

Bidenomics

President Biden and Congressional Democrats' Plan to Grow the Economy from the Bottom Up and Middle Out, Not the Top Down, Is Delivering for the American People

President Biden and Congressional Democrats have worked together **to grow the economy and create a record number of jobs.**

- Created more than 13 million jobs.
- Brought the unemployment rate below 4% four years before experts projected and kept it there for the longest period in more than 50 years.
- Achieved record low unemployment rates for African-Americans, Hispanics, people with disabilities – and the lowest unemployment rate in 70 years for women.
- Proved that a strong recovery and support for households brings more people into the workforce: a higher share of working age Americans are in the workforce now than at any time in more than 20 years and higher than on any day of the prior Administration.
- Left American families better off than before the pandemic: Americans have more net worth and higher inflation-adjusted disposable incomes and a lower uninsured rate.
- Working to bring down the cost of living, including by lowering drug prices. Inflation has come down 11 months in a row.

President Biden and Congressional Democrats are delivering historic **Investments in America** that are creating good jobs around the country and revitalizing our communities.

- Put policies in place that have contributed to more than \$470 billion in private sector investment commitments.
- Supporting investments that have resulted in 800,000 manufacturing jobs, nearly doubling manufacturing construction, and more resilient US supply chains.
- Set out to rebuild American infrastructure, so that we no longer rank 13th in the world but instead have world-class infrastructure.
- Enacted the largest investment in combatting the climate crisis in U.S. history, paving the way for hundreds of thousands of good clean energy jobs.

Congressional Democrats have passed and President Biden has signed legislation to reduce the deficit by more than \$1 trillion and are committed to ensuring the wealthiest Americans and largest corporations pay their fair share and lowering prescription drug costs by cutting wasteful giveaways to Big Pharma. **In contrast, House Republicans want to:**

- Enact massive tax cuts for the wealthiest Americans and largest corporations – adding trillions of dollars to the deficit in order to deliver a \$175,000 average annual tax cut to the top 0.1% (incomes over \$4 million).
- Raise the Social Security retirement age to 69, eliminate the Medicare prescription drug savings that President Biden has signed into law, raise premiums for seniors on Medicare, and slash Medicaid, the Affordable Care Act, food assistance, Pell Grants, and other programs hard-working families count on.

