



Is Job Creation on Obama's Second-Term Agenda?

Posted: 11/09/2012 11:40 am

The American public has repeatedly indicated that the health of the economy is their biggest concern. An [AP election-day exit poll](#) found that 59 percent of voters considered the economy to be the most important issue facing the country while only 15 percent considered the deficit to be the number one issue. And when voters say "the economy" they mean [jobs and the rising cost of living](#).

President Obama's reelection depended significantly on America's [growing numbers](#) of racial and ethnic minorities. For these groups too, the economy is the number one issue. An [October CNN poll](#) found that 44 percent of Latinos considered the economy to be the most important issue. Only 6 percent mentioned the deficit. Immigration reform ranked second at 14 percent. A [survey of black voters](#) in battleground states also found that jobs and wages were top issues for blacks.

Obama received an impressive 11 percentage-point gain in his share of the [Asian-American electorate](#) in the 2012 election relative to 2008. This increase in Asian votes [helped](#) him win the swing state of Virginia. For Asian-American voters as with other groups, the economy is the number one issue. This year's [National Asian American Survey](#) found that 55 percent of Asian American likely voters stated that the economy was the major problem facing the country. Only three percent put the deficit first.

Americans of all races agree that restoring the American economy to a condition where it is strongly creating jobs and producing rising incomes is the most important issue facing the country. Surprisingly, President Obama seems to have left this out of his second term priorities. In his [victory speech](#), Obama stated:

And in the coming weeks and months, I am looking forward to reaching out and working with leaders of both parties to meet the challenges we can only solve together: reducing our deficit; reforming our tax code; fixing our immigration system; freeing ourselves from foreign oil.

These are all important items, but this list does not explicitly include creating jobs and lifting incomes. We know that [deficit reduction](#) actually runs the risk of weakening a still weak economy further and costing jobs. Thus, aggressive deficit reduction is contrary to the wishes of the majority of voters.

There is, of course, good reason for the American public to consider jobs and incomes the number one priority. We still need [9 million jobs](#) to return the unemployment rate to where it was at the start of the recession in 2007. At our current pace of job creation, we will have to wait another eight years before we again see an unemployment rate at pre-recession levels.

At least, the national unemployment rate has remained below 10 percent. Blacks, however, have endured unemployment rates of [over 10 percent](#) for more than four years. At the current rate of job creation, it will take about three more years before the black unemployment rate drops below 10 percent. Without additional federal job-creation efforts, blacks face the prospect of nearly a decade of extremely high unemployment rates.

In addition to jobs, the public is concerned about declining incomes. From 2007 to 2010, [median household income](#) declined 5.4 percent for whites, 7.2 percent for Latinos, 10.1 percent for blacks and 7.5 percent for Asians. It is increasingly difficult to make ends meet when prices are rising at the same time that incomes are declining.

High unemployment and declining incomes means that a large share of the American public is facing significant economic hardship. President Obama can keep deficit reduction on his second-term agenda, but he needs to make certain that it does not interfere with the public's number one priority -- job creation.

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