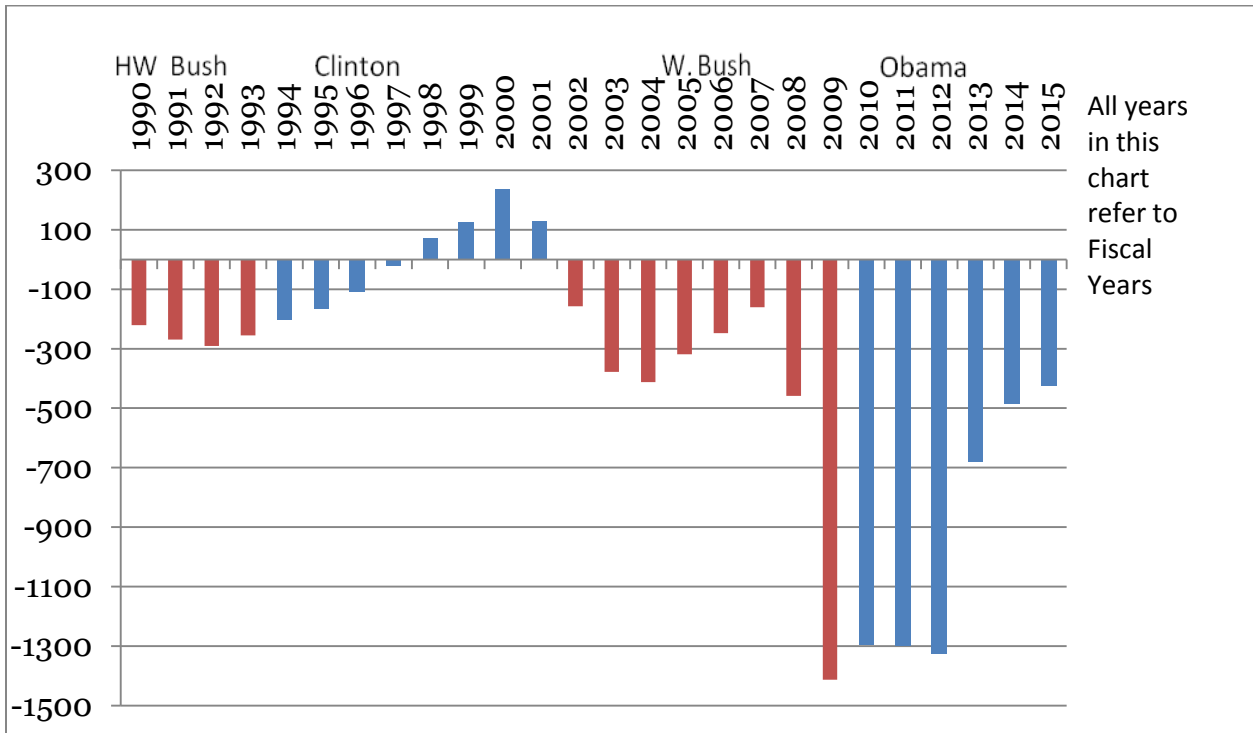
GDP

A. Average annualized GDP growth, by term

