



The State of the Economy *Then and Now*

When Barack Obama took over from George W. Bush we faced “[...] **the worst financial crisis in global history, including the Great Depression,**” according to former Federal Reserve Chairman Ben Bernanke.

But as the Obama administration heads into its final year, the economy is expanding, businesses are adding an average of more than 200,000 jobs each month and **the unemployment rate has been cut in half.**

The efforts of the Obama administration, Democrats in Congress and the Federal Reserve were critical to the recovery from the Great Recession, according to a recent study by economists Alan Blinder and Mark Zandi. The study found that, without their efforts, the economy would have contracted for **more than twice** as long, the unemployment rate **would have reached nearly 16 percent** and **we would have lost about twice as many jobs.**

Businesses have added 14.1 million jobs over a record 70 consecutive months of private-sector job growth.

- In the last month of the Bush presidency, the economy lost almost 820,000 private-sector jobs.
- The economy has added an average of about 233,000 private-sector jobs per month over the past two years, the strongest two years of private-sector job creation since 1997 to 1999.

Unemployment has been cut in half (from 10 to 5 percent) from its Great Recession-era peak.

- In every state, the unemployment rate is lower now than it was at its recession-era peak.
- The broadest measure of underemployment also has come down substantially over the past several years and is now about 90 percent of the way back to its prerecession average.

The decline in unemployment has been broad-based.

- Hispanic unemployment is now 6.3 percent, down from a peak of 13.0 percent in August 2009.
- African-American unemployment is now 8.3 percent, down from 16.8 percent in March 2010.
- Post-9/11 veteran unemployment averaged 5.8 percent in 2015, down from 12.1 percent in 2011.

Real GDP has increased 14.2 percent since the start of the Obama administration.

- During the last 5 quarters of the Bush administration, real GDP fell 4.1 percent.
- Real GDP has grown in 23 of the past 25 quarters of the Obama administration.

Average home prices have recovered from severe losses during the Bush-era recession.

- Home values plummeted 19 percent between 2007 and 2011, according to the Federal Housing Finance Agency’s Purchase-Only Index.
- Home prices are now back up to where they were in 2007, according to this index.

Household wealth has increased by more than \$30 trillion since President Obama took office.

- Nearly \$13 trillion in household wealth evaporated during the last 7 quarters of the Bush presidency.
- Household wealth is now about \$17.5 trillion higher than it was before the recession.

