



ISSUE BRIEF

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Oregon Not Alone: Bush Tax Cuts Fail to Provide Promised Job Growth in 47 States

State-by-state data released today by the U.S. Bureau of Labor Statistics shows that job growth in Oregon and most other states lags far behind what was projected by the Bush Administration when it lobbied for the 2003 “Jobs and Growth” tax cuts. In Oregon there were nearly 20,000 fewer jobs than what was promised by the Administration. Nationally, the shortfall was almost 1.9 million jobs.

Since June 2003, the Oregon economy has added merely 10,500 jobs. An Economic Policy Institute analysis shows that the Bush Administration was predicting the creation of more than 30,000 jobs by January 2004 (Table 1).¹

Table 1. Job Growth Falls Short of Administration Promises

	Bush Tax Plan Jobs Target Through January 2004	Actual Jobs "Created" Through January 2004	Shortfall
UNITED STATES	2,142,000	273,000	-1,869,000
Oregon	30,100	10,500	-19,600

Source: EPI analysis of administration and BLS data.

Oregon was not alone in job growth falling short of the Bush Administration’s projections. Job growth in 47 other states and Washington, D.C. also fell short of the Administration’s promises. Only Alaska, Hawaii, and Wyoming experienced the job growth predicted by the Administration between June 2003 and January 2004 (Table 2).

Although they failed to generate the promised job growth, the Bush Administration’s tax cuts have generated considerable long-term deficits. The President's official budget omits major expected expenses, such as the continuing military presence in Iraq. When these costs are included, the federal deficit is projected to reach more than \$400 billion by 2009.² Three quarters of the projected deficits are due to decreased federal revenue that is largely a result of the Administration’s tax cuts.³ Instead of reducing the size of the federal tax cuts, the Bush Administration is promising further tax cuts and significant long-term cuts to federal domestic discretionary programs, including programs like Head Start, low-income housing vouchers, and environmental and veterans programs.⁴

Endnotes

¹ See www.jobwatch.org.

² Kogan, Richard, Joel Friedman, and John Springer, “Does the President’s 2005 Budget Really Cut the Deficit in Half?,” Center on Budget and Policy Priorities, February 3, 2004.

³ Shapiro, Isaac and Joel Friedman, “CBO Figures Indicate Lower Revenues, Not Higher Spending, Account for the Large Deficit,” Center on Budget and Policy Priorities, January 26, 2004.

⁴ “Administration’s Budget Would Cut Heavily into Many Areas of Domestic Discretionary Spending After 2005,” Center on Budget and Policy Priorities, March 5, 2005.

Table 2. Bush Administration "Jobs and Growth Plan" Job Projections Versus Actual (in thousands)

	Bush Tax Plan Jobs Target Through January 2005	Actual Jobs "Created" Through January 2004	Shortfall
UNITED STATES	2142.0	273.0	-1869.0
Alabama	20.2	7.1	-13.1
Alaska	4.3	5.5	1.2
Arizona	66.9	43.5	-23.4
Arkansas	13.2	4.6	-8.6
California	251.8	49.9	-201.9
Colorado	43.2	-13.1	-56.3
Connecticut	20.2	-2.7	-22.9
Delaware	6.1	1.8	-4.3
District of Columbia	9.7	5.2	-4.5
Florida	153.0	99.6	-53.4
Georgia	94.8	52.2	-42.6
Hawaii	7.2	11.1	3.9
Idaho	12.1	3.5	-8.6
Illinois	74.7	-20.8	-95.5
Indiana	37.7	27.6	-10.1
Iowa	19.4	12.0	-7.4
Kansas	13.2	4.0	-9.2
Kentucky	25.2	13.1	-12.1
Louisiana	17.3	6.7	-10.6
Maine	7.0	3.5	-3.5
Maryland	44.4	13.8	-30.6
Massachusetts	45.5	-25.1	-70.6
Michigan	62.1	-40.8	-102.9
Minnesota	34.4	13.0	-21.4
Mississippi	17.6	10.4	-7.2
Missouri	32.5	10.7	-21.8
Montana	5.2	0.9	-4.3
Nebraska	13.3	3.8	-9.5
Nevada	45.2	32.7	-12.5
New Hampshire	11.2	0.0	-11.2
New Jersey	62.7	31.1	-31.6
New Mexico	15.9	7.4	-8.5
New York	104.3	13.0	-91.3
North Carolina	79.1	14.5	-64.6
North Dakota	2.9	-0.7	-3.6
Ohio	70.5	-11.8	-82.3
Oklahoma	18.2	-5.7	-23.9
Oregon	30.1	10.5	-19.6
Pennsylvania	66.6	-39.0	-105.6
Rhode Island	4.6	3.5	-1.1
South Carolina	33.7	18.7	-15.0
South Dakota	6.3	2.2	-4.1
Tennessee	45.0	19.9	-25.1
Texas	211.5	23.7	-187.8
Utah	21.0	13.6	-7.4
Vermont	4.0	1.4	-2.6
Virginia	66.6	36.9	-29.7
Washington	41.1	21.7	-19.4
West Virginia	5.6	-3.3	-8.9
Wisconsin	37.7	18.2	-19.5
Wyoming	2.9	3.8	0.9

Source: EPI analysis of administration and BLS data.