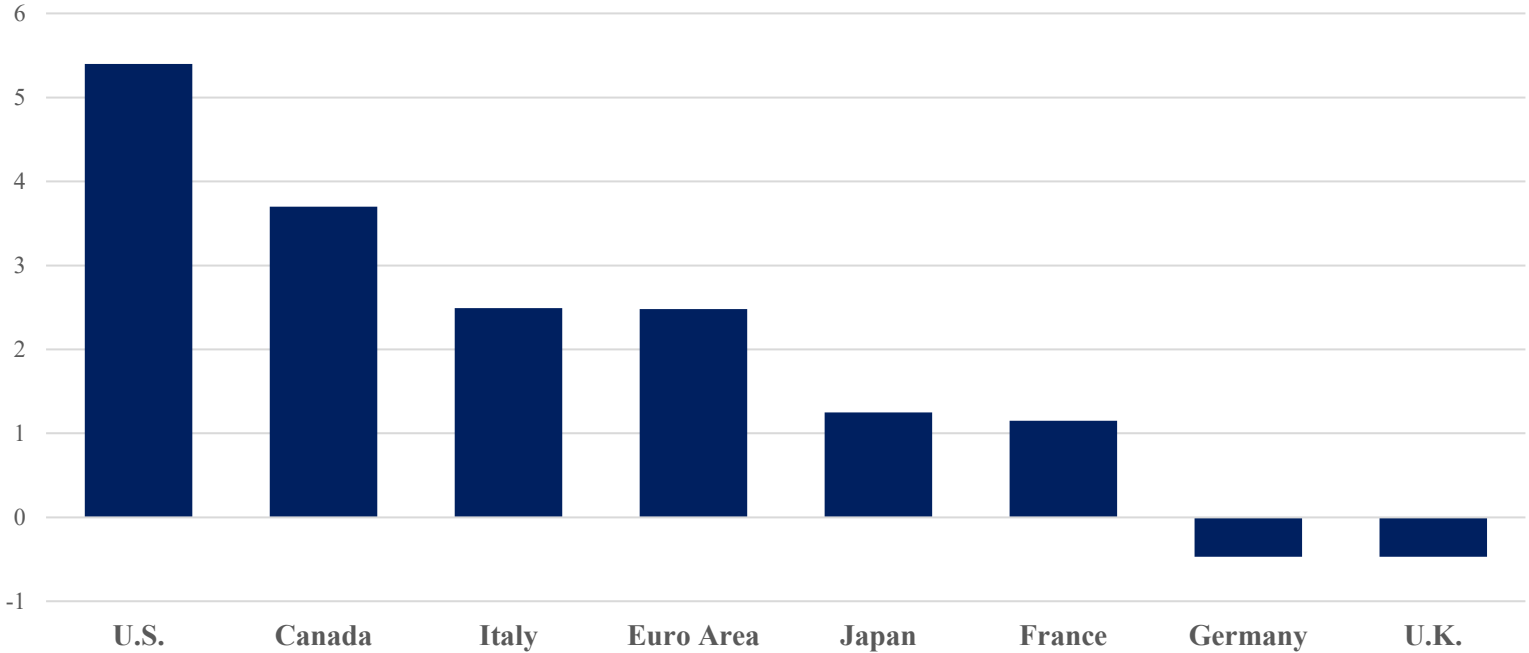
BIDENOMICS

*Results for hard-working families and
stronger, shared long-run growth*

Our recovery is the strongest of any major economy.

Change in real GDP relative to pre-pandemic

Percent change, 2023 Q1 vs. 2019 Q4



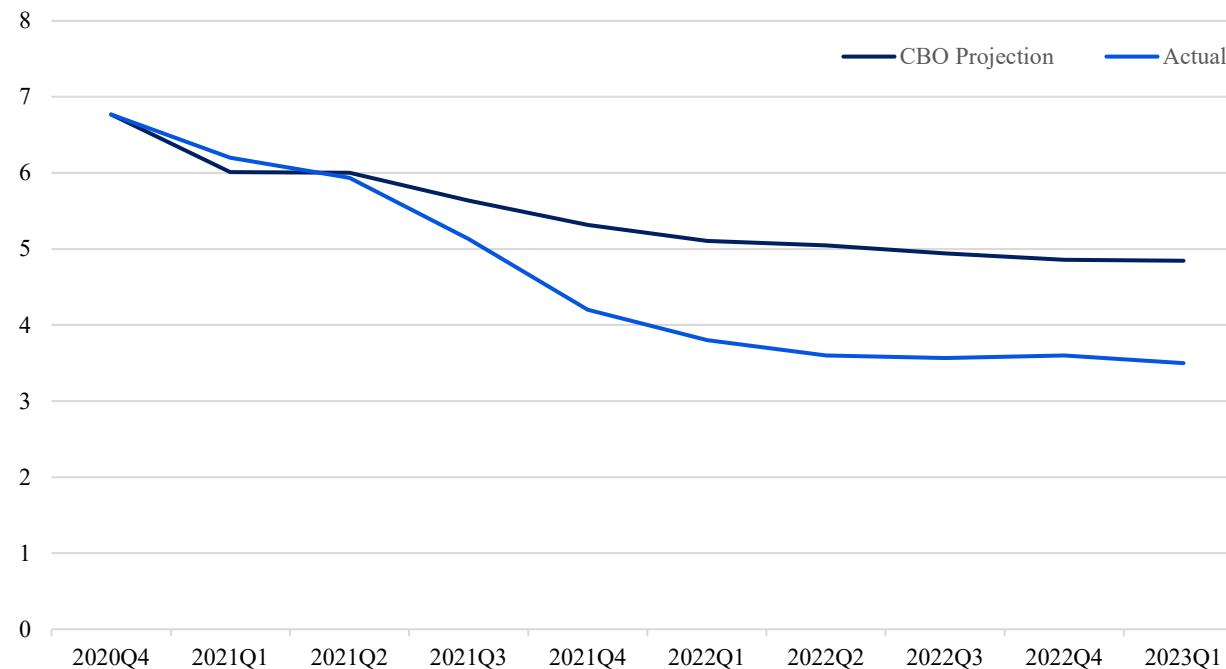
Source: Haver Analytics.

Our economic recovery has been the strongest of any major economy. Growth in real economic output since 2019 exceeds other G7 economies.

The recovery is stronger than experts projected.

