

Center for American Progress



PROGRESS REGRESS

*Economic Performance Under Presidents
Bill Clinton and George W. Bush*

PROGRESS

President Clinton took office at a time of large deficits and high unemployment. The country was headed in the wrong direction after more than a decade of supply-side economics. President Clinton turned the country around by adopting progressive economic policies that focused on reducing the budget deficit, halting the widening gap between rich and poor, and spurring innovation and investment. By the end of his term, these progressive policies had yielded the longest sustained period of economic growth in American history and more than 23 million new jobs.

Blue = Clinton

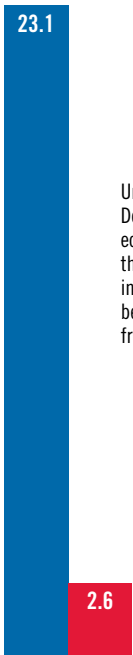
REGRESS

Despite the clear success of progressive policies in the 1990s, President Bush returned the country to the failed economic strategy of focusing on the very wealthy under the theory that their success would “trickle down” to everyone else. It didn’t work out that way. President Bush cut taxes repeatedly for high-income earners and on capital gains, with the promise that those cuts would result in impressive growth for everyone. The rich were doing very well after eight years of supply-side policies, but everyone else was falling back. Median incomes and wages were down, poverty was up, job growth was anemic, and unemployment was beginning to soar.

Red = Bush

Jobs

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New jobs created in millions

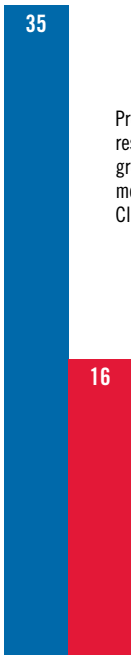


Unemployment reached a 30-year low in December 2000 under President Clinton's economic policies. But job growth under the Bush administration was the worst in any cycle in more than 60 years, even before the onset of the Great Recession from 2001 to 2007.

Economic growth

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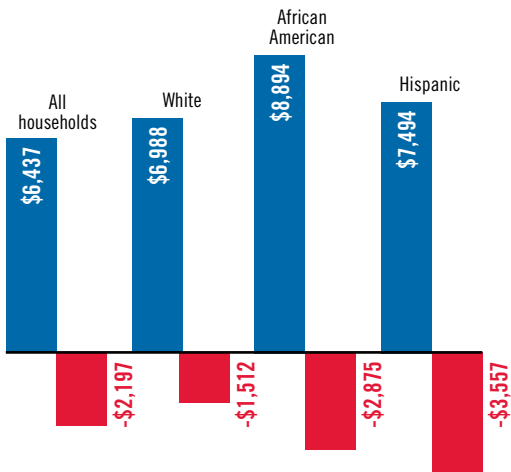
Percent increase in inflation-adjusted GDP



President Clinton's economic policies resulted in the longest period of economic growth in U.S. history. The economy grew more than twice as fast under President Clinton than it did under President Bush.

Household income

Change in median household income in inflation-adjusted dollars



The median household income increased by 14 percent during President Clinton's two terms in office, the highest increase for any two-term president. Under President Bush's economic policies, median household income decreased for the first time since the mid-1960s.

Wages

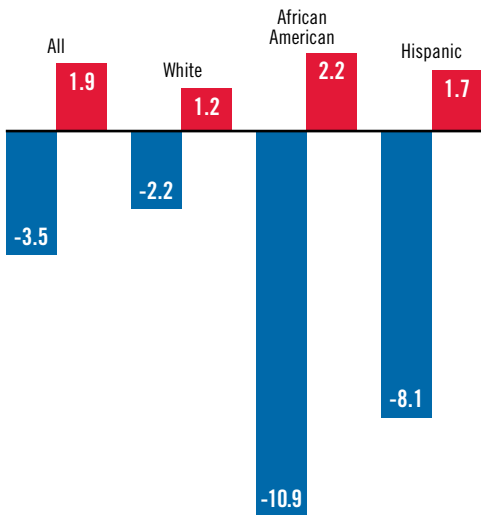
Change in median annual wage in inflation-adjusted dollars



Wages and salaries rose significantly under President Clinton's economic policies. But men actually saw their wages decline and women's wages stagnated under President Bush.

