

SEN. JACK REED (RI)
RANKING DEMOCRAT

SEN. EDWARD M. KENNEDY (MA)
SEN. PAUL S. SARBANES (MD)
SEN. JEFF BINGAMAN (NM)
REP. CAROLYN B. MALONEY (NY)
REP. MAURICE HINCHEY (NY)
REP. LORETTA SANCHEZ (CA)
REP. ELIJAH E. CUMMINGS (MD)

Congress of the United States
Joint Economic Committee
Democrats

109TH
CONGRESS

804 HART SENATE OFFICE
BUILDING
WASHINGTON, DC 20510-6602
202-224-0372
FAX 202-224-5568
www.jec.senate.gov/democrats

CHAD STONE
STAFF DIRECTOR

For Immediate Release
January 26, 2006

Contact: Nan Gibson
office: 202-224-0377
cell: 202-320-4545

In State of the Union Address, President Should Explain Why So Many Ordinary American Families Feel Left Behind in the Bush Economy

Washington, D.C. – In laying the groundwork for of his State of the Union address, President Bush has cited a number of economic indicators to justify his claims that the economy is strong and that his policies are an important reason for that strength. In fact, the list of economic indicators assembled by the White House to justify the President’s claims is highly selective and lacks context, according to an analysis by the **Joint Economic Committee Democrats**.

“The statistics cited by the Bush White House to defend the Administration’s economic policies focus on an economy in which the well-to-do are doing well,” said **Sen. Jack Reed** (D-RI), Ranking Democrat on the **Joint Economic Committee (JEC)**. “However, those statistics gloss over or ignore the sluggish rate of job creation and the lack of real wage growth that has left the typical American family still waiting to benefit from the Bush economic policies.”

“When you see the White House economic ‘facts’ in their proper context, you understand why so many ordinary American families feel left behind in the Bush economy,” said **Rep. Carolyn Maloney** (D-NY), Senior House Democrat on the JEC. “Rather than claiming success, the President should use his State of the Union address to explain why so many families are falling behind.”

The JEC Democrats’ report, *The Bush Economy: The Facts behind the White House Facts*, examines the key statistics cited in a White House fact sheet issued in conjunction with the President’s speech on the economy given in Chicago on January 6, 2006. The report shows that unemployment remains higher than it was when President Bush took office, job growth has been particularly slow by the standards of past economic recoveries, strong productivity growth is not being reflected in workers’ pay, and income disparities are widening.

In his State of the Union address next week, the President is expected to reiterate his call to make his tax cuts permanent. With growth in GDP and investment lower than the average for postwar business-cycle recoveries, the behavior of the economy is not a ringing endorsement of the President’s economic policies, according to the report. When the adverse consequences of the large budget deficits that have accompanied the President’s tax cuts are recognized, the case for extending the tax cuts becomes even weaker, the report concludes.

Report link: <http://jec.senate.gov/democrats/Documents/Reports/sotu2006.pdf>

The Joint Economic Committee, established under the Employment Act of 1946, was created by Congress to review economic conditions and to analyze the effectiveness of economic policy.

– end –