Unemployment rate: pre-Rescue Plan projection and actual

Percent (quarterly average)



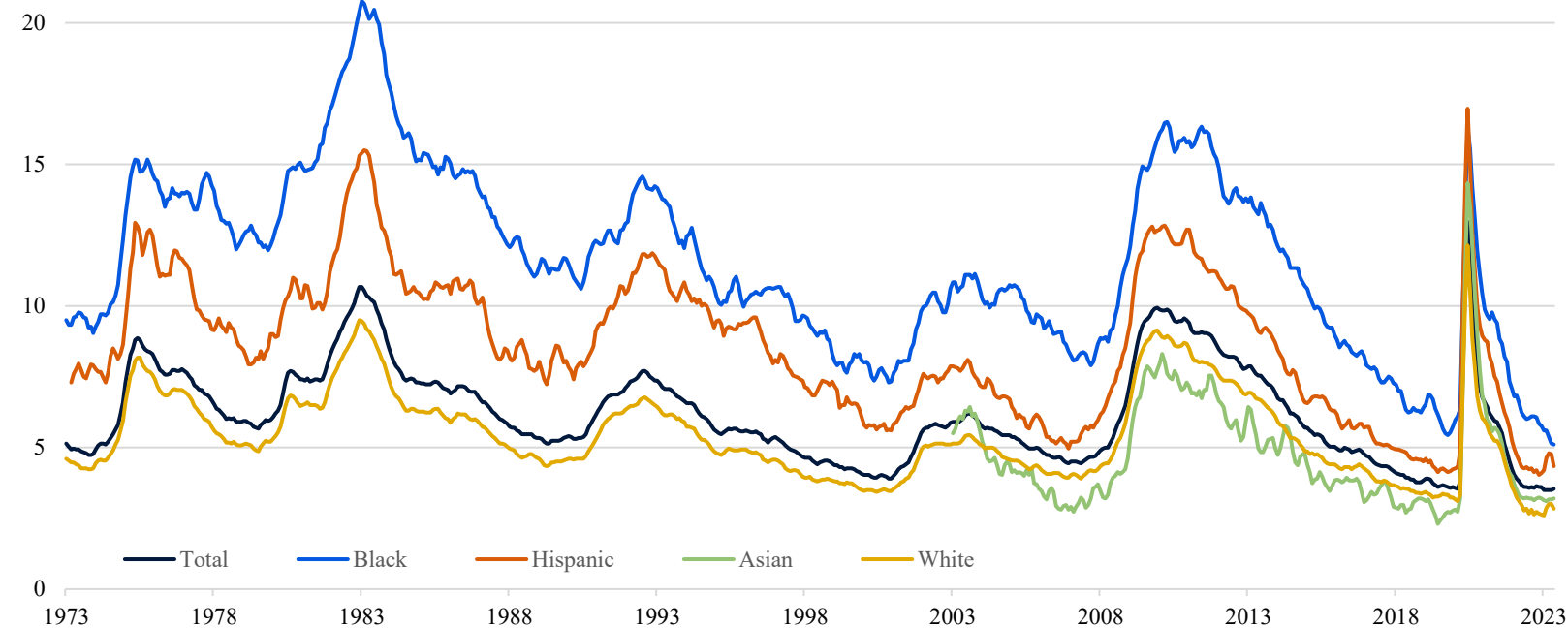
Source: Congressional Budget Office, Bureau of Labor Statistics.

The unemployment rate has fallen further and the labor force participation has recovered more strongly than the Congressional Budget Office (CBO) projected before the American Rescue Plan (ARP). As of Q1 2023, unemployment was 1.3 percentage points lower and the labor force participation rate was 0.4 percentage points higher than CBO's pre-ARP projections.

The recovery has yielded historically strong labor market gains for Black and Hispanic Americans.