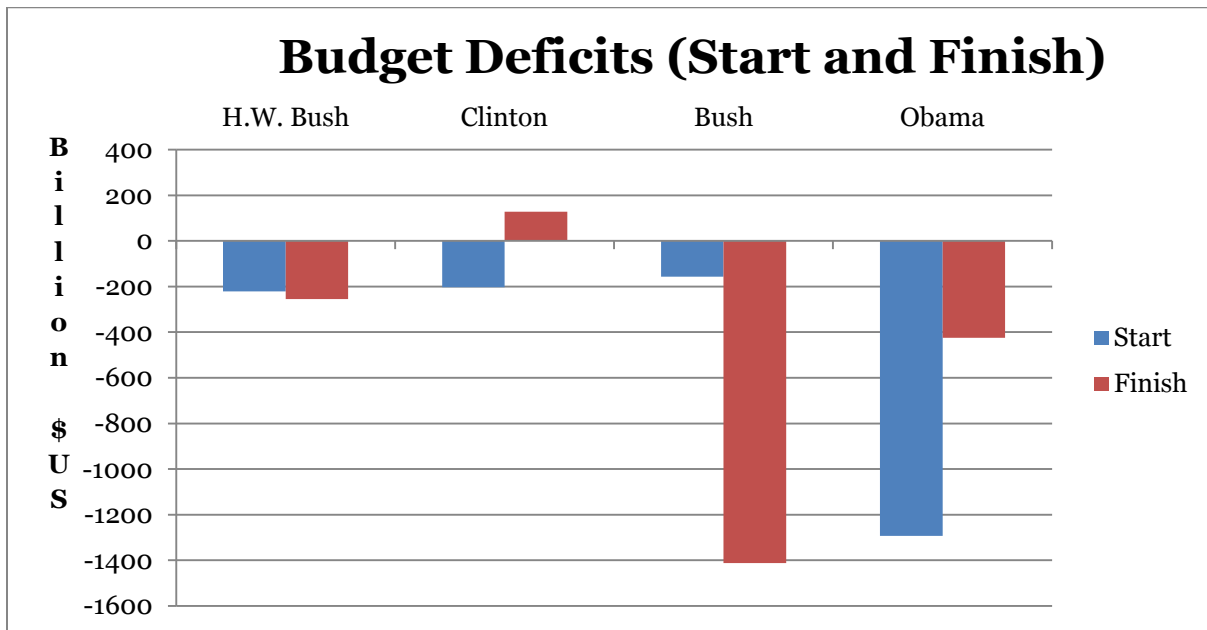


Source: [Princeton Study](#), July 2014.

