

**DEFICIT OF HOPE**
DEMOCRATS' GROSS DOMESTIC PROBLEMS

OBAMANOMICS: DEFICIT OF HOPE

"The Obama Economic Recovery Continues To Lumber Forward With All The Momentum Of A Blind, Three-Legged Elephant." (Editorial, "The Obama Recovery," [Las Vegas Review-Journal](#), 8/8/10)

MORE NEGATIVE ECONOMIC DATA CAME OUT FRIDAY

"Americans Spent Less At Most Retail Stores In July And Inflation Remained Tame As High Unemployment And Weak Job Growth Fueled Fears Of A Slowing Economic Recovery." (Michael Crutsinger, "Auto Sales Boost Otherwise Weak Retail Sector," [The Associated Press](#), 8/13/10)

Declines For Most Retailers Indicate That The "The Recovery Is Losing Momentum." "But overall, the declines for most retailers in July suggest the recovery is losing momentum. 'There is only one thing that's for sure - economic momentum has slowed,' said Jennifer Lee, senior economist for BMO Capital Markets." (Martin Crutsinger And Christopher S. Rugaber, "Retail Sales Post July Gain, Consumer Prices Rise," [The Associated Press](#), 8/13/10)

The Gains In Consumer Sentiment "Was Too Small To Represent A Meaningful Improvement." "The sentiment index is just several points above where it was a year ago, with worries about prospects for job growth and income hanging over sentiment. 'The gain was too small to represent a meaningful improvement,' Richard Curtin, director of the surveys, said in a statement. 'Consumers have increasingly come to expect lackluster income and job growth for an extended period of time.'" ("US Consumer Sentiment Edges Up In Early Aug-Survey," [Reuters](#), 8/13/10)

A Majority Of Those Surveyed Did Not Think The Overall Economy Would Change in the Next Year. "While consumers increasingly believed the worst of the downturn was over..the majority expected that overall economic conditions would remain largely unchanged during the year ahead,' Curtin said." ("US Consumer Sentiment Edges Up In Early Aug-Survey," [Reuters](#), 8/13/10)

THE OUTLOOK FOR THE ECONOMY CONTINUES TO BE BLEAK

53 Surveyed Economists "Offered A Bleak Picture Of Tepid Growth And High Unemployment." "The 53 surveyed economists, not all of whom answered every question, offered a bleak picture of tepid growth and high unemployment. On average, they still don't see the unemployment rate dropping below 9% through at least June 2011. They expect the economy to add just 136,000 jobs a month over the next 12 months, down from a forecast of 157,000 in the July survey. At that rate, job creation will barely keep up with new entrants to the labor force." (Phil Izzo, "Economists Want Policy Makers To Back Off Now," [The Wall Street Journal](#), 8/13/10)

"If Claims Remain At Their Current Level, Then Even The Modest Recent Gains In Private Payrolls Will Not Be Sustained,' Said Ian Shepherdson Of High Frequency Economics." (Phil Izzo, "Economists Want Policy Makers To Back Off Now," [The Wall Street Journal](#), 8/13/10)

"When Asked About The Biggest Risk Facing The Economy, 'Too Few Jobs, Too Little Wage Income And Too Little

Consumer Spending' Was The Most Popular Choice." (Phil Izzo, "Economists Want Policy Makers To Back Off Now," [The Wall Street Journal](#), 8/13/10)

"The Economy Needs Government To Get Out Of The Way," Said Stephen Stanley Of Pierpont Securities. (Phil Izzo, "Economists Want Policy Makers To Back Off Now," [The Wall Street Journal](#), 8/13/10)

"Private Companies Have All But Frozen Their Hiring." At the beginning of the year, it looked like that missed projection wouldn't matter much politically as job growth seemed to be picking up. But private companies have all but frozen their hiring again, making a presidential explanation an imperative." (Michael D. Shear, "What Chilled The U.S. Economy? An Ill 'Headwind' From Europe Says Obama," [The Washington Post](#), 8/13/10)

Companies May Find The Right Person To Hire, But Are Holding Off Hiring Until The Future Is More Certain. "Another part of the problem, said Jeff Joerres, chief executive of staffing firm Manpower, could be companies' renewed uncertainty about the economic outlook. 'It's not uncommon for us to get the right person for the job and the companies still drag their feet for a month or more, just to try to get better visibility for the future and to save another month of expense,' he said." (Mark Whitehouse, "Employers Moving Slowly To Fill Jobs," [The Wall Street Journal](#), 8/11/10)

New York Times Editorial Board Says "The Odds Of Renewed Recession Remain Uncomfortably High." "The economic news — on growth, consumers, housing and manufacturing — was bad enough before the jobs report for July, released last Friday. The report leaves no doubt that a slowdown is well under way. The odds of renewed recession remain uncomfortably high." (Editorial, "As The Economy Slows," [The New York Times](#), 8/8/10)

SMALL BUSINESSES AND EVEN DEMOCRAT LEADER EXPRESSING FRUSTRATION WITH OBAMA'S ECONOMIC POLICIES

Small Business & Entrepreneurship Council Calls Obama's Economic Policies "Misguided" And Say They Are Preventing Businesses From Hiring. "Misguided economic policies advocated by the Obama administration and congressional Democrats have increased taxes on companies and are taking a major toll on hiring decisions by business leaders, claims Small Business & Entrepreneurship (SBE) Council president and CEO Karen Kerrigan." (Jay Heflin, "Small Business Group Blames Democrats For Prolonged Downturn," [The Hill](#), 8/12/10)

- **President Obama's Efforts To Fix The Economy Have Included Taxes And Regulations That Are Counterproductive.** "Kerrigan claims efforts to reform the healthcare system, fix financial regulators, and shore-up the economy have included tax increases aimed at businesses that punish job creation and investment, which hinders economic growth." (Jay Heflin, "Small Business Group Blames Democrats For Prolonged Downturn," [The Hill](#), 8/12/10)

"Democratic U.S. Rep. John Yarmuth Lashed Out At President Barack Obama's Economic Team Thursday, Saying They Show More Concern For Wall Street Than Average Americans In A Blunt Election-Year Assessment From An Obama Loyalist Frustrated By A Tepid Economic Recovery." (Bruce Schreiner, "Dem Yarmuth Critical Of White House Economic Team," [Associated Press](#), 8/12/10)

Rep. John Yarmuth (D-KY) Says The White House Is More Concerned About Goldman Sachs Making Money Than The American People. "I'm not real happy with our economic team in the White House. . . They think it's more important that Goldman Sachs make money than that you make money. And that's where we've got to change the attitude of this country. . . I think we have an opportunity to really regain the confidence of the American people if we show here's where we're going to go and why. . . I don't think the administration's done that yet." (Bruce Schreiner, "Dem Yarmuth Critical Of White House Economic Team," [Associated Press](#), 8/12/10)