Unemployment rates

Three month moving average, percent



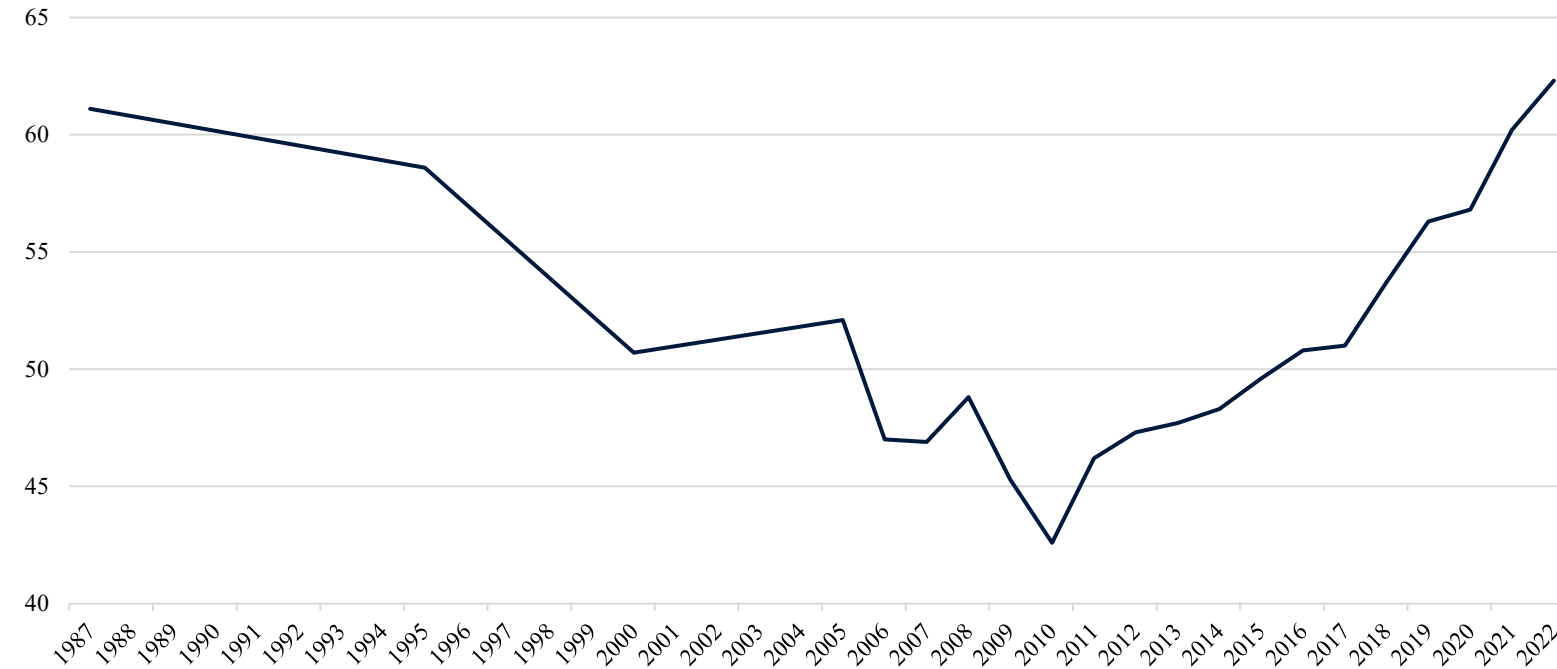
Source: Bureau of Labor Statistics.

The recovery has been historically strong for those often left behind during recoveries, with record-low unemployment rates for African-American workers, Hispanic workers, and workers with disabilities—as well as the lowest unemployment rate in 70 years for women. The gap between black unemployment and overall unemployment has also narrowed to an historic low.

Job satisfaction is at the highest level in decades, as workers upgrade to better jobs.