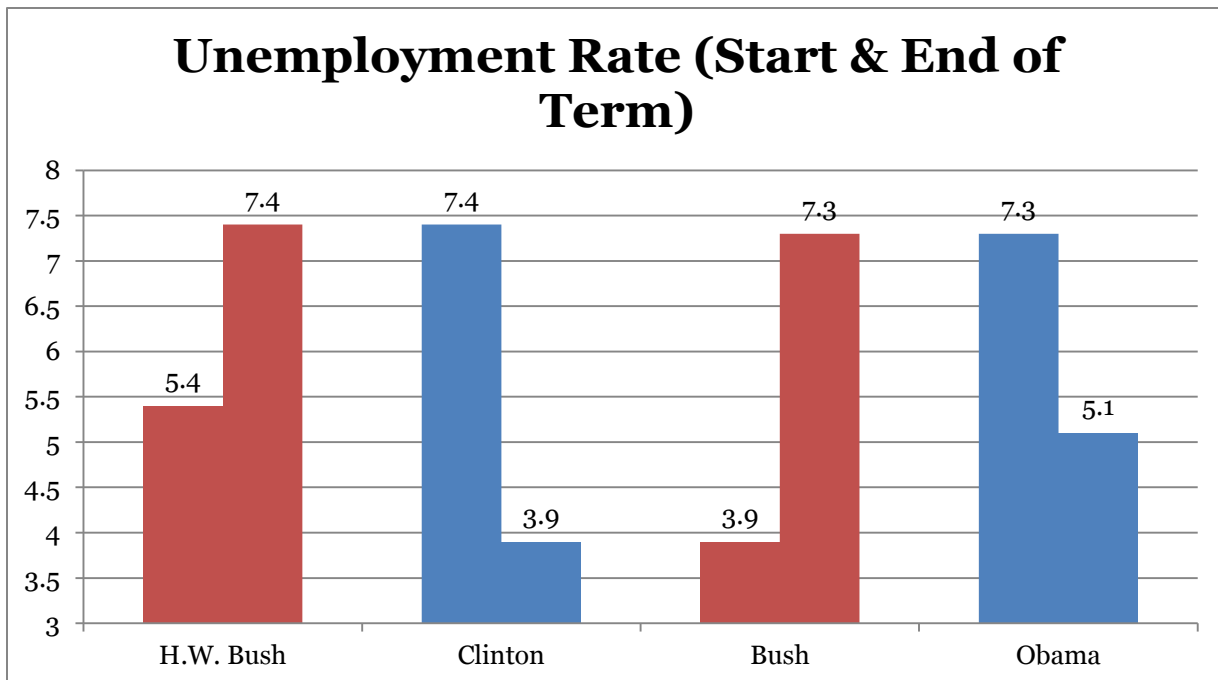
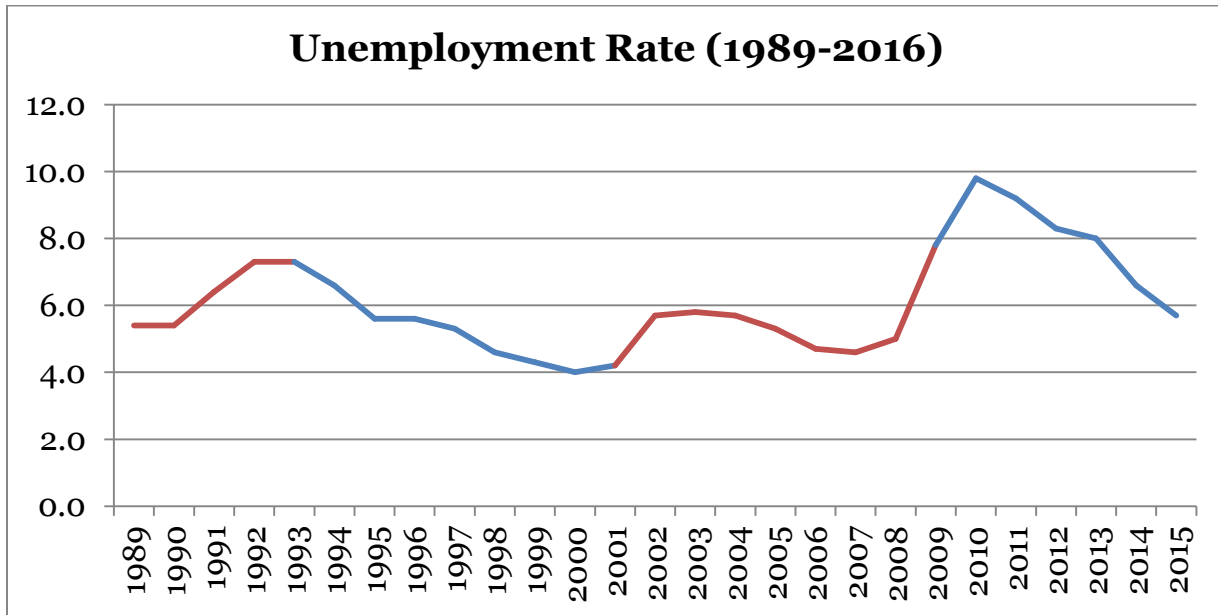
Annual Deficit



Blue = Fiscal Years Lag by 1 (i.e. year 2009 is actually Bush II's final budget)



