

## **Economy Has Fared Better Under Dem Presidents**

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Most Americans have one eye on the nation's financial crises and the other on the presidential election. And they are asking themselves, "Is John McCain or Barack Obama, the Democrats or the Republicans, better for the economic health of the country as well as for my own financial well-being?" That is the defining question of this election.

A businessman who voted for George Bush twice, and Bill Clinton in '96, told me, "Barack Obama sounds really impressive, and I have to admit that the goals of his social programs - particularly health care, education and the environment - seem good. But I'm worried the Democrats can't manage the economy as well, and they'll get into my wallet."

This sentiment is not rare. In past elections, pollsters have found that many voters believe that the Republicans do better with the economy. But is it true?

Let's look at the record.

During the 20th century, the Dow Jones industrial average rose 7.3 percent per year on average under Republican presidents. Under Democrats, it rose 10.3 percent - which means that investors gained a whopping 41 percent more. And the stock market declined further during George Bush's two terms.

Moreover, according to research from Professor Larry Bartels of Princeton, real middle class wage growth is double when a Democrat is president, contrasted to that growth under a Republican president.

Since World War II, Democratic presidents have increased the national debt by an average of 3.7 percent per year, and Republican presidents have increased it an average of 10.1 percent. During the same time period, the unemployment rate was, on average, 4.8 percent under Democratic presidents; it was 6.3 percent under Republicans.

That's the historical record.

What about economic policies over the past 15 years? The Clinton-Gore administration presided over the longest peacetime economic expansion in our history. The national debt was reduced dramatically, the industrial sector boomed, wages grew and more Americans found jobs.

How has the Bush-Cheney team fared? In the past seven years, we have experienced the weakest job creation cycle since the Great Depression, record deficits, record household debt, a record bankruptcy rate and a substantial increase in poverty. We have gone from being the nation with the biggest budget surplus in history to becoming the nation with the largest deficit in history.

The Bush administration, supported by Republicans on Capitol Hill, pushed through a sweeping tax cut in 2001, under which the wealthiest 1 percent of Americans reaped 43 percent of the gain. In less than a year and a half, the federal government's 10-year projected budget surplus of \$1.6 trillion had vanished. In 2000, we had a surplus of \$236 billion. In 2004, we had a deficit of \$413 billion. This dramatic reversal is the direct consequence of Bush's tax cuts - and McCain wants to pursue the same bankrupt policies.

Since the conventions, McCain and his surrogates have been pounding away at the Democrats, labeling them as the "tax and spend" party. Yet recent research has shown that more than 70 percent of our national debt was created by just three Republican presidents: Reagan and the two Bushes.

There's an old expression in Las Vegas, "Figures don't lie and liars figure."

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