Job satisfaction, 1987 – 2022

Percent reporting overall job satisfaction



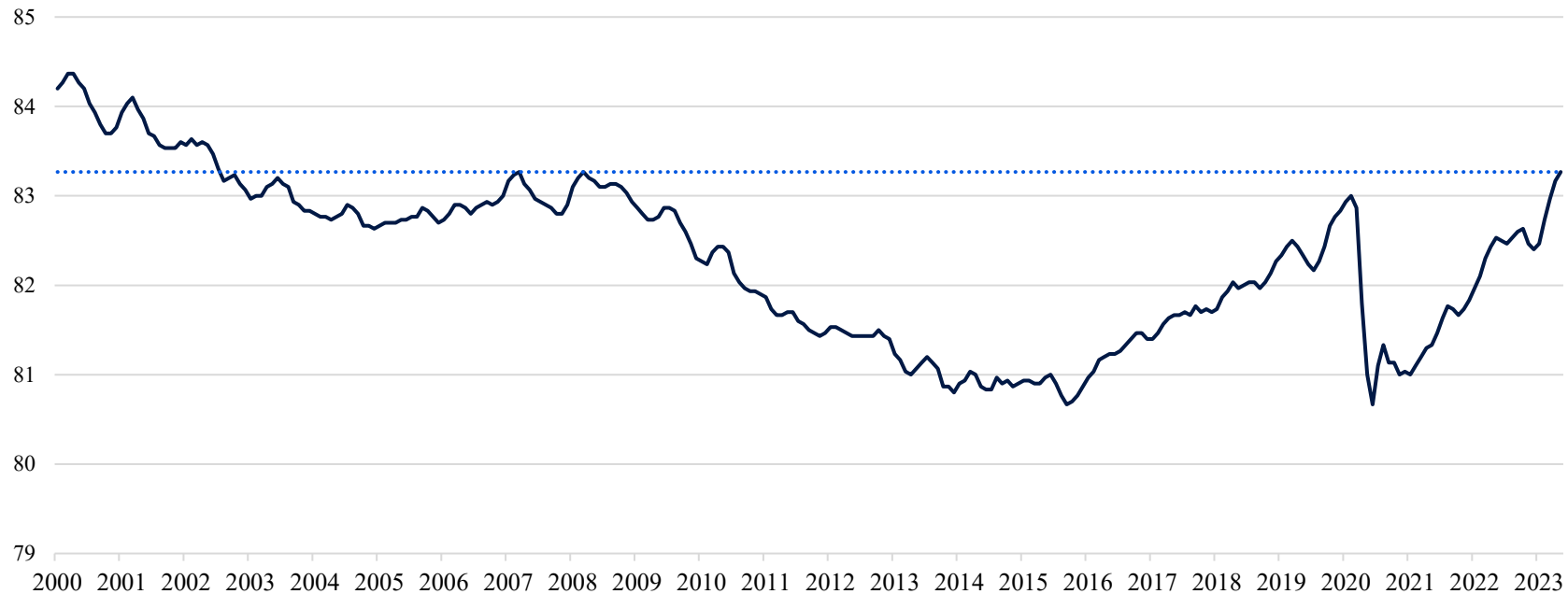
Source: Conference Board Consumer Confidence Survey.

Job satisfaction reached its highest level on record last year, according to a Conference Board survey.

Labor force participation for working-age Americans is at a 20-year high.