Unemployment Rate



Health Care and Energy

Healthcare

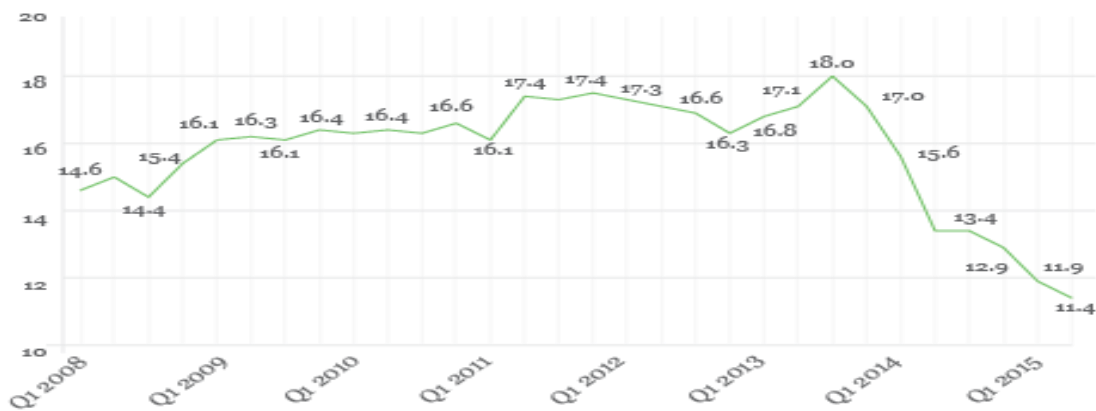
We have seen profound changes in the healthcare market following the passage of the Affordable Care Act (ACA). The number of uninsured has [fallen](#) by about 15.8 million since the ACA was implemented and the open-enrollment process began. And contrary to GOP predictions, the economy has grown and the unemployment rate has fallen during the early years of the ACA. Of course the failure for either the ACA or the economy to perform as the GOP predicted is reminiscent of their full throated claims that the 1993 Clinton budget would destroy the economy. Again, the opposite of what the Republican Party predicted took place – the US economy boomed, we went from deficits to surpluses and the unemployment rate plummeted.

As our recent analysis argued, the failure of the economy to perform as they predicted in 1993 and in the Obama years should be seen as significant of a black mark on GOP economic theory as the recessions brought by their last two Presidencies.

Percentage Uninsured in the U.S., by Quarter

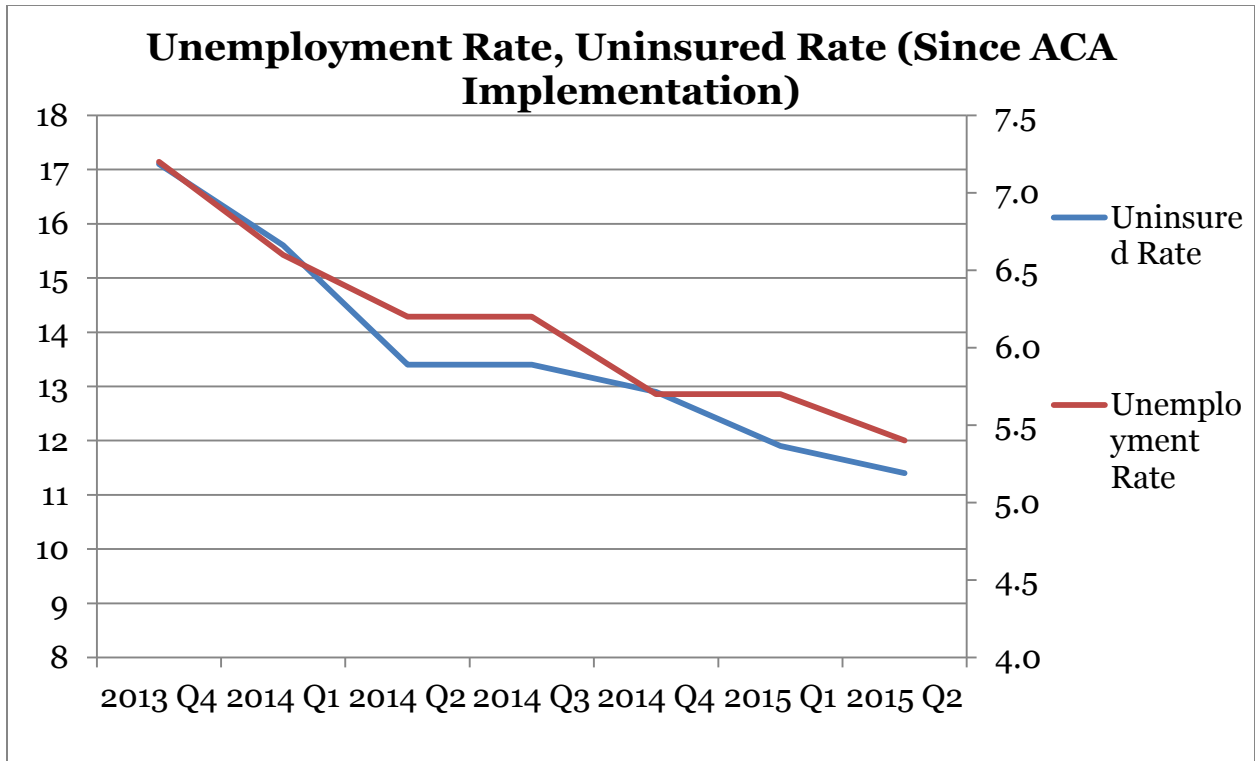
Do you have health insurance coverage?
Among adults aged 18 and older

