

ECONOMIC RECOVERY: WHAT A DIFFERENCE A YEAR MAKES

In October 2008, Democrats worked with the Bush Administration to pass the Troubled Asset Relief Program in order to prevent another Great Depression. Now, more than a year later and after major efforts by Democrats, our economy is seeing signs of improvement. We lost fewer jobs in November than we did in any single month since December 2007, GDP is growing, and the Dow is up. What a difference a year – and effective Democratic action – makes in addressing the problems facing our nation.

October 3, 2008: Congress passes TARP and President Bush signs it into law.

October 6, 2008: Dow drops below 10,000 for the first time in 4 years.

January 21, 2009: President Obama takes office and inherits an economy hemorrhaging 741,000 jobs that month and the Dow at 8,228 and dropping.

February 17, 2009: The American Recovery and Reinvestment Act is signed into law.

March 9, 2009: Dow drops to 6,547.05.

May 20, 2009: The House passes the Job Creation Through Entrepreneurship Act to help small businesses access capital and credit.



June 9, 2009: The House passes “Cash for clunkers.”

October 8, 2009: The Administration announces that Recovery Act spending is ahead of schedule – with 50 percent obligated, exceeding CBO’s initial projections for the program.

October 14, 2009: The Dow Jones Industrial Average reached 10,000 for the first time in a year.

November 6, 2009: President Obama signs into law an expanded Homebuyer Tax Credit, originally passed in ARRA.

November 24, 2009: The Gross Domestic Product rises 2.8% in the third quarter, with much of that growth attributable to government action, including the American Recovery and Reinvestment Act.

November 30, 2009: The nonpartisan Congressional Budget Office found that in the third quarter, an additional 600,000 to 1.6 million people were employed in the U.S. and GDP was 1.2 to 3.2 percent higher than it would have been without ARRA.

December 1, 2009: The National Association of Realtors announced that the number of signed contracts increased for the ninth consecutive month – 31.8% higher than a year ago and the biggest year-over-year gain in the history of the index – an indication that the first-time homebuyer tax credit put in place is working.

December 4, 2009: The unemployment rate drops to 10% and job losses dramatically decline, with only 11,000 American jobs lost in November 2009, compared to 741,000 jobs that were lost during the last month of the Bush Administration.

December 7, 2009: The Obama Administration announces that the long-term cost of the Troubled Asset Relief Program will be at least \$200 billion less than previously projected, which will help bring down the projected federal budget deficit.

Prepared by the Office of Majority Leader Steny Hoyer, 12/8/09