Prime-age labor force participation rate, 2000 – present

Labor force participation (25 – 54 yrs), percent, 3 month moving average

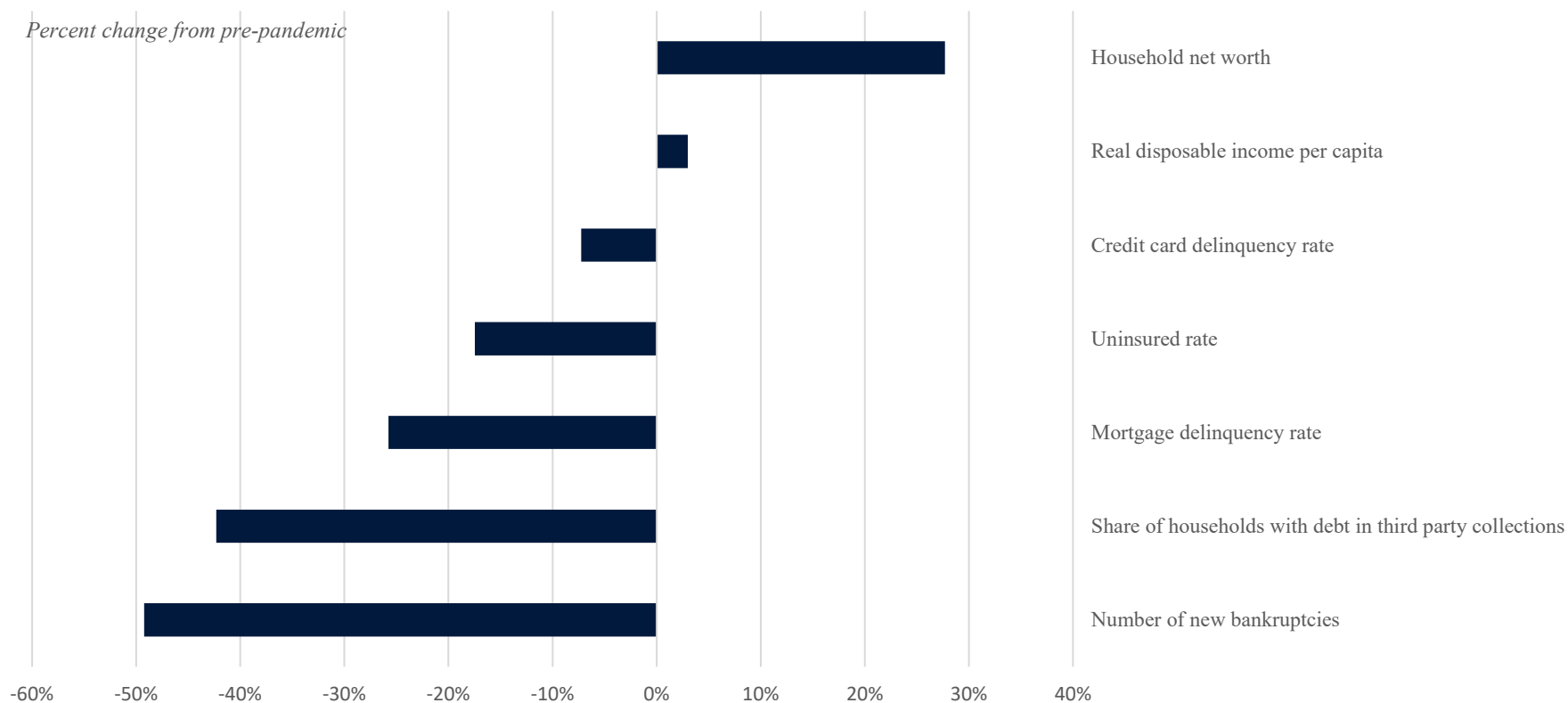


Source: Bureau of Labor Statistics.

The share of working-age Americans in the workforce hasn't been higher in more than 20 years—and is higher now than it was during the entirety of the previous administration.

Family economic security is stronger than pre-pandemic.

Household finance indicators



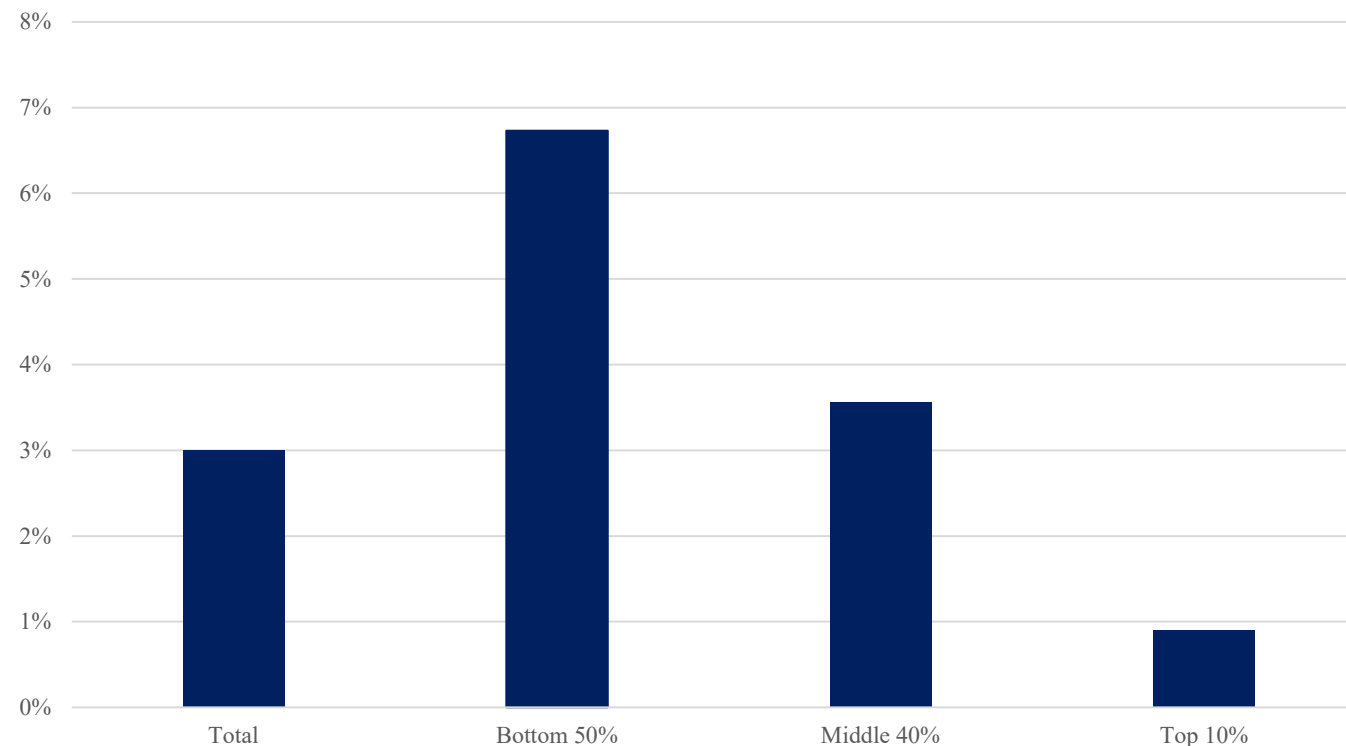
Source: Federal Reserve Board of Governors, Federal Reserve Bank of New York, National Health Interview Survey, Realtime Inequality

Fewer families are behind on their credit card bills and mortgages than before the pandemic, and there are fewer Americans entering bankruptcy. Household net worth and take-home pay are higher than before the pandemic. And due in part to President Biden's policies, including expanded tax credits for Affordable Care Act (ACA) coverage, the uninsured rate reached an all-time low last year.