■ % Uninsured

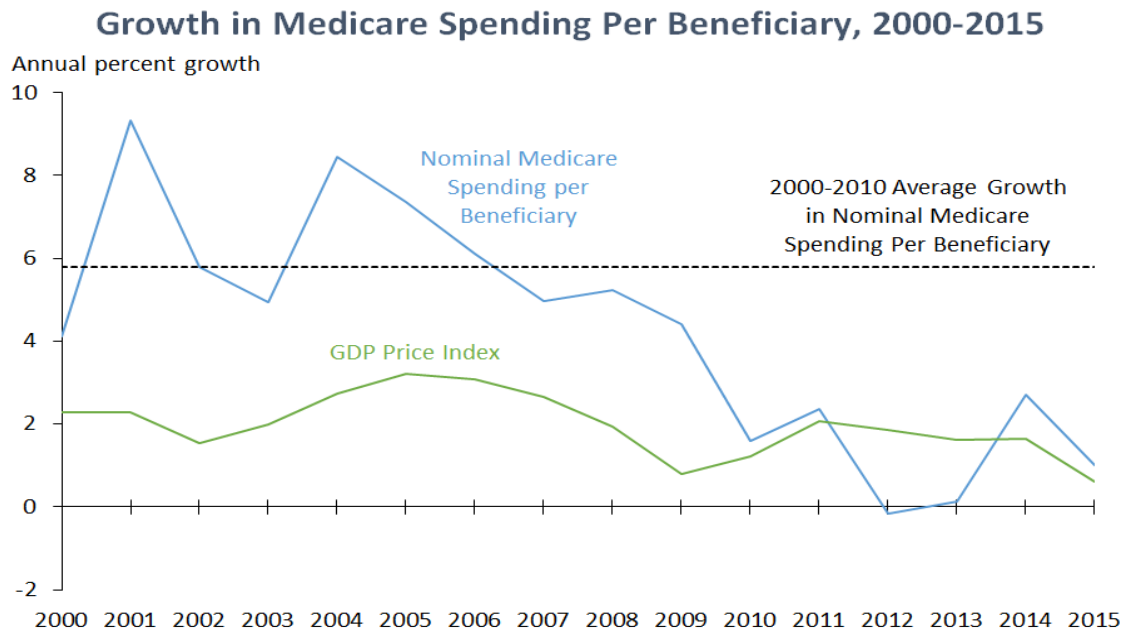


Quarter 1 2008–Quarter 2 2015
Gallup–Healthways Well-Being Index
GALLUP

Implementation of the ACA has coincided with positive and strong economic growth.



Growth of Medicare spending is at the lowest level in 15 years.

