

## GEORGE W. BUSH'S ROSE COLORED GLASSES: "I'm Not Worried About Things in Washington."

*In a recent press conference, President Bush declared, "I'm not worried about things in Washington." Apparently, the American people do not have the same pair of **rose colored glasses** as President Bush. The American people are rightfully worried about shrinking wages, "rising kitchen table costs", and skyrocketing gas prices.*

*"Ellen Westbrook, an employment counselor in Asheville, North Carolina, says she just rolls her eyes when she hears about how the U.S. economy is strong and getting stronger. 'I've seen 300 manufacturing jobs disappear down here in the last three weeks,' she says. 'How can I think the economy is good when I am watching high-paying jobs disappear overseas?'" [Bloomberg, 5/31/05]*

**POLLS: Americans Disagreed With Bush's Rosy Analysis of the Economy.** According to the most recent AP-Ipsos poll, just 41 percent of Americans approve of the job Bush is doing on the economy; down from 47 percent in January 2005. A big part of their worries are due to record high gas prices. The same poll shows 64 percent believe gas prices will cause their family financial hardship and, despite recent passage of the Bush energy bill, 59 percent say that Bush is not handling the nation's energy problems effectively. [AP-Ipsos Poll, 8/9-11/05]

- **42 Percent Say Economy Has Worsened Over Past Year.** An NBC News/Wall Street Journal poll conducted May 12-16 illustrates the gap between Bush and the public: 42 percent of those surveyed said the economy has worsened in the past year, the highest such reading in two years. For the first time in Bush's presidency, a majority says the economy will be in worse shape a year from now. More than 60 percent say Bush hasn't paid enough attention to record gasoline prices, jobs and health care. [Bloomberg, 5/31/05]
- **GOP Strategist said, "Americans Won't Believe" Bush's Rosy Economic Rhetoric.** "You can't tell the American people, Happy days are here again, if they're angry about gas prices and afraid for their jobs," says Republican pollster Frank Luntz, who helped devise and sell the 'Contract With America' that helped his party take control of Congress in 1994. 'They won't believe it.'" [Bloomberg, 5/31/05]

**GAS PRICES: Americans Face Higher Gas Prices and Their Negative Effect on Economy.** Retail gas prices hit another record high over the past three weeks, mirroring a rapid increase in the cost of crude oil. The average price for all three grades rose nearly 22 cents to \$2.53 in the three-and-a-half weeks ending August 16. [Energy Information Administration, 8/16/05; Lundberg, 8/15/05; BusinessWeek, April 15, 2005]

**DEFICITS: No Change in Long-Term Shortfall; Deficits Still Predicted to Total \$4 Trillion Over Next Decade.** In contrast to Bush’s optimistic spin on higher revenues for 2005, a recent CBO study shows that there has been little change in the outlook for the budget in coming years. In particular, the increase in revenues touted by the Administration was mostly caused by temporary factors such as an increase in corporate tax receipts. More importantly, there has been no real improvement in the bleak deficit outlook for the next 10 years. When Bush’s proposals to extend his tax cuts and continue to fund the wars in Iraq and Afghanistan are accounted for, projected deficits never dip below \$330 billion over the next decade and total \$4.0 trillion over the 2006-2015 period. [OMB, 8/15/05; CBPP, 8/15/05]

**HOME FORECLOSURES: Home Foreclosures By Record Levels in June 2005—the Latest Figures Available.** “The number of properties entering foreclosure nationwide increased to 67,024 in June compared to 62,432 in May. That was the highest number of new foreclosures reported in any one month in 2005, and caused a 7.4-percent increase in the nation’s foreclosure rate, with one new foreclosure for every 1,726 households.” [PR Newswire US, 7/27/05; <http://www.realtytrac.com/>]

**KITCHEN TABLE COSTS: Families Faced Higher “Kitchen Table Costs”.** “Families are paying much more for “kitchen table costs” including health care and education. Brand name drug prices rose last year by more than twice the rate of inflation, the largest increase in the five years it has monitored prices according to a study released by the AARP. Under President Bush, health care costs for families have skyrocketed almost 50 percent and college tuition has gone up about 36 percent, even taking inflation into account.” In fact, health insurance costs are expected to rise by 12.6 percent this year alone—increasing the burden on both employers and employees in making ends meet. [KFF, 2004; College Board, 2004; [Bloomberg](#), 8/15/05]