Real incomes are higher than pre-pandemic, with gains broadly shared.

Real disposable income per capita

Percent change from pre-pandemic



Source: Realtime Inequality

Across the income distribution, Americans' take-home pay is higher than before the pandemic, after accounting for inflation, with the largest increase going to those in the bottom half of the distribution. Indeed, for income groups outside the top 10%, annualized real income growth since 2019 has outpaced growth over the prior business cycle (2010-2019).

Gas prices are down from their summer 2022 peak.

Gas prices, 2021 - present

U.S. average \$/gallon



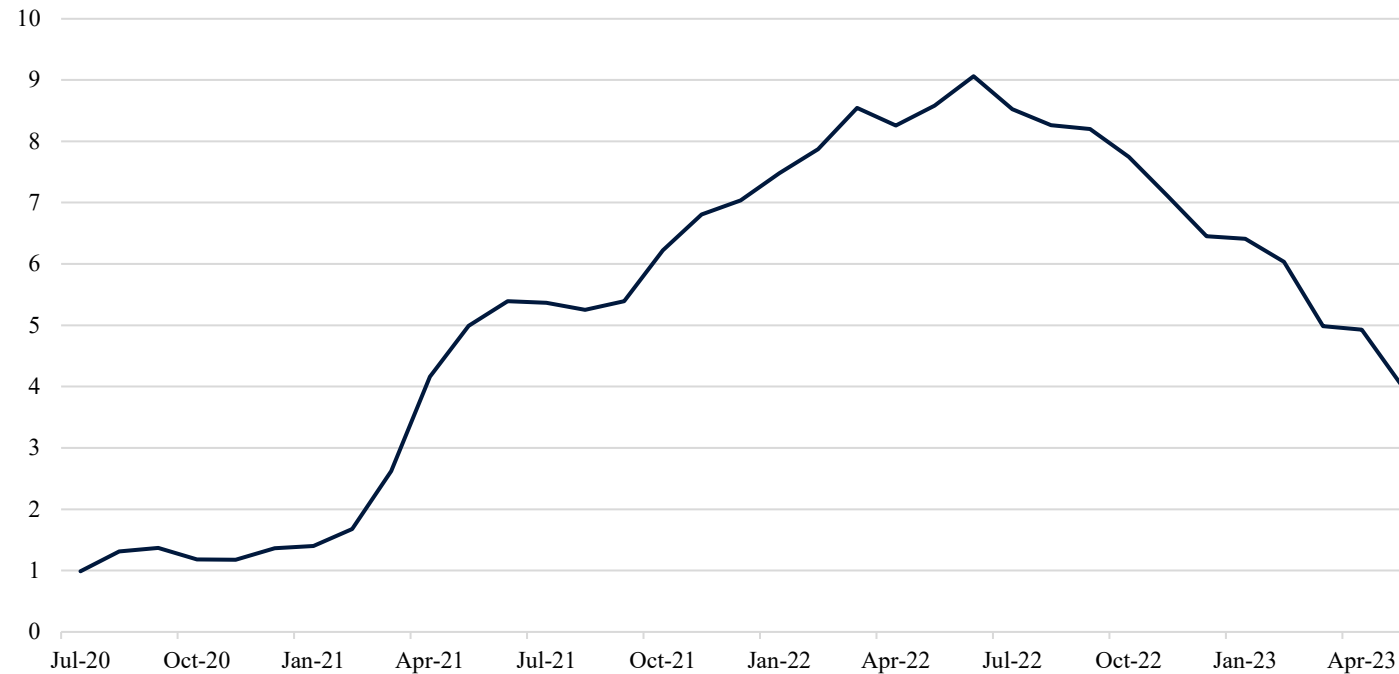
Source: AAA.

Gas prices are down more than \$1.40 from their peak in June 2022. Americans are feeling relief at the pump with gas prices back down near pre-Russian invasion levels.

The annual inflation rate is falling.