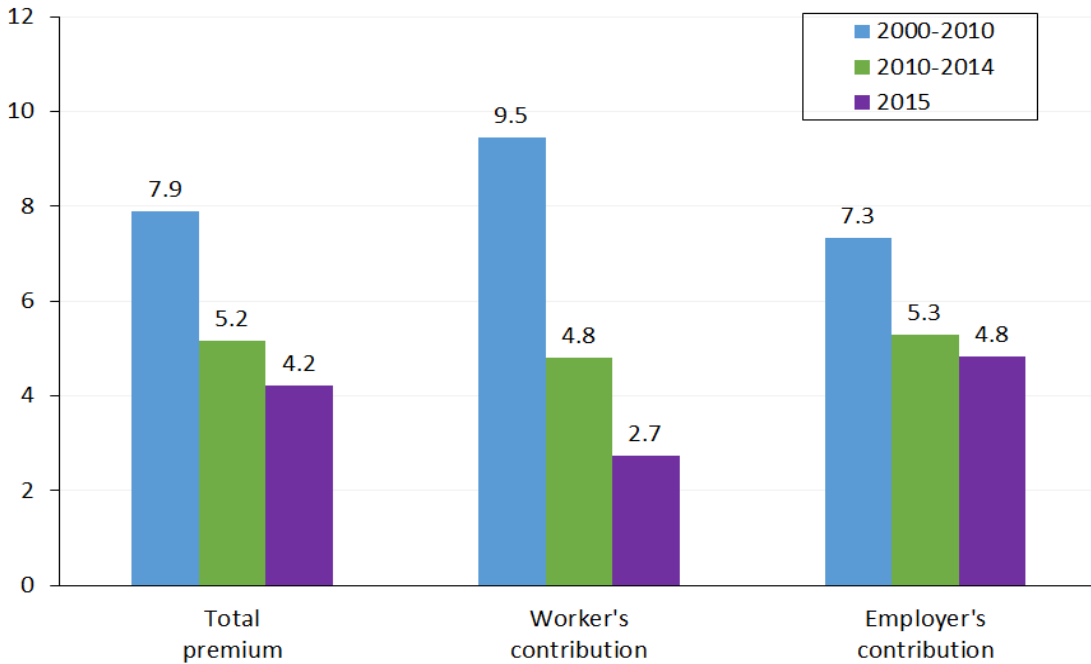


Source: Office of the Actuary, Center for Medicare and Medicaid Services, National Health Expenditure Projections.
 Note: Medicare spending growth for 2015 is a CMS projection. GDP price index for 2015 is a CBO projection. The Medicare growth rate for 2006 has been adjusted to remove the effect of the introduction of Medicare Part D.

The growth in Family Premiums has also slowed since full implementation began.

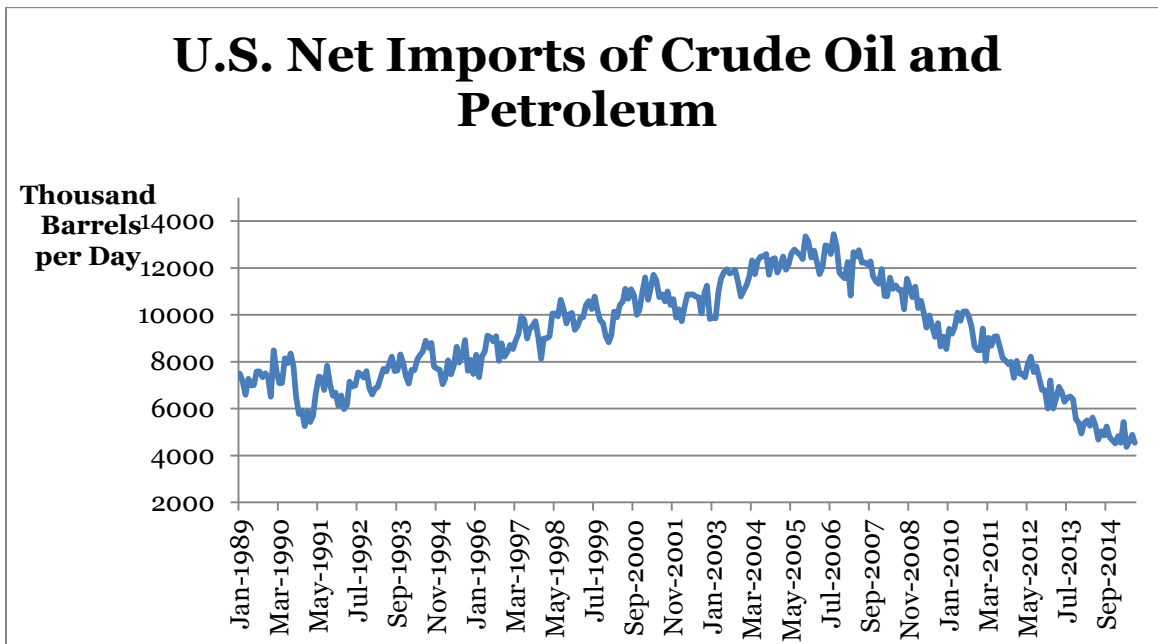
Growth in Family Premiums for Employer-Based Coverage