Economic Recovery by State

	Net Private-Sector Jobs Added Under President Obama	Unemployment Rate			Increase in Home Prices from Recent Low
		Current	Recession-Era Peak	Decrease from Peak	
UNITED STATES	9,843,000	5.0%	10.0%	↓ 5.0%	↑ 25%
Alabama	38,900	6.0%	11.9%	↓ 5.9%	↑ 15%
Alaska	20,800	6.4%	8.0%	↓ 1.6%	↑ 14%
Arizona	162,900	6.0%	11.2%	↓ 5.2%	↑ 58%
Arkansas	32,400	5.0%	8.4%	↓ 3.4%	↑ 15%
California	1,508,400	5.7%	12.2%	↓ 6.5%	↑ 52%
Colorado	198,300	3.6%	8.9%	↓ 5.3%	↑ 43%
Connecticut	49,500	5.1%	9.2%	↓ 4.1%	↑ 4%
Delaware	20,300	5.1%	8.7%	↓ 3.6%	↑ 13%
District of Columbia	66,400	6.6%	10.5%	↓ 3.9%	↑ 63%
Florida	815,500	5.0%	11.2%	↓ 6.2%	↑ 45%
Georgia	328,200	5.6%	10.5%	↓ 4.9%	↑ 36%
Hawaii	37,800	3.2%	7.3%	↓ 4.1%	↑ 38%
Idaho	61,000	3.9%	9.7%	↓ 5.8%	↑ 37%
Illinois	149,500	5.7%	11.2%	↓ 5.5%	↑ 13%
Indiana	212,300	4.4%	10.9%	↓ 6.5%	↑ 15%
Iowa	79,000	3.4%	6.6%	↓ 3.2%	↑ 15%
Kansas	34,600	4.0%	7.3%	↓ 3.3%	↑ 15%
Kentucky	108,700	4.9%	10.9%	↓ 6.0%	↑ 13%
Louisiana	97,900	6.3%	8.3%	↓ 2.0%	↑ 16%
Maine	11,700	4.1%	8.3%	↓ 4.2%	↑ 10%
Maryland	111,400	5.2%	7.8%	↓ 2.6%	↑ 15%
Massachusetts	242,500	4.7%	8.8%	↓ 4.1%	↑ 16%
Michigan	392,000	5.1%	14.9%	↓ 9.8%	↑ 35%
Minnesota	152,200	3.5%	8.1%	↓ 4.6%	↑ 24%
Mississippi	15,000	6.0%	10.8%	↓ 4.8%	↑ 10%
Missouri	42,500	4.7%	9.8%	↓ 5.1%	↑ 17%
Montana	22,700	4.0%	7.4%	↓ 3.4%	↑ 23%
Nebraska	41,600	2.9%	4.8%	↓ 1.9%	↑ 21%
Nevada	65,900	6.5%	13.7%	↓ 7.2%	↑ 74%
New Hampshire	23,800	3.2%	6.6%	↓ 3.4%	↑ 15%
New Jersey	111,600	5.3%	9.8%	↓ 4.5%	↑ 8%
New Mexico	9,500	6.8%	8.3%	↓ 1.5%	↑ 11%
New York	723,400	4.8%	8.9%	↓ 4.1%	↑ 9%
North Carolina	290,800	5.7%	11.3%	↓ 5.6%	↑ 18%
North Dakota	85,800	2.7%	4.3%	↓ 1.6%	↑ 46%
Ohio	266,700	4.5%	11.0%	↓ 6.5%	↑ 17%
Oklahoma	55,500	4.2%	7.1%	↓ 2.9%	↑ 20%
Oregon	134,700	5.7%	11.9%	↓ 6.2%	↑ 40%
Pennsylvania	204,200	5.0%	8.7%	↓ 3.7%	↑ 11%
Puerto Rico	-12,500	12.5%	16.9%	↓ 4.4%	↑ 4%
Rhode Island	21,900	5.2%	11.3%	↓ 6.1%	↑ 13%
South Carolina	157,300	5.5%	11.7%	↓ 6.2%	↑ 20%
South Dakota	24,000	3.0%	5.2%	↓ 2.2%	↑ 19%
Tennessee	205,500	5.6%	11.1%	↓ 5.5%	↑ 22%
Texas	1,297,700	4.6%	8.4%	↓ 3.8%	↑ 31%
Utah	152,600	3.5%	8.0%	↓ 4.5%	↑ 35%
Vermont	12,400	3.7%	7.0%	↓ 3.3%	↑ 10%
Virginia	132,800	4.2%	7.4%	↓ 3.2%	↑ 14%
Washington	251,400	5.3%	10.4%	↓ 5.1%	↑ 34%
West Virginia	-12,000	6.5%	8.8%	↓ 2.3%	↑ 14%
Wisconsin	102,200	4.2%	9.2%	↓ 5.0%	↑ 12%
Wyoming	-6,700	4.1%	7.2%	↓ 3.1%	↑ 17%

Sources: JEC Democratic staff calculations based on data from the Bureau of Labor Statistics and the Federal Housing Finance Agency

Notes: National jobs and unemployment data are through December 2015; state-level jobs and unemployment data are through November 2015; housing data are through Q3 2015 and the "recent low" represents the lowest index value from Q3 2007 to Q3 2015; data for unemployment rate denoting the "decrease from peak" are the change in percentage points; data are seasonally adjusted