Headline Inflation

Percent (CPI), year on year



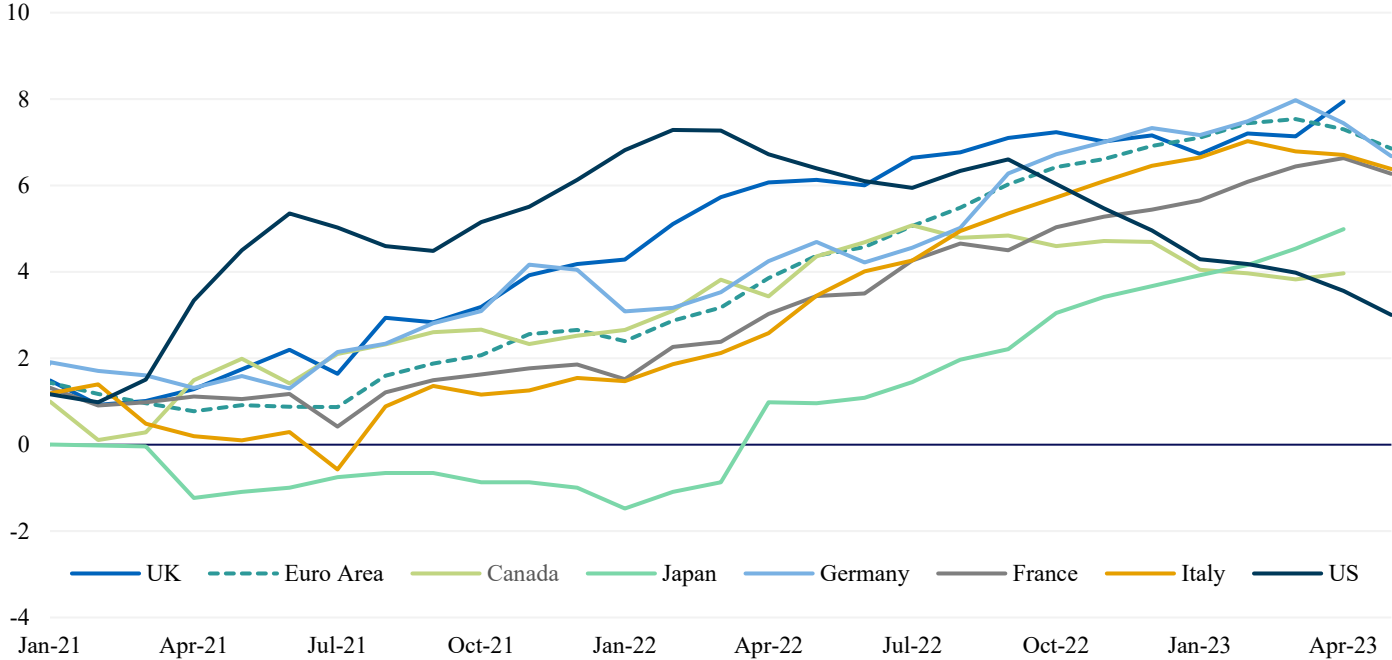
Source: Bureau of Labor Statistics.

The annual inflation rate has declined for 11 months in a row. Driven in part by the decline in gas prices, headline inflation has fallen by more than 50% since last summer. Core inflation (excluding food and energy prices) has also declined from its peak.

U.S. inflation has dropped below several peer economies.

Harmonized Core HICP Inflation in the G7

All items less energy and unprocessed food, HICP basis
Year-on-year percent



Source: Eurostat, ONS, Bureau of Labor Statistics, StatCan, MEI, CEA analysis.
Note: Euro Area & UK: HICP ex. Unprocessed Food and Energy; US: R-HICP-U ex. Food and Energy; Canada: CPI ex. Food Purchased from Stores, Energy, and Owned Accommodations; Japan: CPI ex. Fresh Food, Energy, and Imputed Rent.

Headline inflation in the U.S. is currently lower than in the U.K., Europe, and Canada. In addition, core inflation—inflation outside of food and energy—is now lower in the U.S. than in several peer economies.

Investing in America agenda is increasing construction spending

Inflation-adjusted manufacturing construction spending

February 2020 = 100, vertical line indicates August 2022 (enactment of CHIPS and Science Act and Inflation Reduction Act)



Source: U.S. Census; BLS; CEA calculations.

Following the passage of the President Biden's Investing in America agenda, real construction spending spiked as companies invested in improving our nation's infrastructure and building clean energy and semiconductor manufacturing factories and facilities.