Annual nominal percent growth

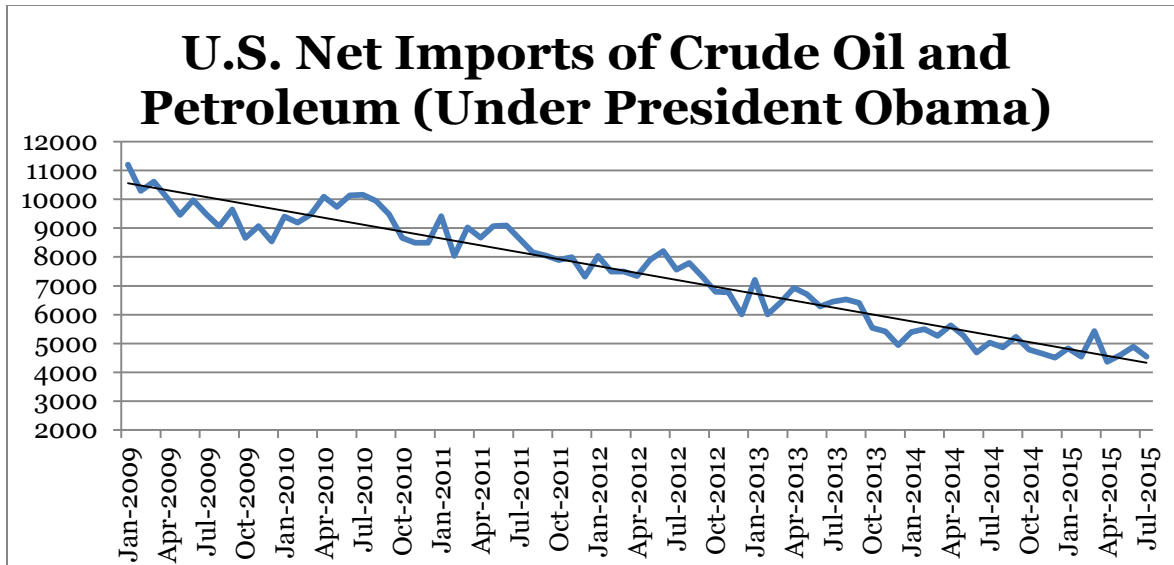


Source: Kaiser Family Foundation, Employer Health Benefits Survey.