Poverty

Percent change in the poverty rate

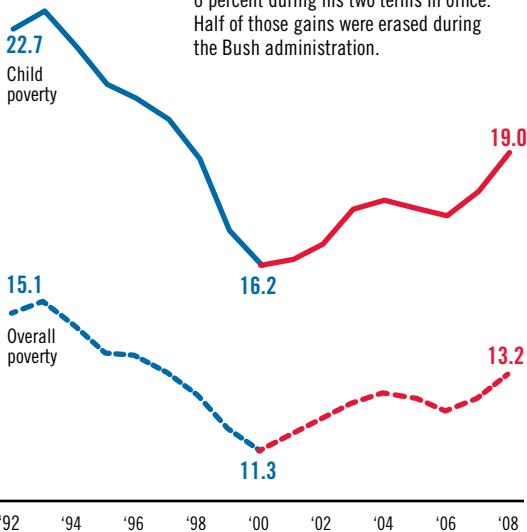


President Clinton's economic policies helped bring nearly 8 million people out of poverty by the end of his administration, but 8.3 million people fell back into poverty over the course of President Bush's two terms.

Child poverty

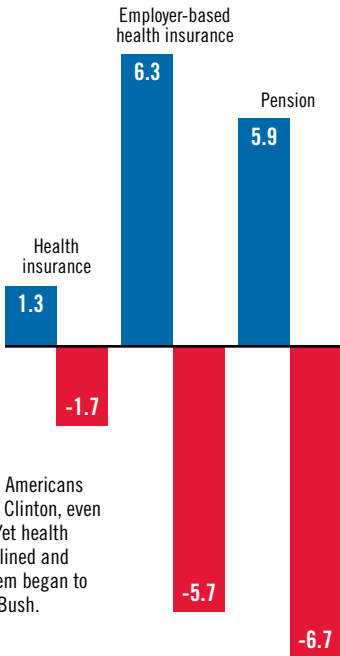
Percent living in poverty

President Clinton achieved particular success reducing the number of children in poverty, lowering the rate by more than 6 percent during his two terms in office. Half of those gains were erased during the Bush administration.



Health coverage and pensions

Percent change



The number of uninsured Americans declined under President Clinton, even as the population grew. Yet health insurance coverage declined and the employer-based system began to unravel under President Bush.

Business investment

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Percent change in net business investment as a share of GDP

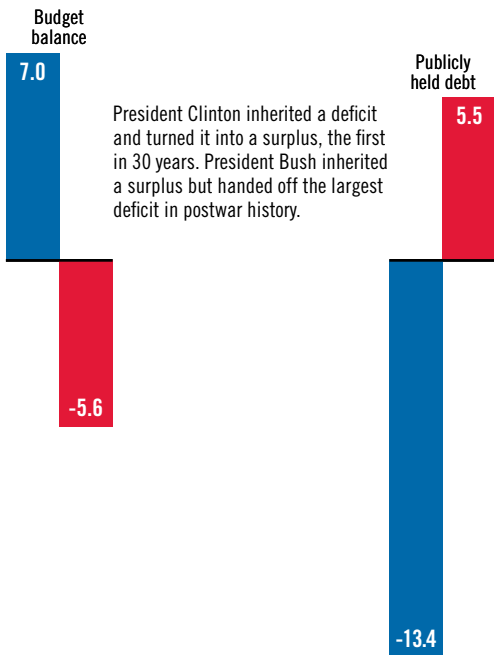


President Clinton's economic policies resulted in more business investment, while President Bush's term ended with less business investment.

Deficits and debt

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Percent change in budget balance and debt as a share of GDP



Spending and revenue

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Percent change in spending and revenue as a share of GDP