Energy

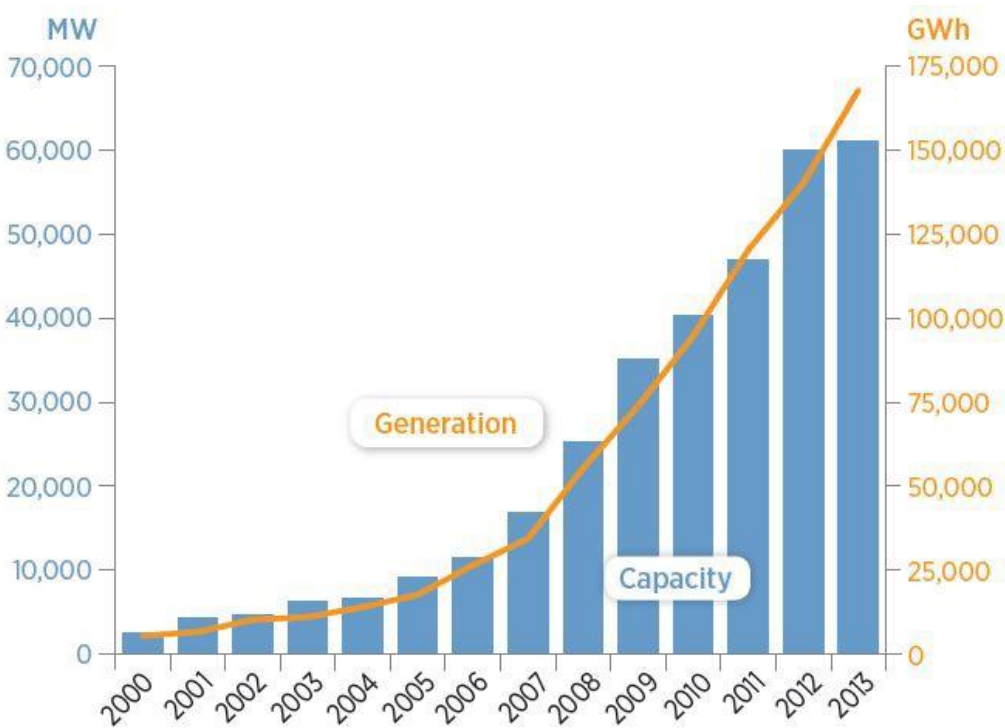


The graph below shows how oil imports have changed during the Obama Presidency alone, giving a good perspective on how steady and dramatic the decline has been:

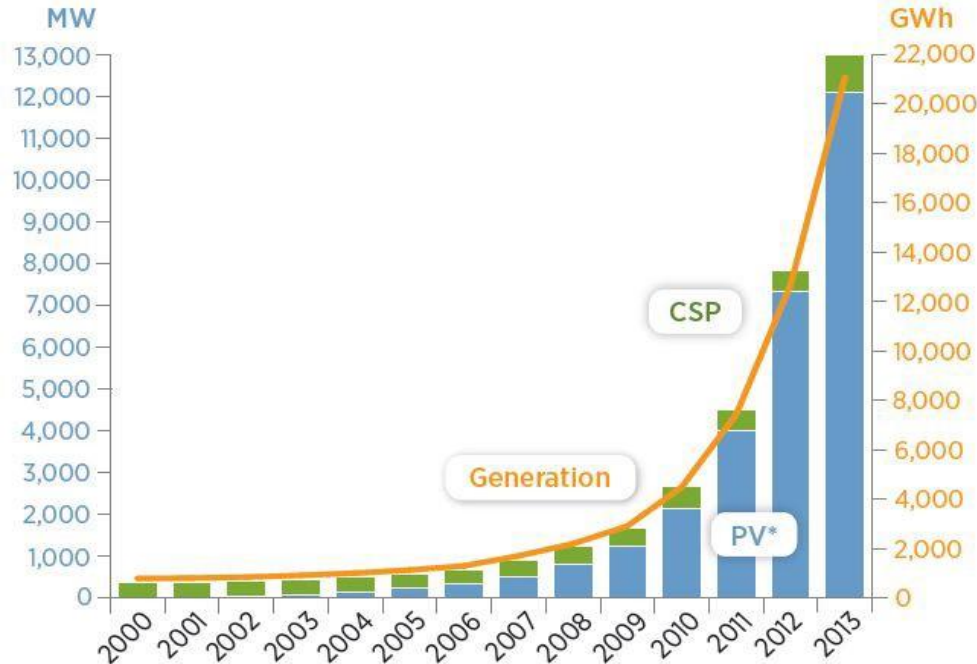


At the same time, there have been great strides made in renewable and clean energy sources over the past seven years. Wind capacity has more than doubled and Solar has become the fastest growing renewable energy source.

Wind



Solar



Sources:

- 1) Deficit Data – [Congressional Budget Office](#)
- 2) Job Growth Data – [Cleveland Plain Dealer/BLS](#)
- 3) Unemployment Data – [BLS](#)
- 4) GDP Data – [Princeton Study](#)
- 5) Healthcare Charts – Uninsured Rate via [Gallup](#), [Premiums](#) via Kaiser Family Foundation and Medicare [chart](#) from Center for Medicare and Medicaid Services.
- 6) Energy Charts – Oil Barrel Information (via [EIA](#)), Solar & Wind (via [BreakingEnergy.com](#))